

Posting Language

Recommend approval to execute a contract for liquid ferric sulfate with Usalco Houston Plant, LLC, for a term of five years for a total contract amount not to exceed \$4,700,000.

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, no subcontracting opportunities; therefore, no subcontracting goals were established.

Lead Department

Financial Services Department

Client Department

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

Fiscal Note

Funding in the amount of \$783,333 is available in the Fiscal Year 2023-2024 Operating Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language

The Financial Services Department issued an Invitation for Bids (IFB) 2200 AMA1093 for these goods. The solicitation was issued on August 7, 2023, and it closed on September 5, 2023. Of the three 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](#).

Council Committee, Boards and Commission Action

November 8, 2023 - To be reviewed by the Water & Wastewater Commission

Additional Backup Information

The contract will provide the City with liquid ferric sulfate to be used for the coagulation process at the water treatment plants owned and operated by Austin Water. Liquid ferric sulfate is added to raw water to begin the coagulation process, which causes sediment, bacteria, and other suspended particles in the water to aggregate into larger masses for removal by sedimentation. Coagulation is an essential step in the treatment process to ensure the quality of the City's water supply and to meet the Environmental Protection Agency's regulatory standards for public drinking water.

The contract will replace a contract which expires May 27, 2024. Authorization on the current contract will be exhausted prior to the expiration date due to higher demand than originally estimated. The requested authorization amounts were determined using departmental estimates based on historical spending. The recommended contractor was the previous provider of these goods.

If a contract is not secured, the City's water treatment plants will lose the ability to coagulate water during treatment and be unable to produce drinking water for the public that meets the regulatory standards.