



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 11/1/2016

ALL

Item Creation Date: 10/10/2016

T22953-A3 - Recycling Services - ORDINANCE

Agenda Item#: 9.

Background:

S19-T22953-A3 - Approve an ordinance authorizing a second amendment to Contract No. 4600009669 between the City of Houston and Global Waste Services, LLC (formerly Abitibi-Consolidated Corp.) to increase the maximum contract amount from \$2,282,719.60 to \$3,382,719.60, and to amend the fee schedule for recycling services for various departments.

Specific Explanation:

The Director of the Solid Waste Management Department and the Chief Procurement Officer recommend that City Council approve an ordinance authorizing a third amendment to the Contract between the City of Houston and Global Waste Services, LLC (formerly Abitibi-Consolidated Corp.) to increase the maximum contract amount from **\$2,282,719.60 to \$3,382,719.60**, and to amend the fee schedule for recycling services for various departments.

The Contractor has agreed to increase the Official Board Market rebate to the City from 80% to 90% and reduce the current service fee for removing the materials by 5%.

The contract was awarded on June 24, 2009 by Ordinance No. 2009-0604 for sixty-four (64) months, with one five-year option in an amount not to exceed \$1,630,514.00 and was subsequently amended on June 9, 2010, by Ordinance No. 2010-0449 to issue change orders to increase or decrease the scope of services or change plans and specifications, amend the fee schedule and increase the maximum contract amount from \$1,630,514.00 to \$1,782,573.00.

In October of 2014, the City utilized the 5-year option to extend the contract through November 24, 2019. Ordinance No. 2015-1007 was approved on October 21, 2015 to increase the maximum contract amount from \$1,782,573.00 to \$2,282,719.60. Expenditures as of October 12, 2016 have been exhausted. The contract incurred expenditures at a rate higher than anticipated due to an increase in requests from various departments and a decrease in recycling rebates.

The current scope of work requires the contractor to provide all labor, personnel, management, supervision, transportation, equipment and incidentals necessary to provide recycling containers and collection at approximately 300 city-owned buildings and facilities. This recycling program includes plastic bottles, aluminum cans, bi-metal cans, glass containers, corrugated cardboard, office paper and newsprint for General Services, Solid Waste, Public Works and the Parks and Recreation Department's.

This recommendation is made pursuant to Chapter 252, Section 252.022 (a)(2) "a procurement necessary to preserve or protect the public health and safety of the municipality's residents of the Texas Local Government Code for exempted procurements.

M/WBE Subcontracting:

The contract was awarded with an 11% M/WBE participation goal. Global Waste Services, LLC (formerly Abitibi-Consolidated Corp.) is currently achieving 5.27%. The Office of Business Opportunity continues to monitor this contract to ensure maximum M/WBE participation.

Fiscal Note:

Funding for this item is included in the FY2017 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policy Ord. 2014-1078.

John J. Gillespie, Chief Procurement Officer
Finance/Strategic Procurement Division

Department Approval Authority Signature

Prior Council Action:

Ord. No. 2009-0604 - Passed 6-24-09
Ord. No. 2010-0449 - Passed 6-9-10
Ord. No. 2015-1007 - Passed 10-21-15

Amount of Funding:

\$1,100,000.00 - General Fund (1000)

Contact Information:

Harry J. Hayes, Director SWMD/832-393-0454
Richard Morris/832-393-8734
Roy Korthals/832-393-8734

ATTACHMENTS:**Description**

RCA#T22953-A3 Global Waste Services, LLC

RCA T22953

Ordinance 2009-0604

RCA 22953-A1

Ordinance 2010-0449

RCA T22953-A2

Ordinance 2015-1007

Contract

Form B (Fair Campaign Ordinance)

Type

Signed Cover sheet

Signed Cover sheet

Ordinance/Resolution/Motion

Signed Cover sheet

Ordinance/Resolution/Motion

Signed Cover sheet

Ordinance/Resolution/Motion

Contract/Exhibit

Backup Material