

Posting Language

Recommend approval to execute a contract for commercial-grade Anhydrous Ammonia with Shrieve Chemical Company, LLC, for up to five years for a total contract amount not to exceed \$2,000,000.

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 required for this solicitation, there were no subcontracting opportunities therefore, no subcontracting goals were established. However, the recommended contractor identified subcontracting opportunities.

Lead Department

Financial Services Department

Client Department

Austin Water Assistant Director of Operations, Ayman Benyamin

Fiscal Note

Funding in the amount of \$83,333 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 TJP1004 for these goods. The solicitation was issued on February 12, 2024, and closed on March 19, 2024. Of the one offer received, the recommended contractor submitted the only responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing, is available for viewing on the City's Financial Services, website, Austin Finance Online. Link: [Solicitation Document](#).

Council Committee, Boards and Commission Action:

June 12, 2024 - To be reviewed by the Water & Wastewater Commission.

Additional Backup Information:

The contract will provide anhydrous ammonia for Austin Water Treatment Plants. Anhydrous ammonia is critical to the disinfection process. It is mixed into chlorinated water at the Austin Water Treatment Plants to form chloramines, the secondary disinfectant utilized in drinking water treatment. The use of chloramines as secondary disinfectants is required as part of Austin Water Texas Commission Environmental Quality-approved disinfection strategy to limit the formation of harmful disinfection byproducts (DBPs) in the disinfection process. This product complies with National Sanitation Foundation Standard 60 which governs the use of direct additives for treatment of drinking water.

The contract will replace a current contract that will expire on August 22, 2024. The requested authorization amount was determined using estimates of increased annual usage and historical spending. The recommended contractor is the current provider for these goods.



Item 6
24-4848

Water & Wastewater Commission: June 12, 2024
Council: July 18, 2024

Not having anhydrous ammonia would cause water quality issues in the distribution system and would eventually also cause Austin Water to exceed regulatory limits for DBPs.

M/WBE Summary

The Small and Minority Business Resources Department (SMBR) determined that no goals are appropriate for this solicitation. Although no goals have been established for this solicitation, the contractor was required to comply with the City's MBE/WBE Procurement Program if areas of subcontracting were identified. The following recommended contractor has complied with the City's MBE/WBE Procurement Program in subcontracting areas identified and were approved by SMBR.

NON - MBE/WBE TOTAL - PRIME **85.5%**
Shrieve Chemical Company LLC, The Woodlands, Texas

NON MBE/WBE – SUBCONTRACTOR **14.5%**
Tanner Industries, South Hampton, Pennsylvania 14.5%
Anhydrous ammonia and pump outs

Contract Details:

Contract Term	Length of Term	Contract Authorization
Initial Term	3 years	\$1,200,000
Optional Extension 1	1 year	\$400,000
Optional Extension 2	1 year	\$400,000
Total	5 years	\$2,000,000

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