

# AGENDA



## Recommendation for Council Action

### AUSTIN CITY COUNCIL

Regular Meeting: March 1, 2018

Item Number: **011**

#### Purchasing Office

Authorize award and execution of a multi-term contract with Brenntag Southwest, Inc., to provide liquid ammonium sulfate for up to five years, for a total contract amount not to exceed \$336,525. (Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

|                             |   |
|-----------------------------|---|
| <b>Lead Department</b>      | Purchasing Office.  |
| <b>Fiscal Note</b>          | Funding in the amount of \$39,261 available in the Fiscal Year 2017-2018 Operating Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.  |
| <b>Purchasing Language</b>  | The Purchasing Office issued an Invitation for Bids (IFB) 2200 GLB0067 for these goods. The solicitation issued on November 27, 2017 and it closed on December 14, 2017. Of the two offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: <a href="https://www.austintexas.gov/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=122048">Solicitation Documents &lt;https://www.austintexas.gov/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=122048&gt;</a> . |
| <b>For More Information</b> | Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or <a href="mailto:AgendaOffice@austintexas.gov">AgendaOffice@austintexas.gov</a> < <a href="mailto:AgendaOffice@austintexas.gov">mailto:AgendaOffice@austintexas.gov</a> ><br>NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized   |

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|  | Contact Persons: Georgia Billela, at 512-974-2939 or <a href="mailto:Georgia.billela@austintexas.gov">Georgia.billela@austintexas.gov</a> or Matthew Duree, at 512-974-6346 or <a href="mailto:Matt.duree@austintexas.gov">Matt.duree@austintexas.gov</a> . |
| <b>Council Committee, Boards and Commission Action</b> | February 14, 2018 - Unanimously recommended by the Water and Wastewater Commission on a 9-0 vote, with Commissioner's Kellough and Turrieta absent.   |
| <b>Client Department(s)</b>                            | Austin Water.   |

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### Additional Backup Information:

The contract will provide for the supply of liquid ammonium sulfate to be used at Austin Water's Water Treatment Plant 4 in treatment of potable water. Liquid ammonium sulfate is used in the disinfection process to form a chloramine residual, which is the disinfectant used in the distribution system. Water Treatment Plant 4 was designed to use liquid ammonium sulfate instead of ammonia gas because liquid ammonium sulfate is inherently safer.

The current contract will expire March 31, 2018 with an average yearly expenditure of \$49,209. The requested authorization amount was determined using estimates of future annual usage and historical spend.

If the City is unable to secure a contract, the City would be unable to disinfect the water and could potentially impact the City's ability to provide drinking water to the citizens of Austin.

### Contract Detail

|                      | <b>Contract<br/>Term</b> | <b>Contract<br/>Authorization</b> |
|----------------------|--------------------------|-----------------------------------|
| Initial Term         | 2 yrs.                   | \$134,610                         |
| Optional Extension 1 | 1 yr.                    | \$ 67,305                         |
| Optional Extension 2 | 1 yr.                    | \$ 67,305                         |
| Optional Extension 3 | 1 yr.                    | \$ 67,305                         |
| <b>TOTAL</b>         | <b>5 yrs.</b>            | <b>\$336,525</b>                  |