



## Water & Wastewater Commission Review and Recommendation

<b>Commission Meeting Date:</b>	August 8, 2018
<b>Council Meeting Date:</b>	September 20, 2018
<b>Department:</b>	Purchasing
<b>Client:</b>	Kevin Koeller, Chris Chen, and David Anders
<b>Agenda Item</b>	
Authorize award and execution of a multi-term contract with <b>U.S. Peroxide, LLC D/B/A USP Technologies</b> , to provide hydrogen peroxide solution, feed system installation, and maintenance services, for up to five years for a total contract amount not to exceed \$1,500,000.	
<b>Amount and Source of Funding</b>	
Funding in the amount of \$25,000 is 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 SLW1004 for these goods and services. The solicitation issued on May 28, 2018 and it closed on June 19, 2018. Of the two offers received, the recommended contractor submitted the lowest responsive offer.
<b>Prior Council Action:</b>	N/A
<b>Boards and Commission Action:</b>	August 8, 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 and services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

The contract will provide Austin Water with hydrogen peroxide. Hydrogen peroxide is used for the treatment of wastewater to remove hydrogen sulfide minimizing odor and corrosion within wastewater collection and treatment systems. The product will be applied at the Govalle Junction Box and the Lake Creek Lift Station.

In addition to supplying the hydrogen peroxide, the contractor will provide the equipment used to apply the chemical as well as maintenance services to ensure the equipment functions optimally.

At each location, hydrogen peroxide is the only chemical that can treat high concentrations of hydrogen sulfide in wastewater coming from the force main before it flows into the downstream collection system. Without this chemical, the hydrogen sulfide level will increase and there could be complaints of foul and odorous smells in the surrounding neighborhoods and increased corrosion in the wastewater collection system.

The previous contract will expire on August 30, 2018. The requested authorization amount was determined using departmental estimates based on historical spend as well as future additional sites.

#### **Contract Detail**

<b>Contract Term</b>	<b>Length of Term</b>	<b>Contract Authorization</b>
Initial Term	2 Years	\$600,000
Optional Extension 1	1 Year	\$300,000
Optional Extension 2	1 Year	\$300,000
Optional Extension 3	1 Year	\$300,000
<b>TOTAL</b>	<b>5 Years</b>	<b>\$1,500,000</b>

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

#### **BID TABULATION**

Hydrogen peroxide solution, feed system installation, and maintenance services –  
**U.S. Peroxide, LLC D/B/A USP Technologies**

#### **VENDOR**

#### **TOTAL BID**

U.S. Peroxide, LLC D/B/A USP  
Technologies

\$1,500,000

Evoqua Water Technologies

\$1,593,500

### **PRICE ANALYSIS**

- a) Note: Award of contract is recommended based on low bidder meeting the requirements of the solicitation.
- b) Solicitations: 510 notices were sent, including 35 MBE and 14 WBE firms, 2 responsive bid were received with no M/WBE firms responding.
- c) Quantities were determined based on past expenditures and estimated future need.
- d) Price Analysis: The price per gallon decreased by \$0.12 (from \$2.66 to 2.54).

### **APPROVAL JUSTIFICATION**

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