



**Purchasing Service Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 47
AGENDA DATE: Thu 05/27/2004
PAGE: 1 of 2

SUBJECT: Authorize execution of a 12-month revenue agreement with AUSTIN METAL & IRON COMPANY, INC., Austin, TX, for the sale of scrap metal in an amount of \$216,873.58, with three 12-month extension options in an amount of \$216,873.58 per extension option, for a total agreement amount of \$867,494.32.

AMOUNT & SOURCE OF FUNDING: Revenue generated for the remainder of Fiscal Year 2003-2004 will be placed in the Operating Budgets of the following Departments: Electric Utility (\$188,879.19), Austin Water Utility (\$16,905.51), Public Works (\$8,532.04), and Financial and Administrative Services (\$2,556.84). Revenue for the extension options will be placed in Operating Budgets.

FISCAL NOTE: There is no unanticipated fiscal impact. A fiscal note is not required.

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT: for Austin Water Utility; **AUTHORIZATION:** Vickie Schubert
Austin Energy; Financial
and Administrative
Services; Public Works;

FOR MORE INFORMATION CONTACT: Karen Williams, Buyer 1/322-6467

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: N/A

PURCHASING: One bid received.

MBE / WBE: This contract will be awarded in compliance with Chapter 2-9 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 service agreement is for the sale of scrap metal materials that are deemed obsolete or left over scrap materials that can be reused after recycling. It provides the City with an efficient method of collecting and selling various scrap metals such as copper bars, insulated & waterproof copper, ACSR, insulated and bare aluminum, URD and mixed aluminum, insulated and bare aluminum, tin, mixed iron and steel cable, ductile iron, lead cable, brass batteries and radiators accumulated by four City Departments: Austin Energy, Austin Water Utility, Public Works and Finance and Administrative Services. The Contractor will service the City by providing, at no cost, roll-off boxes at the various thirty locations. The sizes of the containers will be determined by the City. After scrap material is loaded into the containers, the Contractor will deliver an empty container to replace the full one it removes. The containers are taken back to the Contractor's facility where the material is processed for recycling. After the material is processed, it is stored until there is enough material to make direct shipments to consumers who recycle the material and make new products.

MBE/WBE Solicited: 2/0

MBE/WBE Bid: 0/0



**Purchasing Service Agreement
CITY OF AUSTIN
RECOMMENDATION FOR COUNCIL ACTION**

AGENDA ITEM NO.: 47
AGENDA DATE: Thu 05/27/2004
PAGE: 2 of 2

**IFB NO. KW04100007
PRICE ANALYSIS**

- a. Only bid received. Two potential bidders stated they could not provide a bid at this time.
- b. Fourteen notices were mailed including two MBEs and no WBEs. Four solicitations were issued. One bid was received. MBEs did not respond. There were no known WBEs for this commodity code.
- b. Comparison of the previous revenue contract reflects an overall increase of 1.4% since 07/98.

APPROVAL JUSTIFICATION

- a. Sole bidder.
- b. The Electric Utility, Austin Water Utility, Public Works and Finance & Administrative Services Department concur with the recommended award.
- c. Advertised in the Austin American Statesman and on the Internet.