

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: June 14, 2018

Item Number: **047**

Purchasing Office

Authorize award and execution of a multi-term contract with Oldcastle Materials Texas, Inc., for the sale of salvage reclaimed asphalt pavement, for up to five years for a total estimated contract revenue amount of \$325,000. (Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department	Purchasing Office.
Fiscal Note	Estimated net revenue will be available in the Fiscal Year 2017-2018 Operating Budget of the Public Works Department. Net revenue for the remaining contract term will be available in future budgets.
Purchasing Language	The Purchasing Office issued an Invitation for Bids (IFB) 6200 MMO0129 for these services. The solicitation issued on March 26, 2018 and it closed on April 12, 2018. The recommended contractor submitted the only 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 <https://www.austintexas.gov/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=124449> .
For More Information	Inquiries should be directed to the City Manager’s Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <mailto:AgendaOffice@austintexas.gov> NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation’s Authorized Contact Persons: Marian Moore, at 512-974-2062 or

	Marian.Moore@austintexas.gov <mailto:Marian.Moore@austintexas.gov> or Erika Larsen, at 512-974-3127 or Erika.Larsen@austintexas.gov <mailto:Erika.Larsen@austintexas.gov> .
Client Department(s)	Public Works Department.

Additional Backup Information:

The contract is to establish a revenue based agreement for the sale of salvage reclaimed asphalt pavement (RAP). RAP is milled, pulverized, broken, or crushed asphalt pavement salvaged from existing street pavements. The Public Works Department (PWD), Street and Bridge Operations Division currently produces this material through roadway repairs and street re-paving projects. Street and Bridge Operations will haul the RAP to the contractor’s facility.

Prior to establishing a contract for these services, the RAP from the City’s street milling and repairs was considered waste material suitable only for spot repairs of low traffic, unpaved roadways like alleys and landfill roads. Advances in hot mix asphalt design now allows RAP to be recycled into new asphalt hot mix production, and the RAP has a market value, which this contract will capture. The contract specifically prohibits the contractor from disposing of the waste in a landfill and requires that the contractor provide documentation to the City upon request of its recycling and reuse.

The annual estimated revenue for the contract is based on the estimated amount of RAP generated, which is over 25,000 tons per year. Revenue generated from the contract will be returned to the PWD, Street and Bridge Operations Division to offset the cost of new hot mix asphalt. The current contract for the sale of RAP expires June 14, 2018. The recommended contractor is the current contractor for these services.

Contract Detail:

Contract Term	Length	Estimated of Term Contract Revenue
Initial Term	3 yrs.	\$195,000
Optional Extension 1	1 yr.	\$ 65,000
Optional Extension 2	1 yr.	\$ 65,000
TOTAL	5 yrs.	\$325,000

Note:Contract Revenue amounts are based on the City’s estimated annual amount.