



## Legislation Text

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**File #:** K-1617-45 AMD #1, **Version:** 1

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**AMENDMENT NO. ONE TO CONTRACT K-1617-45:** BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND STERICYCLE ENVIRONMENTAL SOLUTIONS, INC. D/B/A CHEMICAL RECLAMATION SERVICES, L.L.C., INCREASING THE CONTRACT AMOUNT BY \$23,731.68 FOR A REVISED CONTRACT AMOUNT OF \$101,731.68 TO COVER FINAL COSTS FOR THE HOUSEHOLD HAZARDOUS WASTE COLLECTION EVENT HELD AT LLOYD NOBLE CENTER ON NOVEMBER 5, 2016 AND BUDGET APPROPRIATION FROM THE WATER RECLAMATION FUND BALANCE.

**BACKGROUND:** The City Council appropriated \$86,000 in the FYE 2017 budget to provide the residents of Norman an environmentally sound method for disposal of household-generated hazardous waste (HHW). Request for Proposal (RFP) 1415-24 was mailed to seven (7) firms on July 29, 2014. Three (3) firms submitted technical cost proposals on August 8, 2014. The review committee, consisting of three staff members, evaluated the firms based on their technically most qualified proposal. On September 9, 2014 the Norman Utilities Authority (NUA) executed Contract K-1415-24 with PSC Environmental Services, doing business as Stericycle Environmental Solutions. Two collection events were successfully completed on November 1, 2014 and on September 12, 2015. All of this waste was safely removed and provided the residents of Norman an environmentally sound method for disposal of household-generated hazardous waste. Upon successful completion of these events, the language of RFP-1415-24 allowed the NUA to consider the selected contractor for an additional two-year option, if both parties were agreeable. Staff found the services of Stericycle to be worthy of continued use based on the past performance of the contractor. There has been an increase in costs to treat and properly dispose of the collected material and Stericycle submitted a new cost proposal. This amount was an approximate 4% increase over the previous proposal. Contract K-1617-45 was increased to \$78,000 from the previous contract amount of \$75,000 to cover the anticipated increase.

**DISCUSSION:** Estimated costs for the event were based on the unit price of the specific items anticipated to be collected. The event was conducted November 5, 2016 and had approximately 1,600 households participate. Stericycle's invoice totaled \$101,731.68 or \$23,731.68 greater than the \$78,000 originally encumbered to Stericycle. The increase in costs is due to the increase in the volume of waste that was collected. Both the number of households participating and the volume of waste per household were above average.

\$86,000 was budgeted for this event. In addition to the contract with Stericycle, \$6,389.48 has been encumbered for miscellaneous expenses such as advertising, lunch and t-shirts for the volunteers. To reimburse Stericycle in accordance with our contract, an additional \$23,732 needs to be appropriated from the Water Reclamation Fund balance to cover the cost of this event.

**RECOMMENDATION:** Staff recommends the NUA approve Amendment No. One to Contract K-1617-45 to provide an additional \$23,731.68 to the Contractor for final costs of the HHW event held November 5, 2016, making the contract \$101,731.68. It is also recommended \$23,732 be appropriated from the Water Reclamation Fund Balance (032-0000-253.00-00) into Other Business Services (account 032-5543-432.41-99) to pay these costs.