

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

54100

Agenda Number

22.

Meeting Date:

February 4, 2016

Department:

Purchasing

Subject

Authorize award and execution of a 36-month contract with FORSYTHE BROTHERS INFRASTRUCTURE, LLC to provide magnesium hydroxide slurry and equipment in an amount not to exceed \$1,203,060, with three 12-month extension options in an amount not to exceed \$401,020 per extension option, for a total contract amount not to exceed \$2,406,120.

Amount and Source of Funding

Funding in the amount of \$267,347 is available in the Fiscal Year 2015 – 2016 Operating Budget of Austin Water. Funding for the remaining 28-months of the original contract period and extension options are contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing
Language:

Lowest bid received.

Prior Council
Action:



For More
Information:

Steve Aden, Purchasing Manager, 512-974-2003

Boards and
Commission
Action:

January 13, 2016 - Recommended by the Water and Wastewater Commission on a 7-0 vote with Commissioner's Penn, Lee, Kellough and Parker absent.

Related Items:

MBE / WBE:

This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there were insufficient subcontracting opportunities; therefore no subcontracting goals were established.

Additional Backup Information

The contract establishes a supply contract for the purchase of magnesium hydroxide slurry, an odor/corrosion control media, to be used in the wastewater collection system for seven lift stations within Austin Water. In addition, the contractor shall provide chemical application systems at each site and provide maintenance throughout the life of the contract.

The magnesium hydroxide slurry is applied to wastewater to make it less acidic. The benefits of reduced acidity are:

- a) Emission of hydrogen sulfide gas (the "rotten egg" smell) is reduced in the system and the facility;
- b) Fats, oils and greases formed in the system are reduced; and
- c) The life expectancy of infrastructure – facility and piping – is increased.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

BID TABULATION

IFB No. STA1168

Magnesium Hydroxide Slurry, Equipment Supply and O&M Maintenance
(14 line item)

<u>VENDOR</u>	<u>BASE BID (ADDITIVES 1-4) TOTAL BID</u>	<u>BASE BID ADDITIVES 1 & 4 AWARD AMOUNT</u>
Forsythe Brothers Infrastructure, LLC Austin, TX	\$611,170.00	\$401,020.00
Premier Magnesia, LLC Conshohocken, PA	\$792,478.00	

(Note: Bidders were informed in the bid documents and at the Pre-Bid Conference that award would be based upon availability of funds for the Base Bid and the four additives listed on the bid sheet. Based upon the funding and pricing provided award was made for the base bid and two of the four additives.)

A complete solicitation package, including bid tabulation, is on file with the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#)

PRICE ANALYSIS

- a. Adequate competition.
- b. 28 notices were sent, and there are no known MBE or WBE firms listed under this commodity. Two bids were received, with one "No Bid" was received.
- c. Previous purchase for this product was made via a sole source since the contractor held a patent on the product. Since the last purchase made in May 2011 other products have been found which meet the City's requirements. A comparison of the prices from the previous contract could not be made since the product purchased then was per/gallon and the price reflected in this contract is per/ton.

APPROVAL JUSTIFICATION

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