

AGENDA



Thursday, June 24, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION****Item No. 54**

Subject: Authorize award and execution of a 36-month requirements service contract with GMSL CONSULTING LLC DBA CENTEX SHRED, Austin, TX for document shredding services in an estimated amount not to exceed \$210,000, with three 12-month extension options in an estimated amounts not to exceed \$90,000 for first extension option, \$100,000 for second extension option, and \$110,000 for the third extension option, for a total estimated contract amount not to exceed \$510,000.

Amount and Source of Funding: Funding in the amount \$15,000 is available in the Fiscal Year 2009-2010 Operating Budgets of various City departments. Funding for the remaining 33 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: Wilbur Jones, Buyer I/972-4013

Purchasing Language: Lowest bid of three bids 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.

This contract will provide document shredding services for various City departments.

Document shredding services are necessary to ensure compliance with the Health Insurance Portability and Accountability Act (HIPAA) and other governmental or industry regulations intended to safeguard confidential information and prevent identity theft. Documents to be destroyed are those that contain medical information, personnel information, social security numbers, or other types of confidential information frequently found in utility records, medical records, or court documents.

Centex Shred will furnish each department with securely locked bins in three different sizes: 30-gal., 60-gal., and 90-gal. Documents are deposited into each locked bin through a narrow slot in the lid. When a bin is full, it is collected by Centex Shred and taken to a secure facility where the contents are destroyed according to strict industry standards. The contract will also provide on-site document shredding, on a cost-per-pound basis, for departments doing ad-hoc purges involving large amounts of documents or records. Centex Shred will provide the City with certificates of destruction for all materials they collect.

Centex Shred has certified that all material collected under this contract will be recycled. The amount of paper that is estimated to be recycled equates to an approximate reduction of 1,473 metric tons of CO₂, or the same as taking 280 cars off the road each year.

MBE/WBE solicited: 7/6

MBE/WBE bid: 0/0

PRICE ANALYSIS

a. Adequate competition.

- b. One hundred and seventy-one notices were sent, including seven MBEs and six WBEs. Three bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represent a 17% increase to the last contract award made in June 2006. The increase in price is due to increases in the cost of fuel, healthcare, and vehicles/equipment.

Approval Justification

- a. Lowest bid received.
- b. The Purchasing Office concurs with the various City departments' recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.