



Recommendation for Action

File #: 20-3476, **Agenda Item #:** 29.

12/3/2020

Posting Language

Authorize negotiation and execution of an amendment to an existing contract with Nalco Company LLC D/B/A Nalco Company, for continued specialty chemical water treatment services, for an increase in the amount of \$2,225,250, for a revised total contract amount not to exceed \$11,126,250.

(Note: This contract was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this contract, there were insufficient subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Austin Convention Center Department; Austin Energy; Austin Public Library; Aviation; Building Services Department; Parks and Recreation Department.

Fiscal Note

Funding in the amount of \$1,854,375 is available in the Fiscal Year 2020-2021 Operating Budget of various City departments. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Contract Amendment.

Prior Council Action:

February 2, 2017 - Council approved the original contract, item 28, on a 10-0 vote, with Council Member Casar was off the dais.

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>> or to Julia Finn, at 512-322-6060 or Julia.Finn@austintexas.gov <<mailto:Julia.Finn@austintexas.gov>>.

Council Committee, Boards and Commission Action:

November 9, 2020 - Recommended unanimously by the Energy Utility Commission on an 8-0 vote, with Commissioners Funkhouser, Stone and Wray absent.

Additional Backup Information:

The proposed amendment will provide City departments additional funding for continued specialty chemical

water treatment services.

The specialty chemicals protect assets such as chilled water loops, power boilers, and condenser water loops. These chemicals are specifically blended and designed to prevent hazardous public health issues and reduce or eliminate corrosion and erosion within the different piping loops located at various City facilities including the power plants, chilled water plants, various City office buildings, as well as the airport.

The original funding request was based on the five-year forecast for five City departments. The chemicals were needed at additional locations not anticipated in the original forecast.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Current Contract Authorization</u>	<u>Requested Additional Authorization</u>	<u>Revised Total Authorization</u>
Initial Term	2 yrs.	\$3,536,000		\$ 3,536,000
Extension Option 1	1 yr.	\$1,768,000		\$ 1,768,000
Extension Option 2	1 yr.	\$1,768,000		\$ 1,768,000
Extension Option 3	1 yr.	\$1,768,000		\$ 1,768,000
Contract Amendment		\$ 61,000		\$ 61,000
Proposed Amendment			\$2,225,250	\$ 2,225,250
TOTALS	6 yrs.	\$8,901,000	\$2,225,250	\$11,126,250

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

Strategic Outcome(s):

Safety; Government that Works for All; Health and Environment.