

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	31956	Agenda Number	37.
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Meeting Date:	April 17, 2014
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Department:	Purchasing
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Subject

Authorize award and execution of a 36-month requirements service contract with TEXAS DISPOSAL SYSTEMS, INC., or one of the other qualified bidders for IFB-BV No. JRD0100, to provide refuse and recycling collection and hauling services within the Downtown Central Business District of Austin in an amount not to exceed \$6,234,879, with three 12-month extension options in an amount not to exceed \$2,078,293 per extension option, for a total contract amount not to exceed \$12,469,758.

Amount and Source of Funding

Funding in the amount of \$692,765 is available in the Fiscal Year 2013-2014 Operating Budget of the Austin Resource Recovery Department. Funding for the remaining thirty-one months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Best evaluated bid of 2 bids received.
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Prior Council Action:	
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For More Information:	Jonathan Dalchau, Buyer II, 512-974-2938
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Boards and Commission Action:	April 9, 2014 - Approved by the Zero Waste Advisory Commission.
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Related Items:	
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MBE / WBE:	This contract will be awarded in compliance with City Code Chapter 2-9C (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this contract.
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Additional Backup Information

This contract will provide for daily refuse and recycling services in the alleys of the Downtown Central Business District. In addition to refuse and recycling collection, this contract will provide services for cleaning and maintenance of all the alleys in the service district. This contract will cover additional collection needs for special events held in the Downtown Central Business District.

The Austin Resource Recovery Department does not provide these services because they do not have the type of equipment that is required. They do, however, manage this contract. The majority of refuse and recycling containers will be serviced on a daily basis. A provision of this contract allows for containers to be added or removed as downtown business requirements change.

This request allows for the execution of a contract with a bidder, who provides the best value to the City, that Council selects. If this bidder does not execute a contract with the City, staff will return to Council so that Council may select another best value bidder and authorize a contract with that bidder.

MBE/WBE solicited: 2/0

MBE/WBE bid: 0/0

BID TABULATION

IFB (Best Value) JRD0100

Refuse and Recycling Collection Services for the Downtown Central Business District
(27 line items)

Vendor

Total Price for List of Sample Services

Texas Disposal Systems, Inc.
Austin, TX

\$2,078,293

Waste Management of Texas, Inc.
Austin, TX

\$3,091,884

A copy of the complete bid tabulation is on file in the Purchasing Office and on the City of Austin, FASD Purchasing website.

PRICE ANALYSIS

- a. Adequate competition.
- b. 542 notices were sent, including 72 MBEs and 6 WBEs. Two bids were received with no MBEs/WBEs responding.
- c. The pricing offered represents a 66% increase to the last purchase made. Factors affecting the price increase are attributed to a 7% increase in the Consumer Price Index for Garbage and Refuse Collections, 6% increase in the Consumer Price Index for Motor Fuels, 8% increase in the Consumer Price Index for Garbage and Refuse Collections Wages, increased requirements to maintain the contract, and additional measures taken to meet a Zero Waste Initiative reporting requirements. The increase in contract expense will result in a substantial rate increase to the businesses and residents serviced by this contract.

APPROVAL JUSTIFICATION

- a. Best evaluated bid received.
- b. The Purchasing Office concurs with Austin Resource Recovery's recommended award.
- c. Advertised in the Austin American Statesman and on the Internet.