

**Posting Language**

Recommend approval to execute a contract for hydrogen peroxide solution, feed system, and maintenance with US Peroxide, LLC d/b/a USP Technologies, for a term of five years in an amount not to exceed \$3,275,000.

**MBE/WBE**

This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9B (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.

**Lead Department**

Austin Water

**Client Department**

Austin Water Assistant Director of Engineering Services, Charles Celauro

**Fiscal Note**

Funding in the amount of \$655,000 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 KMF1015 for these goods and services. The solicitation was issued on August 21, 2023, and closed on September 14, 2023. The recommended contractor submitted the only responsive offer. A complete solicitation package, including a tabulation of the bid received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](#).

**Council Committee, Boards and Commission Action**

January 17, 2024 - To be reviewed by the Water & Wastewater Commission.

**Additional Backup Information**

The contract will provide the hydrogen peroxide chemical, chemical storage tanks, feed systems, and associated installation and maintenance services, including all labor, materials, equipment, and supplies. The 50% hydrogen peroxide solution is used for removing hydrogen sulfide to prevent odor and corrosion within wastewater collection and treatment systems.

This contract replaces a contract expiring on March 30, 2024. The requested authorization is based on historical spending and departmental estimates of future needs. The recommended contractor is the current provider of these goods and services.

If a contract is not secured, the City will not be able to prevent odor and corrosion within its wastewater collection systems.

**PRICE ANALYSIS**

- a) Solicitations: 1,232 notices were sent, including 68 MBE and 42 WBE firms with no M/WBE firms responding.
- b) Cost Analysis: The proposed contract pricing is 18.08% higher than the previous contract with the BLS showing a 40.7% increase in the market.