

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council		Item ID:	57080	Agenda Number	15.
Meeting Date:		May 5, 2016			
Department:		Purchasing			
Subject					
Authorize negotiation and execution of a 36-month contract with AUSTIN METAL AND IRON CO., L.P., or one of the other qualified offerors to Request For Proposal SLW0507, for the sale of scrap metal in an estimated revenue amount of \$1,650,000, with three 12-month extension options in an estimated revenue amount of \$550,000 per extension option, for a total estimated revenue amount of \$3,300,000.					
Amount and Source of Funding					
Revenue estimated in the amount of \$183,334 shall be divided among the 2015-2016 operating budgets of each participating department based on the amount of material each sells. Participating departments are: Austin Energy, Austin Water, Transportation, Public Works, Austin Resource Recovery, Financial Services, Austin Convention Center, Watershed Protection, Fleet Services, and Aviation.					
Fiscal Note					
There is no unanticipated fiscal impact. A fiscal note is not required.					
Purchasing Language:	The Purchasing Office issued a Request for Proposal (RFP) SLW0507 for these goods and services on January 25, 2016 and it closed on February 25, 2016 with two offers received. The recommended offer is the best evaluated offer submitted by a responsible offeror. Additional information on the solicitation is included below the line. The recommended offeror is the current provider for these goods and services.				
Prior Council Action:					
For More Information:	Sandy Wirtanen, Senior Buyer, 512-974-7711				
Boards and Commission Action:	April 13, 2016 – Unanimously recommended by the Water and Wastewater Commission on an 11-0 vote. April 13, 2016 – Recommended by the Zero Waste Advisory Commission on a 9-0-1 vote with Commissioner Jiampietro recused and Commissioner Valera absent. April 18, 2016 – Recommended by the Electric Utility Commission on an 11-0 vote.				
Related Items:					
MBE / WBE:	This revenue generating contract is exempt from the City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program; therefore, no				

	subcontracting goals were established.
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Additional Backup Information	
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The contract is for the sale of scrap metal material considered obsolete or that can be reused after recycling. Items include copper bars, insulated and waterproof copper, aluminum conductor steel reinforced cable, insulated and bare aluminum, underground residential distribution cable, and mixed aluminum, tin, mixed iron and steel cable, ductile iron, lead cable, brass, lead acid batteries, and radiators accumulated by the following City departments: Austin Energy, Austin Water, Transportation, Public Works, Austin Resource Recovery, Financial Services, Austin Convention Center, Watershed Protection, Fleet Services, and Aviation.

The Contractor will provide, at no cost to the City, roll-off containers of various sizes at locations to be determined by the City. The Contractor will pick up full containers, leave an empty container, and transport the scrap metal to its facility where the material is processed for recycling. The Contractor will store the processed material until a significant amount is collected to make direct shipments to consumers who recycle the material and make new products.

The Contractor will pay the City in accordance with certified weights of each load of material collected and then apply a firm percentage to the closing price of the American Metal Market index on the day of sale for the corresponding product category.

An evaluation team with expertise in this area evaluated the offers and scored Austin Metal and Iron Co., L.P. as the best to provide these services based on demonstrated ability to perform services, personnel qualifications, marketability of goods for resale, facilities and equipment, regulatory compliance, revenue to the City and local business presence.

This request allows for the development of a contract with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so Council may select another qualified offeror and authorize contract negotiations with this provider.

A complete solicitation package, including a response list, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: [Solicitation Documents](#)