

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council		Item ID:	31945	Agenda Number	29.
Meeting Date:		April 17, 2014			
Department:		Purchasing			
Subject					
Authorize award and execution of a 24-month requirements supply contract with BRENNTAG SOUTHWEST, INC. for sodium hypochlorite for the Austin Water Utility to be used at the South Austin Regional Wastewater Treatment Plant in an amount not to exceed \$1,395,249 with two 12-month extension options in an amount not to exceed \$697,625 per extension option for a total contract amount not to exceed \$2,790,498 or the following qualified bidder, consistent with local preference law, FSTI, INC. in amount not to exceed \$1,412,550 with two 12-month options in an amount not to exceed \$706,275 per extension option for a total contract amount not to exceed \$2,825,100.					
Amount and Source of Funding					
Funding in the amount of \$290,677 is available in the Fiscal Year 2013 – 2014 Operating Budget of the Austin Water Utility. Funding for the remaining nineteen 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.				
Prior Council Action:	March 12, 2014 – Approved by the Water and Wastewater Commission on a vote of 6-0-1.				
For More Information:	Steve Aden, Purchasing Manager, 512-972-0047				
Boards and Commission Action:					
Related Items:					
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.				

### Additional Backup Information

This contract with Brenntag Southwest, Inc. is for the purchase of sodium hypochlorite which is bleach used to disinfect the wastewater. The product will be delivered and stored at the South Austin Regional Wastewater Treatment Plant on an as needed basis.

MBE/WBE solicited: 2/2

MBE/WBE bid: 0/0

#### **BID TABULATION**

IFB No. STA1104  
Sodium Hypochlorite  
(1 line item (1,095,000 gallons))

<b><u>VENDOR</u></b>	<b><u>UNIT PRICE</u></b>	<b><u>TOTAL BID</u></b>
Brenntag Southwest, Inc. Houston, TX	\$0.6371	\$697,624.50
DXI Industries, Inc. Houston, TX	\$0.6374	\$697,953.00
FSTI, Inc. Austin, TX	\$0.6450	\$706,275.00

**NOTE:** Complete copy of the 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. Eighty notices were sent, including 2 MBE and 2 WBE firms. Three bids were received, with no MBE or WBE firms responding.
- c. The pricing offered represents a 17% decrease from the previous contract awarded February 2012. In review of the Producer Price Index there has been a decrease in cost of the product by 19.6%.

#### **APPROVAL JUSTIFICATION**

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