

AGENDA



Thursday, December 11, 2008

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 59**

Subject: Authorize award and execution of a 12-month service contract through the TEXAS LOCAL GOVERNMENT PURCHASING COOPERATIVE (BUY BOARD) with HOLT CAT, Austin, TX, for the rental of a Cat 320DL Excavator in an amount not to exceed \$99,228, with two 12-month extension options in amounts not to exceed \$103,200 for the first extension option, and \$107,328 for the second extension option, for a total contract amount not to exceed \$309,756.

Amount and Source of Funding: Funding in the amount of \$82,690 is available in the Fiscal Year 2008-2009 Operating Budget of the Solid Waste Services Department. Funding for the remaining two 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.

For More Information: Roy Rivers, Buyer II/512-974-6434

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program). This contract is a Cooperative Purchase; therefore, it is exempted under Chapter 791 of the Texas Local Government Code and no goals were established for this solicitation.

This contract is for the rental of a Caterpillar 320D Excavator that will be used by Solid Waste Services (SWS) at the City of Austin FM 812 Landfill to perform a variety of tasks necessary to maintain compliance with landfill regulations set forth by the Texas Commission on Environmental Quality (TCEQ). The Caterpillar 320D Excavator performs a variety of functions by utilizing different function-specific attachments. SWS currently owns a 1992 year-model excavator that is becoming increasingly difficult to repair due to the age of the equipment and unavailability of major repair parts.

The purchase of a new excavator for the FM 812 Landfill was considered during budget preparations, but due to budget concerns, the purchase was removed from consideration. The current plan is to purchase an excavator after the Landfill closes using funds obtained through post-closure financing. However, the Landfill is technically still open (although the Landfill is closed to the public) and the financing for post-closure care cannot be obtained until the Landfill has met all TCEQ requirements for closure.

The Landfill was scheduled to officially close last fiscal year, but the closure was postponed in order to complete required pre-closure engineering work. The exact date for closure is unknown, but is estimated to be within the next year. Once all closure requirements are met, the Landfill will transition into post-closure care and SWS will be able to purchase new capital equipment with post-closure financing.

After closure of the FM 812 Landfill, the City will be required by TCEQ to continue performing maintenance at the landfill site for the next 30 years. The excavator will be needed for cleaning drainage ditches and loading dump trucks with dirt for hauling to fill areas in the landfill that have settled. The landfill is still utilized as a temporary storage area for scrap tires by providing a drop-off location for tires collected by the City's residential Bulky Collection Program and the clean-up of illegal dump sites. Since TCEQ mandates that no more than 500 scrap tires may be held in storage on the ground at any time, the

excavator must be used to load tires into open-top containers for temporary storage and transport by a contractor licensed by the TCEQ for tire recycling. The excavator will also be used at the landfill's diversion center for transferring discarded appliances into roll-off containers in preparation for transport and recycling.

Holt Cat is under contract with BuyBoard to supply these rental products statewide as a result of a competitive bidding process. Utilizing the BuyBoard contract provides for volume discount pricing as well as increased administrative cost avoidance.