



**Water & Wastewater Commission
Review and Recommendation**

Commission Meeting Date:	February 3, 2021	COA Strategic Direction:	Health and Environment
Council Meeting Date:	March 4, 2021		
Department:	Purchasing		
Client:	Danielle Lord, Rick Coronado		
Agenda Item			
Recommend approval of an award of a multi-term contract with Pencco, Inc., to provide liquid ferrous chloride and ferric chloride, for up to five years for a total contract amount not to exceed \$831,055.			
Amount and Source of Funding			
Funding in the amount of \$96,956 is available in the Fiscal Year 2020-2021 Operating Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.			
Purchasing Language:	The Purchasing Office issued an Invitation for Bids (IFB) 2200 BYO1015 for these goods. The solicitation issued on November 16, 2020 and it closed on December 1, 2020. Of the two 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: Solicitation Documents .		
Prior Council Action:	N/A		
Boards and Commission Action:	February 3, 2021 — To be reviewed by the Water and Wastewater Commission.		
MBE/WBE:	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 a supply of liquid ferrous chloride and ferric chloride to be used at the Hornsby Bend Biosolids Management Plant to aid in the process of odor control. The chemicals will reduce hydrogen sulfide gases in working areas and around the plant in general. It will also reduce the corrosion rates on both mechanical and electrical equipment in the bar-screen and thickener building.

This contract will replace the current contract which expires on February 4, 2021. The requested annual authorization amount for this contract was determined using departmental estimates based on historical spend, the variable demand between liquid ferrous and ferric chloride; along with a small annual increase to account for an increase in price. The recommended contractor is the current provider. If the City is unable to secure a contract for liquid ferrous and ferric chloride, it could lead to an increase in citizen odor complaints as well as problems with dewatering the sludge.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$332,422
Optional Extension 1	1 yr.	\$166,211
Optional Extension 2	1 yr.	\$166,211
Optional Extension 3	1 yr.	\$166,211
TOTAL	5 yrs.	\$831,055

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

PRICE ANALYSIS

- a) Solicitations: 65 notices were sent, including 0 MBE and 5 WBE firms with no M/WBE firms responding.
- b) Cost Analysis: The proposed contract pricing is consistent with pricing represented in the market.