

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	14179	Agenda Number	34.
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Meeting Date:	April 26, 2012
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Department:	Purchasing
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Subject

Authorize award and execution of a 24-month requirements supply agreement with SHANNON CHEMICAL CORP., for liquid phosphate for the Austin Water Utility to treat drinking water at the treatment plants in an estimated amount not to exceed \$1,222,640, with two 12-month month extension options in an estimated amount not to exceed \$611,320 per extension option, for a total estimated contract amount not to exceed \$2,445,280.

Amount and Source of Funding

Funding in the amount of \$203,774 is available in the Fiscal Year 2011-2012 Operating Budget of the Water Utility Department. Funding for the remaining twenty 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.

Purchasing Language:	Lowest bid.
Prior Council Action:	
For More Information:	Jeff Dilbert, Buyer II, 974-2651
Boards and Commission Action:	Recommended by the Water and Wastewater Commission.
Related Items:	
MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9C 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.

Additional Backup Information

This contract establishes an annual agreement for the supply of liquid phosphate for the Austin Water Utility (AWU). Liquid phosphate is used to treat the drinking water at the water treatment plants to stabilize the water for corrosion control, scale prevention, iron and manganese stabilization and hardness stabilization.

MBE/WBE solicited: 1/0

MBE/WBE bid: 0/0

BID TABULATION - JSD0007
Liquid Phosphate
(Estimated Annual Expenditure \$611,320)

Shannon Chemical Corp Malvern, PA	\$5.27	\$611,320
Carus Corporation Peru, IL	\$5.358	\$621,528
Armstrong Water The Woodlands, TX	\$5.60	\$649,600
Napco Chemical Co Spring, TX	\$6.30	\$730,800
F2 Industries, LLC Smyrna, TN	\$6.59	\$764,440
Brenntag Southwest Houston, TX	\$6.692	\$776,272

Complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

PRICE ANALYSIS

- a. Adequate competition.
- b. Forty-seven notices were sent, including one MBE. There were no WBE firms listed under this commodity. Six bids were received.
- c. The pricing offered represents a 24% decrease from the last contract award in April 2009.

APPROVAL JUSTIFICATION

- a. Lowest bid received. Shannon Chemical is not the current provider.
- b. The Purchasing Office concurs with Austin Water Utility Department recommended award.

c. Advertised in the Austin American-Statesman and on the Internet.