

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	23525	Agenda Number	32.
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Meeting Date:	April 25, 2013
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Department:	Purchasing
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## Subject

Authorize award and execution of a 36-month requirements supply contract with PREMIER MAGNESIA to provide magnesium hydroxide slurry and equipment for the Austin Water Utility Department, in an estimated amount not to exceed \$750,000, with three 12-month extension options in estimated amounts not to exceed \$250,000 for each extension option, for a total estimated contract amount not to exceed \$1,500,000.

## Amount and Source of Funding

Funding in the amount of \$125,000 is available in the Fiscal Year 2012-2013 Operating Budget of the Austin Water Utility Department. Funding for the remaining 30 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 received.
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Prior Council Action:	
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For More Information:	Erin D'Vincent, Buyer II, 972-4017
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Boards and Commission Action:	April 10, 2013 - Approved by the Water and Wastewater Commission on a 5-0 vote.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9D (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.
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## Additional Backup Information

This contract is for the purchase of magnesium hydroxide slurry and related feed equipment for the Austin Water Utility Department for the Walnut Creek Waste Water Treatment Plant (WWTP). The Walnut Creek WWTP has faced increasing difficulty in maintaining a stable, reliable process in all secondary treatment trains due to aging equipment and changing influent characteristics. Initial measures taken to address this situation have had only limited success. In the summer of 2011, the Davis Water Treatment Plant (WTP) was able to start discharging their excess lime slurry, a source of alkalinity and byproduct of the water treatment process into the Crosstown Tunnel for delivery to the Walnut Creek WWTP. This lime supplements the decreased alkalinity naturally available in the wastewater and is a required element in achieving proper wastewater treatment. The Hornsby Bend Biosolids Management Plant is negatively impacted from the lime slurry which settles in Walnut Creek WWTP's primary clarifiers and has dramatically increased the quantity of sludge that has to be processed.

A Capital Improvement Project has been initiated to rehabilitate and reconfigure the plant's secondary treatment process. This project, the Walnut Creek WWTP Secondary Process Improvements project, will identify, design, and build improvements which will directly address the alkalinity deficit. However, due to the time it will take to design and implement the project, both Hornsby Bend and Walnut Creek need a workable, interim solution to sustain reliable operations. The Magnesium Hydroxide service contract will be used to bolster the plant's treatment process until the secondary process improvements project can implement a permanent solution.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

#### **BID TABULATION**

IFB No. EAD0213

Magnesium Hydroxide Slurry and Equipment  
(2 line items)

<b><u>Vendor</u></b>	<b><u>Total Price</u></b>
Premier Magnesia, LLC Conshohocken, PA	\$223,600
Garrison Minerals, LLC Denver, CO	*

\*Garrison Minerals, LLC was disqualified for not submitting all of the required forms and therefore cannot be considered for award.

The expenditures for the first 12 months of this contract are estimated to be \$250,000. A copy of the complete bid tabulation is on file in the Purchasing Office and is on the City of Austin, FASD Purchasing Office website.

#### **PRICE ANALYSIS**

- Adequate competition.
- Fifteen notices were sent. Two bids were received. There are no known MBEs/WBEs registered for this commodity.
- This is the first contract of its type; therefore, there is no pricing history available.

#### **APPROVAL JUSTIFICATION**

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