

**AGENDA**



**Recommendation for Council Action**

**AUSTIN CITY COUNCIL**

**Regular Meeting: June 14, 2018**

Item Number: **037**

**Purchasing Office**

Authorize award and execution of a multi-term contract with Brenntag Southwest Inc., to provide sodium chloride, for up to five years for a total contract amount not to exceed \$914,250. (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 \$60,950 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.
<b>Purchasing Language</b>	The Purchasing Office issued an Invitation for Bids (IFB) 2200 GLB0074 for these goods. The solicitation issued on March 19, 2018 and it closed on April 5, 2018. Of the three 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=123408">Solicitation Documents &lt;https://www.austintexas.gov/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=123408&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> > 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 <a href="mailto:Georgia.billela@austintexas.gov">Georgia.billela@austintexas.gov</a> or Sandy Wirtanen, at 512-974-7711 or <a href="mailto:Sandy.wirtanen@austintexas.gov">Sandy.wirtanen@austintexas.gov</a> .
<b>Council Committee, Boards and Commission Action</b>	May 9, 2018 - Recommended by the Water and Wastewater Commission on a 10-0 vote, with Commissioner Penn absent.
<b>Client Department(s)</b>	Austin Water.

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**Additional Backup Information:**

The contract will provide sodium chloride to be used at Austin Water’s Treatment Plant #4. The product is a form of salt and is used to generate sodium hypochlorite, which is a disinfectant used at the plant. This disinfection is required per the Texas Commission on Environmental Quality (TCEQ). The usage of this controls certain viruses, bacteria, and other microbes in tap water to prevent the spread of waterborne diseases such as cholera, dysentery, and typhoid. Austin Water treats approximately 27 million gallons of water per day at this plant.

The current contract will expire June 30, 2018. The requested authorization amount for the proposed contract was determined using departmental estimates, historical spending, and forecast increased needs for water treatment. Since Fiscal Year 2014, there has been 9.6% increase in water treated and the demand is expected to continue to increase as Austin grows. The recommended contractor is the current provider for these goods.

If the City is unable to secure a contract, purchases would need to be made by spot purchases on an as-needed basis, resulting in higher costs to avoid possible TCEQ discharge permit violations.

**Contract Detail:**

<b>Contract Term</b>	<b>Length</b>	<b>Contract of Term Authorization</b>
Initial Term	2 yrs.	\$365,700
Optional Extension 1	1 yr.	\$182,850
Optional Extension 2	1 yr.	\$182,850
Optional Extension 3	1 yr.	\$182,850
<b>TOTAL</b>	<b>5 yrs.</b>	<b>\$914,250</b>

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