



AGENDA MEMORANDUM

Future Item for the City Council Meeting of May 17, 2016
Action Item for the City Council Meeting of May 24, 2016

DATE: May 17, 2016

TO: Ronald L. Olson, City Manager

FROM: Lawrence Mikolajczyk, Director of Solid Waste Operations
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| Service Agreement for Used Tire Disposal Service |
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CAPTION:

Motion approving a service agreement with Texas Land Reclamation LLC, dba UTW Tire Collection Services, Donna, Texas, for Used Tire Disposal Service in accordance with Bid Event No. 85, based on lowest responsive, responsible bid for an estimated annual expenditure of \$112,134.00, of which \$37,378.00 is required for the remainder of FY 2015-2016. The term of the contract will be for twelve months with options to extend for up to two additional twelve-month periods, subject to the approval of the Contractor and the City Manager or designee. Funds have been budgeted by the Fleet Maintenance Services and Solid Waste Departments in FY 2015-2016.

PURPOSE:

This service agreement will provide for the disposal of whole waste tires. The vendor is required to deliver empty trailers to the Fleet Service Center, JC Elliot Landfill and Cefe Valenzuela Landfill, remove the loaded trailers and dispose of the tires in accordance with all applicable Federal, State and local regulations and requirements.

BACKGROUND AND FINDINGS:

The previous Contractor did not provide satisfactory service and the department did not want to exercise the option to extend the previous contract. Bids for service were resolicited.

ALTERNATIVES:

Not applicable.

OTHER CONSIDERATIONS:

Not applicable.

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:

Fleet Maintenance Services, Solid Waste Operations

FINANCIAL IMPACT:

☒ Operating ☐ Revenue ☐ Capital ☐ Not applicable

| Fiscal Year: 2015-2016 | Project to Date Expenditures (CIP only) | Current Year | Future Years | TOTALS |
|------------------------------------|--|---------------------|-------------------------|----------------|
| Line Item Budget | | \$5,295,043.99 | \$74,756.00 | \$5,369,799.99 |
| Encumbered / Expended Amount | | \$2,308,585.26 | \$0 | \$2,308,585.26 |
| This item | | \$37,378.00 | \$74,756.00 | \$112,134.00 |
| BALANCE | | \$2,949,080.73 | \$0 | \$2,949,080.73 |

Fund(s): Fleet Maintenance Service, General

Comments: The \$37,378.00 financial impact shown above represents four months of expenditures that will be encumbered through the end of this fiscal year. The remaining \$74,756.00 for the last eight months of the contract will be requested during the normal FY 2016-2017 budget approval process.

RECOMMENDATION:

Staff recommends approval of the motion as presented.

LIST OF SUPPORTING DOCUMENTS:

Bid Tabulation
Service Agreement