



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

AGENDA ITEM NO.: 32
AGENDA DATE: Thu 10/20/2005
PAGE: 1 of 2

SUBJECT: Authorize execution of a 12-month service agreement with WASTE MANAGEMENT OF TEXAS, INC., Austin, TX for refuse collection services for City departments in an amount not to exceed \$618,319.26, with four 12-month extension options in an amount not to exceed \$618,319.26 per extension option, for a total agreement amount not to exceed \$3,092,596.30.

AMOUNT & SOURCE OF FUNDING: Funding in the amount of \$618,319.26 is available in the Fiscal Year 2005-2006 Approved Operating Budgets of participating City departments. Funding for the extensions options is contingent upon available funding in future budgets.

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

REQUESTING Purchasing **DIRECTOR'S**
DEPARTMENT:for Solid Waste Services; **AUTHORIZATION:** Vickie Schubert

FOR MORE INFORMATION CONTACT: R.C. Hernandez, Senior Buyer/974-6434

PRIOR COUNCIL ACTION: N/A

BOARD AND COMMISSION ACTION: Recommended by the Solid Waste Advisory Board

PURCHASING: Low bid of four bids 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 contract will provide trash dumpster/roll-offs, compactors and balers for cardboard of various sizes and collection frequencies for City departments/facilities including, but not limited to: Aviation Department, Austin Convention Center, Palmer Event Center, Austin Energy, Financial and Administrative Services Department, Austin Public Library Department, Parks and Recreation Department, Austin Police Department, Austin Fire Department, Austin Water Utility, Public Works Department, Communications and Technology Management, and the Health and Human Services Department.

The Solid Waste Services Department does not provide these services because they do not have the type of equipment that is required. They do; however, manage this contract. The majority of all containers will be serviced on a weekly basis. A provision of this contract allows for containers to be added or removed as department requirements change.

MBE/WBE Solicited: 6/0

MBE/WBE Bid: 0/0



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

**AGENDA ITEM NO.: 32
AGENDA DATE: Thu 10/20/2005
PAGE: 2 of 2**

**BID TABULATION
IFB # RH05300074
Refuse Collection Services
(Fifty-Four Line Items)**

<u>VENDOR</u>	<u>LINE ITEMS</u>	<u>TOTAL BID</u>
WASTE MANAGEMENT OF TEXAS, INC AUSTIN, TX	1 – 54	\$618,319.26
Texas Disposal Systems, Inc. Austin, TX	1 – 54	\$766,888.00
Allied Waste Services Del Valle, TX	1 – 54	\$800,796.80
Century Disposal, Inc. Austin, TX	1 – 54	\$842,835.15

A complete bid tabulation is available in the Purchasing Office.

PRICE ANALYSIS

- a. Adequate competition.
- b. Twenty-eight notices were sent, including six MBEs. There are no known WBEs listed for this commodity code. Four solicitations were sent. Four bids were received. The MBEs did not respond.
- c. The pricing offered represents an approximate 31% increase from the last contract awarded in 2000. This increase can be attributed to substantial increase in the cost of fuel, equipment, labor and disposal. Additionally, allowances have been made for facilities that may need to utilize this service in the future.

APPROVAL JUSTIFICATION

- a. Low bid.
- b. The Solid Waste Services Department concurs with the recommended award herein.
- c. Advertised in the Austin American-Statesman and Internet.