



MEMORANDUM

TO: Mayor and Council Members

FROM: James Scarboro, Purchasing Officer
Ken Snipes, Director, Austin Resource Recovery

DATE: February 19, 2020

SUBJECT: Item No. 37, for Emergency Short-Term Contract for Collection at City Facilities on the February 20, 2020 Council Agenda

Agenda item no. 37 on the February 20, 2020 Council agenda pertains to a short-term contract with Waste Management of Texas, Inc. to provide collection, transportation, processing, and disposal of refuse, recycling, brush, and compostable materials generated by City facilities.

Current Contract

The current contract for these services expires on February 28, 2020. The current contract has already been amended to increase its value to its statutory limit – not more than 25 percent above the contract's initial value. Without the ability to add further expenditure authorization, the current contract cannot be extended beyond its expiration date.

New Solicitation

The new solicitation to replace the current contract is nearing completion and will be issued in the next few weeks, by mid-March, 2020. Development of the new solicitation has been greatly impacted by the Landfill Matrix analysis, in order to determine which landfills would be eligible to receive City waste. Upon completion of the Landfill Matrix, Staff developed a preliminary Scope of Work for this solicitation and released it via Request for Information (RFI) in July 2019, to receive public feedback. Staff have incorporated much of this feedback into the new solicitation being finalized now.

Short-Term Contract

Austin Resource Recovery does not have the equipment needed to perform waste collection services for City facilities. Solid waste collection services are needed to ensure the health and safety of City of Austin employees. This short-term contract will prevent a lapse of service until a new contract is awarded.

As the current contract cannot be extended and to allow time for the new solicitation to be completed, this item requests authorization of a short-term contract, awarded without competition under an emergency exemption allowable under State law. The short-term contract will only be used until the new solicitation is completed and Council has authorized the new contract for these services.

The short-term contract will be with the same contractor, include the same terms, conditions, at the same prices – making it functionally equivalent to an extension of the current contract. The current contractor maintains waste containers at over 200 City facilities. By continuing to use the current contractor through this short-term contract, the City minimizes the possibility of service disruptions, allowing the short-term contract to be as brief as possible.

The length of the short-term contract is six-months, with an optional six-months extension, for a maximum possible length of one-year. It is staff's intention to complete the new solicitation and secure Council authorization of the new contract within the initial six-months term. The optional extension will only be used if the new contract is not yet authorized by the expiration of the initial six-month term. Should the Council authorize the new contract sooner (prior to the end of the initial six-months or optional extension), staff will provide 30-days notice to the current contractor and end the short-term contract earlier.

If preferable, Council may authorize the short-term contract with further direction to limit the term of the contract to the shortest period of time necessary to complete the new solicitation and award the resulting contract.

Austin Energy Usage

Austin Energy will use the short-term contractor for facility refuse and recycling only.

Authorization

Should the requested short-term contract not be authorized, as these services are essential to maintain the operations of City operations, it will be necessary to proceed with a contract for these services, on the same emergency basis, and return to Council at a later date to request ratification of this contract.

Should you have any questions or would like any additional information feel free to contact:

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Ken Snipes at (512-974-1926 | ken.snipes@austintexas.gov).

cc: Spencer Cronk, City Manager
Nuria Rivera-Vandermyde, Deputy City Manager
Christopher Shorter, Assistant City Manager
Ken Snipes, Director, Austin Resource Recovery
Elaine Hart, Chief Financial Officer
Greg Canally, Deputy Chief Financial Officer