

AGENDA



Thursday, February 25, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 45

Subject: Authorize award and execution of a 12-month requirements supply contract with US PEROXIDE, LLC, Atlanta, GA for the purchase of 50% hydrogen peroxide in an estimated amount not to exceed \$279,000, with two 12-month extension options in an estimated amount not to exceed \$279,000 per extension option, for a total estimated contract amount not to exceed \$837,000.

Amount and Source of Funding: Funding in the amount of \$162,750 is available in the Fiscal Year 2009-2010 Operating Budget of the Austin Water Utility. Funding for the remaining five months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

For More Information: Roy Rivers, Buyer II/974-2596

Purchasing Language: Lowest bid of two bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

Boards and Commission Action: Recommended by the Water & Wastewater Commission.

This contract will provide for a readily available source of supply for hydrogen peroxide for the Austin Water Utility's Boggy Creek Lift Station. Hydrogen peroxide is used for the treatment of effluent wastewater discharged and the prevention of corrosive odors from developing at the lift station. The hydrogen peroxide will be dosed from the secured Govalle Wastewater Treatment Plant.

In the past, wastewater has been treated with a more expensive bioxide. The Boggy Creek Lift Station application presents an excellent opportunity to save in the costs of treatment by using a higher effective hydrogen peroxide, thereby reducing the volume of product needed.

MBE/WBE solicited: 3/0

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Ninety-one notices were sent, including three MBEs. There are no known WBEs available for this commodity. Two bids were received, with no response from the MBEs.
- c. This is the first purchase of its type; therefore, there is no pricing history available. AWU previously purchased Bioxide for use in this same application at a higher cost.

APPROVAL JUSTIFICATION

- a. Lowest bid received.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.