



Recommendation for Action

File #: 19-3448, **Agenda Item #:** 40.

12/5/2019

Posting Language

Authorize award of a multi-term contract with Heritage-Crystal Clean, LLC, to provide new/virgin antifreeze and disposal services for antifreeze, for up to five years for a total contract amount not to exceed \$410,000.

(Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9D Minority Owned and Women Owned Business Enterprise Procurement Program. For the goods and services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department

Purchasing Office.

Client Department(s)

Fleet Mobility Services.

Fiscal Note

Funding in the amount of \$61,750 is available in the Fiscal Year 2019-2020 Operating Budget of Fleet Mobility Services. Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Purchasing Office issued an Invitation for Bids (IFB) 7800 JRH1022 for these goods and services. The solicitation issued on July 22, 2019 and it closed on August 15, 2019. Of the two offers received, the recommended contractor submitted the only responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: [Solicitation Documents](https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=131441)
<https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=131441>.

For More Information:

Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or

AgendaOffice@austintexas.gov <<mailto:AgendaOffice@austintexas.gov>>

NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Persons: John Hilbun, at 512-974-1054 or john.hilbun@austintexas.gov <<mailto:john.hilbun@austintexas.gov>> or Bartley Tyler, at 512-974-2023 or bartley.tyler@austintexas.gov <<mailto:bartley.tyler@austintexas.gov>>.

Additional Backup Information:

The contract is for the purchase of new/virgin antifreeze for the City's fleet of vehicles and equipment and for the pick-up of used antifreeze for disposal/recycling. This antifreeze is a long life coolant which is new and has not come from a recycling process. This product will be purchased on an as-needed basis and delivered to the City's Fleet Service Centers. The contractor will also pick up used antifreeze from each location and is required to recycle/dispose of the used product following the appropriate federal, state and local laws and

regulations. Certain vehicle manufacturers require virgin antifreeze due to warranty requirements.

The requested authorization amount is based on historical spend and allows for a small annual increase to accommodate future acquisitions. This contract will replace the current contract that expires February 14, 2020. The recommended contractor is the current provider for these goods and services.

If the City is unable to secure a contract, Fleet Mobility Services will not have a reliable source for new antifreeze and the pick-up and disposal of used antifreeze. This will force the City to procure this product and service on the open market which could result in higher prices and increased vehicle down time.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$164,000
Optional Extension 1	1 yr.	\$ 82,000
Optional Extension 2	1 yr.	\$ 82,000
Optional Extension 3	1 yr.	\$ 82,000
TOTAL	5 yrs.	\$410,000

Note: Contract Authorization amounts are based on the City's estimated annual usage.