

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: April 26, 2018

Item Number: 022

Purchasing Office

Authorize award and execution of two multi-term contracts with PVS Technologies Inc. and FSTI Inc., to provide sodium hypochlorite, for up to five years for total contract amounts not to exceed \$4,883,750 divided between the contractors. (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).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of \$406,979 available in the Fiscal Year 2017-2018 Operating Budget of Austin Water. Funding for the remaining contract terms are contingent upon available funding in future budgets.
Purchasing Language	The Purchasing Office issued an Invitation for Bids (IFB) 2200 GLB0070 for these goods. The solicitation issued on January 29, 2018 and it closed on February 15, 2018. Of the four offers received, the recommended contractors are the lowest offers submitted by responsive offerors. 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: Solicitation Documents < https://www.austintexas.gov/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=123708 >.
For More Information	Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov < mailto:AgendaOffice@austintexas.gov > NOTE: Respondents to this solicitation, and their representatives,

	shall continue to direct inquiries to the solicitation's Authorized Contact Persons: Georgia Billela, at 512-974-2939 or Georgia.billela@austintexas.gov or Sandy Wirtanen, at 512-974-7711 or Sandy.wirtanen@austintexas.gov .
Council Committee, Boards and Commission Action	April 11, 2018 - Recommended unanimously by the Water and Wastewater Commission on a 9-0 vote, with Commissioner Ho off the dais and Commissioner Michel absent.
Client Department(s)	Austin Water.

Additional Backup Information:

These contracts are for sodium hypochlorite to be used at Austin Water wastewater treatment facilities. The sodium hypochlorite is a compound that is added to water at treatment facilities as part of a disinfecting process and used to control the filament bacteria in water purification. The City treats approximately 45 to 48 million gallons of wastewater per day. Wastewater disinfection is one of the requirements of the City's Texas Commission on Environmental Quality wastewater discharge permit. It is also used to control odors during the treatment of the water.

These contracts will replace two contracts which expire on May 8, 2018. The requested authorization amounts for these contracts were determined using departmental estimates and historical spending and estimates of annual wastewater treatment, factoring in increased needs for wastewater treatment. There has been a significant increase in sodium hypochlorite usage, primarily due to new discharge permit limit requirements for the Escherichia coli (E.coli) bacteria, in addition to higher wastewater flows and constituent loadings.

If the City is unable to secure a contract, the efficiency of disinfecting the water could potentially be affected, creating potential exceedance of a regulatory limit at the facilities.

Contract Detail:

Contract Term	Length	Contract of Term Authorization
Initial Term	2 yrs.	\$1,953,500
Optional Extension 1	1 yr.	\$ 976,750

Optional Extension 2	1 yr.	\$ 976,750
Optional Extension 3	1 yr.	\$ 976,750
TOTAL	5 yrs.	\$4,883,750

Note:Contract Authorization amounts are based on the City's estimated annual usage.