

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

71502

Agenda Number

27.

Meeting Date:

August 3, 2017

Department:

Purchasing

## Subject

Authorize negotiation and execution of a 24-month contract with ENVIRONMENTAL IMPROVEMENTS INC., to provide proprietary chemical feed equipment parts, in an estimated amount of \$343,920, with three 12-month extension options in an estimated amount of \$171,960 per extension option, for a total contract amount not to exceed \$859,800.

## Amount and Source of Funding

Funding in the amount of \$28,660 is available in the Fiscal Year 2016 -2017 Operating Budget of the Austin Water. Funding for the remaining 22 months of the months of the original contract period and extension options are contingent upon available funding in future budgets.

## Fiscal Note

A fiscal note is not required.

Purchasing Language:

Sole Source

Prior Council Action:

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@ austintexas.gov or to the buyer, Georgia Billela, at 512-974-2939 or Georgia.Billela@ austintexas.gov

Boards and Commission Action:

June 14, 2017 – Unanimously recommended by the Water and Wastewater Commission on a 10-0 vote, with Commissioner Castleberry absent.

Related Items:

MBE / WBE:

Sole Source contracts are exempt from the City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no subcontracting goals were established.

## Additional Backup Information

The contract will provide Austin Water with Wallace and Tiernan proprietary equipment parts for the chemical feed pumps. The chemical feed pumps are used for contamination removal, disinfection, and to maintain safe drinking water. The preventative maintenance and repair on the chemical feed pumps are completed by Austin Water trained mechanics.

Environmental Improvements Inc. is the sole authorized distributor of the Wallace and Tiernan equipment parts in the State of Texas.

The current contract expired April 14, 2017. The department placed a preemptive order for parts prior to expiration that would hold Austin Water until a new contract is executed. The average spend over the previous 3 years is \$155,821 per year. The requested authorization amounts for this contract were determined using departmental estimates based on historical spend and allowed for a small annual increase to account for future price increase and increased repairs for pumps.

A contract is necessary to keep the chemical feed pumps operating. If the City is unable to secure a contract, proper maintenance and unscheduled repairs of the feed pumps would not be accomplished risking pump failures that potentially impact the City's public drinking water.

ENVIRONMENTAL IMPROVEMENTS INC.				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	24	\$ 343,920	n/a	n/a
Extension Option 1	12	\$ 171,960	n/a	n/a
Extension Option 2	12	\$ 171,960	n/a	n/a
Extension Option 3	12	\$ 171,960	n/a	n/a
<b>TOTAL</b>	<b>60</b>	<b>\$ 859,800</b>	<b>\$ -</b>	<b>\$ -</b>