

Posting Language

Recommend approval to execute a contract for liquid ammonium sulfate with Chemtrade Chemicals US LLC for a term of five years in an amount not to exceed \$1,500,000.

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.

Lead Department

Financial Services Department

Client Department

Austin Water Interim Assistant Director of Operations, Mercedes Lopez-Garcia

Fiscal Note

Funding in the amount of \$175,000 is available in the Fiscal Year 2022-2023 Operating Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language

Financial Services Department issued an Invitation for Bids (IFB) 2200 WJT1022 for these goods. The solicitation was issued on September 12, 2022 and closed on October 6, 2022. The recommended contractor submitted the only 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](#).

Council Committee, Boards and Commission Action

March 8, 2023 - To be reviewed by the Water and Wastewater Commission

Additional Backup Information

The contract will provide liquid ammonium sulfate to be used at Austin Water's Handcox Water Treatment Plant for the treatment of potable water. In the distribution system, liquid ammonium sulfate is used in the disinfection process to form a chloramine residual. The contractor will be responsible for providing liquid ammonium sulfate in accordance with the American Water Works Association standards for use in municipal water supplies.

The contract will replace a contract which expires on March 7, 2023. The recommended contractor is not the current provider for these goods. The requested amounts were determined by departmental estimates using historical, current, and projected spending data.

If the City is unable to secure a contract, the City will be unable to disinfect the water and could potentially impact the City's ability to provide drinking water to the citizens of Austin.

Strategic Outcome(s)

Health and Environment

PRICE ANALYSIS

- a) Solicitations: 31 notices were sent, including 2 MBE and 0 WBE firms with no M/WBE firms responding.
- b) Cost Analysis: The proposed contract pricing is 180% higher than the previous contract in 2017 with one BLS metric supporting 58% of the increase.