



AGENDA MEMORANDUM

Future Item for the City Council Meeting of September 11, 2012
Action Item for the City Council Meeting of September 18, 2012

DATE: September 11, 2012

TO: Ronald L. Olson, City Manager

FROM: Michael Barrera, Assistant Director of Financial Services
mikeb@cctexas.com
(361) 826-3169

Valerie H. Gray, Director of Storm Water and Street Operations
valerieg@cctexas.com
(361) 826-1875

Lawrence Mikolajczyk, Director of Solid Waste Operations
lawm@cctexas.com
(361) 826-1972

Household Hazardous Waste Disposal

CAPTION:

Motion approving a service agreement with Stericycle Specialty Waste Solutions, Inc., Tulsa, Oklahoma for household hazardous waste disposal in accordance with Bid Invitation No. BI-0169-12, based on lowest responsible bid, for an estimated three-year expenditure of \$377,029.20 of which \$109,630.39 is required for the remainder of FY 2012-2013. The term of the agreement shall be for thirty-six (36) months with options to extend for up to two (2) additional twelve-month periods, subject to the approval of the supplier and the City Manager or designee. Funds have been budgeted by the Storm Water Department in FY 2012- 2013.

PURPOSE:

This service agreement will be utilized by the Solid Waste Department to categorize, package, manifest, transport, and properly dispose of waste collected through the Household Hazardous Waste Program.

BACKGROUND AND FINDINGS:

The Household Hazardous Waste program was established in 1993. Since that time, the program has evolved into a major collection effort where household hazardous materials are brought to the landfill throughout the year and categorized, packaged, transported, and disposed of in accordance with all federal and state regulatory guidelines and reporting requirements. The contractor is responsible for furnishing all equipment, material and labor to satisfactorily dispose of the material. Items disposed of include batteries, paints, aerosols, gas cylinders, pesticides, oils, light bulbs, and other hazardous materials. Historically, the Storm Water Department has provided funding for this service in order to prevent contaminants from entering the storm drain system while the Solid Waste Department has administered the contract. The Storm Water Department provides the first \$100,000.00 of funding per fiscal year. If household hazardous waste disposal exceeds \$100,000.00, the remaining funding is provided by the Solid Waste Department.

ALTERNATIVES:

Not applicable.

OTHER CONSIDERATIONS:

The contract is established for a three-year period. Each year, the quantities of items processed under the agreement are estimated to increase by five percent (5%). The three-year contract amount of \$377,029.20 consists of \$119,596.79 for year one (1), \$125,576.79 for year two (2), and \$131,855.63 for year three (3). Eleven (11) months of service will be provided in FY 2012-2013 at a cost of \$109,630.39.

CONFORMITY TO CITY POLICY:

This purchase conforms to the City's purchasing policies and procedures and State statutes regulating procurement.

EMERGENCY / NON-EMERGENCY:

Non-emergency.

DEPARTMENTAL CLEARANCES:

Storm Water Department, Solid Waste Operations

FINANCIAL IMPACT:

Operating Revenue Capital Not applicable

Fiscal Year: 2012-2013	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget		\$224,000.00	\$267,398.81	\$491,398.81
Encumbered / Expended Amount		\$0	0	\$0
This item		\$109,630.39	\$267,398.81	\$377,029.20
BALANCE		\$114,369.61		\$114,369.61

Fund(s): Storm Water Fund, General Fund

Comments:

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid tabulation