

AGENDA



Thursday, March 25, 2010

**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

Item No. 32

Subject: Authorize award and execution of a 36-month service contract with AGH20 HOLDINGS, LLC, Round, Rock, TX for spoils disposal land fill services in an estimated amount not to exceed \$1,125,000 with three 12-month extension options in an estimated amount not to exceed \$375,000 per extension option, for a total estimated contract amount not to exceed \$2,250,000.

Amount and Source of Funding: Funding in the amount of \$218,750 is available in the Fiscal Year 2009-2010 Operating Budget of the Austin Water Utility (AWU). Funding for the remaining 29 months of the initial 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: Roy Rivers, Buyer II/974-2596

Purchasing Language: Lowest bid meeting specifications 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.

Boards and Commission Action: Recommended by the Water & Wastewater Commission.

This contract will provide for spoils disposal landfill services for the Austin Water Utility's, Pipeline Operations & Maintenance, Investigations, and Rehabilitations sections. This contract is for the pickup and disposal of spoils material generated by the maintenance and installation of underground lines. Spoils material (not sewage contaminated material) include debris such as flexible base, hot mix asphaltic concrete, concrete, asphalt millings, soils, vegetation, rock, and other debris generated from street repair and maintenance activities.

The City will provide a front-end loader and operator at two City locations to be used by the City as temporary dump sites. One is 3907 S. Industrial Drive and the other is 10404 McKalla Place. The City will load the Contractor's trucks from these two sites. Once loaded, the Contractor will haul this material to one of two permanent dump sites located at Marcelo's Sand & Loam located at 9200 Ramirez Lane, Austin, TX or 973 Materials located at 6005 FM 973 S., Del Valle, TX. In some cases, it may be more efficient for the City to haul and dispose of this material directly from a job site and will be allowed to make delivery in City trucks to the same landfill sites on an as needed basis depending on proximity to these sites.

MBE/WBE solicited: 2/0 MBE/WBE bid: 0/0

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-seven notices were sent, including two MBEs. There are no known WBEs available for this service. Three bids were received, with no response from the MBEs.

c. The pricing offered represents a 63% increase to the last contract award in July 2003. The current contractor under bid the previous contract and was unable to continue providing these services under that contract.

APPROVAL JUSTIFICATION

- a. Lowest bid received. AGH20 Holdings, LLC is not the current provider of these services.
- b. The Purchasing Office concurs with the Austin Water Utility's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.