

## AGENDA



Thursday, January 31, 2008

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 57**

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**Subject:** Authorize award and execution of a 24-month revenue producing contract with UTILITY RECYCLING SERVICES, Wills Point, TX, for the sale of scrap electrical meters with estimated proceeds of \$493,360.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required.

**For More Information:** Dolores Castillo, Sr. Buyer /322-6466

**Purchasing Language:** Highest bid of six bids received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

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This contract is for the sale of 1,300,000 pounds, or an estimated 280,000 scrap electrical meters that are obsolete. The meters will be destroyed and the resulting scrap material recycled. This contract will provide Austin Energy with an efficient method for collecting and selling the scrap meters.

The contractor will provide a secured collection container. As the collection container becomes full, the contractor will be notified and exchange each full container with an empty container and will transport the full container to its recycling facility. Each full container will be weighed at a certified public scale. Contractor will pay by the pound using a formula based on the American Metal Market price for that day. This contract will support the Austin Energy expansion meter change out initiative to the new two-way automated meter reading system.

In recycling these meters, 1.3M pounds (650 short tons) of metals were diverted from the landfill. The avoided Green House Gas (GHG) emissions for recycling the meters are 3,442 metric tons (3,794 short tons) of CO<sub>2</sub>e.

MBE/WBE Solicited: 0/1 MBE/WBE Bid: 0/0

**PRICE ANALYSIS**

- a. Adequate competition.
- b. Thirteen notices were sent, including one WBE. There are no known MBEs available for this service. Six bids were received, with no response from the WBE.
- c. This is the first contract of this type; therefore there is no pricing history available.

**APPROVAL JUSTIFICATION**

- a. Highest bid received.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.