

AGENDA



Thursday, May 14, 2009

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 30**

Subject: Authorize award and execution of a 36-month requirements service contract with ECOLOGY ACTION OF TEXAS, Austin, TX for the management of a recycling drop-off center in an estimated amount not to exceed \$396,000, with three 12-month extension options in an estimated amount not to exceed \$132,000 per extension option, for a total estimated contract amount not to exceed \$792,000.

Amount and Source of Funding: Funding in the amount of \$55,000 is available in the Fiscal Year 2008-2009 Operating Budget of the Solid Waste Services Department. Funding for the remaining 31 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: Brenda Helgren, Sr. Buyer/530-7533

Purchasing Language: Sole bid received.

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). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

Boards and Commission Action: Recommended by the Solid Waste Advisory Commission.

This contract is to secure collection and management services of a recycling drop-off facility located at 707 E. 9th Street for the Solid Waste Services Department to provide recycling services for apartment complexes with less than 100 units and businesses with less than 100 employees. The Contractor is responsible for providing a centrally located receiving area available to the general public to drop-off paper, plastic, glass, and cardboard seven days per week with access for a minimum of eight hours per day. The Contractor is also required to provide customer service, reclamation, marketing of reusable items, and sale of recyclable materials.

The City of Austin adopted a Commercial/Multi-Family Recycling Ordinance, which requires that recycling services be provided to large apartments and businesses. The Ordinance, which became effective on April 15, 1999, requires that apartments with 100 or more units, and businesses with 100 or more employees provide a recycling program on site and contract with a recycling provider or self-haul their material to a recycling facility.

However, owners of apartment complexes with less than 100 units and businesses with less than 100 employees may not have a cost effective way of disposing of their recycled materials. The Contractor's drop-off facility will be the designated site where these apartment units with less than 100 units and businesses with less than 100 employees will take their recyclable material.

MBE/WBE solicited: 3/1

MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Sole bid. Other potential bidders were contacted and stated that they are currently unable to provide these services at this time.
- b. Forty-seven notices were sent, including three MBEs and one WBE. One bid was received, with no response from the MBE/WBEs.
- c. The pricing offered represents a 22% increase to the last contract award in January 2000. The tonnage of material received at Ecology Action has increased significantly over the past few years to an average of over 200 tons per month, and it is expected that the facility will maintain or increase the rate of incoming material for the next several years. Some of the factors contributing to the increase in material received are: expanding the materials processed to include #3-#7 plastics, plastic film and Styrofoam; an increase in the amount of glass brought in from small businesses, since the City of Austin and Ecology Action are among the very few recyclers still accepting glass; increased exposure of the facility due to the City of Austin's Zero Waste initiative to reduce the amount of waste Austinites landfill by 90% by the year 2040.

APPROVAL JUSTIFICATION

- a. Sole bid received. Ecology Action of Texas is the current provider of these services.
- b. The Purchasing Office concurs with the Solid Waste Services Department's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.