



Recommendation for Water & Wastewater Commission

Commission Meeting Date:	January 13, 2016
Council Meeting Date:	January 28, 2016
Department:	Purchasing
SUBJECT	
Authorize award and execution of a 36-month requirements supply contract with FORSYTHE BROTHERS INFRASTRUCTURE, LLC , to provide magnesium hydroxide slurry and equipment for Austin Water, in an amount not to exceed \$1,203,060 with three 12-month extension options in an amount not to exceed \$401,020 per extension option, for a total contract amount not to exceed \$2,406,120.	
AMOUNT AND SOURCE OF FUNDING	
Funding in the amount of \$267,347 is available in the Fiscal Year 2015 – 2016 Operating Budget of Austin Water. Funding for the remaining 28-months of the original contract period and extension options are contingent upon available funding in future budgets.	
Purchasing Language:	Lowest bid received.
Prior Council Action:	April 7, 2011- Council approved a 36-month requirements supply contract for magnesium hydroxide. June 27, 2013- Council approved a 36-month requirements supply contract for magnesium hydroxide slurry and equipment.
For More Information:	Steve Aden, 512-972-0047; Soo Koon Soon, 512-972-2056
Boards and Commission Action:	January 13, 2015- To be reviewed by the Water and Wastewater Commission.
MBE/WBE:	This contract will be awarded in compliance with Chapter 2-9D 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 supply agreement for the purchase of magnesium hydroxide slurry, an odor/corrosion control media, to be used in the wastewater collection system for seven Lift Stations within Austin Water. In addition, the contractor shall provide chemical application systems at each site and provide maintenance throughout the life of the contract.

The magnesium hydroxide slurry is applied to wastewater to make it less acidic. The benefits of reduced acidity are:

- a) Emission of hydrogen sulfide gas (the “rotten egg” smell) is reduced in the system and the facility;
- b) Fats, oils and greases formed in the system are reduced; and
- c) The life expectancy of infrastructure – facility and piping – is increased.

MBE/WBE solicited: 0/0

MBE/WBE bid: 0/0

BID TABULATION

IFB No. STA1168

Magnesium Hydroxide Slurry, Equipment Supply and O&M Maintenance
(14 line item)

<u>VENDOR</u>	<u>BASE BID (ADDITIVES 1-4) TOTAL BID</u>	<u>BASE BID ADDITIVES 1 & 4 AWARD AMOUNT</u>
Forsythe Brothers Infrastructure, LLC Austin, TX	\$611,170.00	\$401,020.00
Premier Magnesia, LLC Conshohocken, PS	\$792,478.00	

(Note: Bidders were informed in the bid documents and at the Pre-Bid Conference that award would be based upon availability of funds for the Base Bid and the four additives listed on the bid sheet. Based upon the funding and pricing provided award was made for the base bid and two of the four additives.)

NOTE: NOTE: A complete bid tabulation is on file in the Purchasing Office and is on the City's Financial Services Austin Finance Online website at:

https://www.austintexas.gov/financeonline/vendor_connection/solicitation/search.cfm

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-eight notices were sent. There were no MBE or WBE firms listed under this commodity. Two bids were received, with one "No Bid" was received.
- c. Previous purchase for this product was made via a sole source since the contractor held a patent on the product. Since the last purchase made in May 2011 other products have been found which meet the City's requirements. A comparison of the prices from the previous contract could not be made since the product purchased then was per/gallon and the price reflected in this contract is per/ton.

APPROVAL JUSTIFICATION

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