



## Water & Wastewater Commission Review and Recommendation

<b>Commission Meeting Date:</b>	July 11, 2018
<b>Council Meeting Date:</b>	August 9, 2018
<b>Department:</b>	Purchasing
<b>Client:</b>	Brian Haws, Rick Coronado and David Anders
<b>Agenda Item</b>	
Authorize award and execution of a multi-term contract with <b>Praxair Distribution Inc.</b> , to provide liquid carbon dioxide, for up to five years for a total contract amount not to exceed \$1,750,000.	
<b>Amount and Source of Funding</b>	
Funding in the amount of \$58,333 available in the Fiscal Year 2017-2018 Operating Budget of Austin Water. Funding for the remaining contract terms is contingent upon available funding in future budgets.	
<b>Purchasing Language:</b>	The Purchasing Office issued an Invitation for Bids (IFB) 2200 GLB1004 for these goods. The solicitation issued on April 9, 2018 and it closed on April 26, 2018. Of the two offers received, the recommended contractor submitted the only responsive offer.
<b>Prior Council Action:</b>	N/A
<b>Boards and Commission Action:</b>	July 11, 2018 - To be reviewed by the Water and Wastewater Commission.
<b>MBE/WBE:</b>	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.

The contract will provide liquid carbon dioxide to be used at Austin Water's treatment facilities. Liquid carbon dioxide is a safe, effective, and economical method of controlling pH levels in the municipal drinking water. It is used for re-carbonation and pH adjustments. Distributing the water without adjusting pH would negatively impact the distribution system.

This contract will replace the current contract which expires on October 30, 2018. The requested authorization amount for the contract was determined using departmental estimates and historical spending, factoring in increased needs for water treatment.

**Contract Detail:**

<b>Contract Term</b>	<b>Length of Term</b>	<b>Contract Authorization</b>
Initial Term	2 Years	\$700,000
Extension Option 1	1 Year	\$350,000
Extension Option 2	1 Year	\$350,000
Extension Option 3	1 Year	\$350,000
<b>TOTAL</b>	<b>5 Years</b>	<b>\$1,750,000</b>

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

**BID TABULATION**

Liquid Carbon Dioxide – Praxair Distribution Inc.

**VENDOR**

**TOTAL BID**

Praxair Distribution Inc.

\$1,750,000

Airgas USA, LLC

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\* Airgas USA LLC was deemed non-responsive based on failure to sign the offer sheet.

**PRICE ANALYSIS**

- a) Note: Award of contract is recommended based on low bidder per line item meeting the requirements of the solicitation.
- b) Solicitations: 52 notices were sent, including 0 MBE and 0 WBE firms, 1 responsive bid was received with no M/WBE firms responding.
- c) Quantities were determined based on past expenditures and estimated future need.
- d) Price Analysis: The average price per line item decreased by < 1% or \$1.00. (from \$125./ton to \$124./ton).

**APPROVAL JUSTIFICATION**

- a) Austin Water concurs with Central Purchasing recommended award.