



**Purchasing Supply Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA ITEM NO.: 30
AGENDA DATE: Thu 03/03/2005
PAGE: 1 of 2**

SUBJECT: Authorize execution of a 3-month supply agreement with CHLOR-SERV, INC, Hutto, TX, (WBE/FR-100%) for liquid sodium hypochlorite for the Austin Water Utility in an amount not to exceed \$90,000, with one 3-month extension option in an amount not to exceed \$90,000, for a total agreement amount not to exceed \$180,000.

AMOUNT & SOURCE OF FUNDING: Funding is available in the Fiscal Year 2004-2005 Approved Operating Budget of the Austin Water Utility.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT:for Austin Water Utility; **AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: Stephen T. Aden, Supervising Senior Buyer, 974-2021.

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: Lowest bid of five bids received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 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.

This contract establishes a 3-month supply agreement with Chlor-Serv, Inc. to provide 150,000 gallons of liquid sodium hypochlorite (chlorine) for the Austin Water Utility's South Austin Regional (SAR) Wastewater Treatment Plant. Sodium Hypochlorite is used to disinfect the wastewater at the plant. Disinfection is required for regulatory compliance in accordance with the Texas Commission on Environmental Quality requirements.

Currently the City has a contract for the supply of liquid chlorine in bulk quantities for treatment at several of its plants, including SAR. In August 2003, SAR began construction at the facility which was to include expansion of the chlorine treatment area. Construction for this area was estimated to be completed in February 2004, however, due to delays caused by the discovery and remediation of asbestos, work for the chlorine treatment area did not begin until February 2005. The construction has temporarily eliminated the use of bulk liquid chlorine at this facility. While SAR remains under construction, equipment has been set up for the use of liquid chlorine in gallon quantities on a temporary basis so that the treatment process can continue.

MBE/WBE solicited: 0/1

MBE/WBE bid: 0/1



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BID TABULATION
(150,000 gallons Liquid Sodium Hypochlorite)
IFB No. SA05100023

<u>VENDOR</u>	<u>UNIT PRICE</u>	<u>TOTAL BID</u>
Chlor-Serv, Inc. (WBE/FR) Hutto, TX	\$0.60	\$90,000
Commercial Chemical Houston, TX	\$0.64	\$96,000
DPC Industries San Antonio, TX	\$0.645	\$96,750
Altivia Corporation Houston, TX	\$0.695	\$104,250
Univar USA San Antonio, TX	\$0.70	\$105,000

PRICE ANALYSIS

- Adequate competition.
- Twenty-six notices were sent including one WBE firm. There were no MBE firms listed under this commodity. Five solicitations were issued including one WBE firm. Five bids were received including one WBE.
- In comparison to the previous contract awarded in August 2003, this contract represents a 12% increase. This can be attributed to the rising cost in chemicals and transportation.

APPROVAL JUSTIFICATION

- Low bidder.
- The Austin Water Utility concurs with the recommended award herein.
- Advertised in the Austin American-Statesman and Internet.