

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council

Item ID:

57080

Agenda Number

<ITEM_OUTLINE>

Meeting Date:

May 5, 2016

Department:

Purchasing

Subject

Authorize negotiation and execution of a 36-month contract with AUSTIN METAL AND IRON CO., L.P., or one of the other qualified offerors to Request For Proposal SLW0507, for the sale of scrap metal in an estimated revenue amount of \$1,650,000, with three 12-month extension options in an estimated revenue amount of \$550,000 per extension option, for a total estimated revenue amount of \$3,300,000.

Amount and Source of Funding

Fiscal Note

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

Purchasing Language:

The Purchasing Office issued a Request for Proposal (RFP) SLW0507 for these goods and services on January 25, 2016 and it closed on February 25, 2016 with two offers received. The recommended offer is the best evaluated offer submitted by a responsible offeror. Additional information on the solicitation is included below the line. The recommended offeror is the current provider for these goods and services.

Prior Council Action:

For More Information:

Sandy Wirtanen, Senior Buyer, 512-974-7711

Boards and Commission Action:

April 13, 2016 – To be reviewed by the Water and Wastewater Commission.
April 13, 2016 – To be reviewed by the Zero Waste Advisory Commission.
April 18, 2016 – To be reviewed by the Electric Utility Commission.

Related Items:

MBE / WBE:

This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. The resulting contract will include no subcontracting goals.

Additional Backup Information

The contract is for the sale of scrap metal material considered obsolete or that can be reused after recycling. Items include copper bars, insulated and waterproof copper, aluminum conductor steel reinforced cable, insulated and bare aluminum, underground residential distribution cable, and mixed aluminum, tin, mixed iron and steel cable, ductile iron, lead cable, brass, lead acid batteries, and radiators accumulated by the following City departments: Austin Energy, Austin Water, Transportation, Public Works, Austin Resource Recovery, Financial Services, Austin Convention Center, Watershed Protection, Fleet Services, and Aviation.

The Contractor will provide, at no cost to the City, roll-off containers of various sizes at locations to be determined by the City. The Contractor will pick up full containers, leave an empty container, and transport the scrap metal to its facility where the material is processed for recycling. The Contractor will store the processed material until a

significant amount is collected to make direct shipments to consumers who recycle the material and make new products.

The Contractor will pay the City in accordance with certified weights of each load of material collected and then apply a firm percentage to the closing price of the American Metal Market index on the day of sale for the corresponding product category.

An evaluation team with expertise in this area evaluated the offers and scored Austin Metal and Iron Co., L.P. as the best to provide these services based on demonstrated ability to perform services, personnel qualifications, marketability of goods for resale, facilities and equipment, regulatory compliance, revenue to the City and local business presence.

This request allows for the development of a contract with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so Council may select another qualified offeror and authorize contract negotiations with this provider.

A complete solicitation package, including a response list, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#)