

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: November 15, 2018

Item Number: **022**

Parks and Recreation

Approve an ordinance amending the fiscal year 2018-2019 Parks and Recreation Department Operating Budget (Ordinance No. 20180911-001) for increased expenses and revenue associated with the amended contract for burial services at City cemeteries.

Lead Department	Parks and Recreation Department
Fiscal Note	The increase in fees is expected to generate an additional \$175,000 in revenue for Cemetery Operations. The increase in operating requirements of \$175,000 is due to the negotiated contract with the vendor. A fiscal note is attached.
Prior Council Action	June 27, 2013 - Council approved the initial contract term, item 48, on a 7-0 vote with direction to return to Council for approval of the extension options. This is a companion agenda item to Purchasing Agenda Item 18-3605 that renegotiates the original 2013 contract. It is also a companion agenda item to an agenda item to amend the fees for internment services.
For More Information	Tonja Walls-Davis, Sales and Event Manager, 512-978-2324; Vera Labriola, Business Process Specialist (512) 974-6716
Council Committee, Boards and Commission Action	October 23, 2018 - Disapproved by the Parks and Recreation Board on a 4-2 vote, with Board Members Farasat, Mann, DePalma, Cofer, and Casias absent.

Additional Backup Information:

The contract amendment that is related to this Request for Council Action will provide for continued interment and burial services at five Austin cemeteries: Oakwood Cemetery, Oakwood Annex Cemetery, Evergreen Cemetery, Austin Memorial Cemetery, and Plummers Cemetery. The contractor has successfully performed these services for the City since 1990 and has considerable experience in similarly high-volume cemeteries throughout Texas. Another related Request for Council Action seeks an increase in fees for these services that would fund this budget amendment and the contract extension.

This contract with Interment Services, Inc., was approved by Council in 2013, with the direction to return to Council for approval of contract extensions. The current contract expires November 28, 2018, and has two five year extension option terms remaining. Staff estimates the need to outsource these services for only three more years. Therefore, instead of extending one five year term, staff is requesting a three year term with the option of two additional one year terms; only if necessary.

The Parks and Recreation Department (PARD) plans to transition all burial and interment services to City personnel within the next few years. This budget amendment will authorize the acceptance and expenditure of increased fees that are needed to fund the amendment to the current contract.

The original solicitation included the following MBE/WBE goals: 10.16% MBE and 4.12% WBE. The MBE/WBE goals were initially based on the scopes of work initially developed and sought by PARD for this contract. The contractor bid on only select portions of the solicitation. The contract was awarded for only a portion of the originally solicited scopes of work; namely, burials, interments, and monument settings. The proposed amendment will further reduce the scopes with the removal of monument settings from the contractor's responsibilities. These narrower scopes do not allow for the contractor to meet the established goals. The Small and Minority Business Resources Department continues to work with PARD to monitor this contract and work with the contractor to identify subcontracting opportunities for the proposed contract amendment.

A solicitation was issued to replace the existing contract on June 11, 2018, and closed on July 3, 2018, however the City received no offers. An extension of the current contract would provide continuity of services and an opportunity for the current vendor to provide services until City staff can assume all tasks associated with interment and burial services.

Contract Detail:

Contract Term	Length of Term	Current		Requested	Revised
		Contract Authorization	Additional Authorization	Total Authorization	
Initial Term	5 yrs.	\$3,934,000		\$3,934,000	
Administrative Increase	3 months	\$ 59,000		\$ 59,000	
Proposed Amendment	5 yrs.		\$4,650,000	\$4,650,000	
TOTALS	10 yrs., 3 mon.	\$3,934,000	\$4,650,000		\$8,584,000

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