

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	32783	Agenda Number	20.
Meeting Date:	May 22, 2014			
Department:	Purchasing			

Subject

Authorize award and execution of a 24-month requirements supply agreement with DXI INDUSTRIES, INC. for the purchase of liquid sulfur dioxide for the Austin Water Utility in an estimated amount not to exceed \$373,520 with two 12-month extension options in an amount not to exceed \$187,760 per extension option, for a total contract amount not to exceed \$747,040.

Amount and Source of Funding

Funding in the amount of \$62,253 is available in the Fiscal Year 2013 – 2014 Operating Budget of the Austin Water Utility. Funding for the 24-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:	Sole bid received.
Prior Council Action:	
For More Information:	Steve Aden, Purchasing Manager, 512-972-4040
Boards and Commission Action:	Recommended by the Water and Wastewater Commission on May 14, 2014 on a 6-0-0-1 vote.
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 DXI Industries, Inc. Houston, TX will establish a supply of Liquid Sulfur Dioxide for the Austin Water Utility (AWU). Liquid Sulfur Dioxide is used at the wastewater treatment plants to treat the chlorinated wastewater prior to release. Sulfur dioxide reduces free and combined chlorine to chloride. This reduction prior to release is required by the Texas Commission on Environmental Quality. The product will be ordered on an as needed basis in one-ton containers for use at the South Austin Regional (SAR) Wastewater Treatment Plant and Walnut Creek Wastewater Treatment Plant.

MBE/WBE solicited: 5/0

MBE/WBE bid: 0/0

BID TABULATION

IFB No. STA1108

Liquid Sulfur Dioxide in One-Ton Containers
(2 line item (280 Tons))

<u>VENDOR</u>	<u>UNIT PRICE</u>	<u>TOTAL BID</u>
DXI Industries, Inc. Houston, TX	\$667.00	\$187,760.00

NOTE: Complete copy of the bid tabulation is on file in the Purchasing Office and is on the City of Austin, FSD Purchasing Office website.

PRICE ANALYSIS

- a. Sole bidder. The solicitation was extended five times to obtain additional competition.
- b. One hundred and eight notices were sent, including 5 MBE, there were no WBE firms listed. One bid was received, with no MBEs responding.
- c. The pricing offered represents a 9% increase from the previous contract awarded May 2012.

APPROVAL JUSTIFICATION

- a. Sole 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.