

Fact Sheet - Sale and Removal of Compost Material

Background:

Hornsby Bend has fifteen piles of unscreened compost currently on site. It has been the practice of AW to sell unscreened piles in the past to move material off-site. This practice was adopted after the massive fire incident at Hornsby as a way to keep the fire risk down. The piles also need to be removed so the pad can be cleared for the next contractor.

Past sales are the top three rows, the last row is the current proposal.

Solicitation No.	Opening Date	Contractor	Extended Price	Unit Price per Cubic Yard	Volume(cy)
RFQ No. LT14003	11/22/2013	Whittlesey	\$30,420	\$5.07	6,0000 cy
RFQ No. DCR14021	3/3/2014	Texas Landfill Management dba Garden-Ville	\$96,000	\$6.00	16,000 cy
RFQ No. DCR15002	10/30/2014	Texas Landfill Management dba Garden-Ville	\$104,850	\$4.50	23,200 cy
RFP No. 2200 JXP 0501	5/3/2016	Allen Click	\$64,500	\$0.86	75,000 cy

Proposed Contract for Removal:

Each compost pile is approximately 5,000 cy. The RFP for the removal of the piles was issued with the stipulation that 5 piles be removed in 90 days and up to 10 more in the remaining 9 months of the 1-year contract. There are five one-year extensions on this contract to provide operations flexibility and mitigate any fire risk, but they aren't required. The piles are sold unscreened because if the compost is screened before sale or it is then considered Dillo Dirt and whomever buys it will need to pay \$10.00/cy. Dillo Dirt sales are continuing to decline. It is unrealistic to expect removal of piles as Dillo Dirt in time for the next contract.

Options in the Current Biosolids Contract:

AW can pay the contractor in the current contract for three things – Making compost at \$25/cy. Taking material off-site for land application at \$32.90/cy or hauling material to the landfill at \$37.00/cy. This option can cost AW over \$1 million instead of a proposed revenue stream of \$64,500.

Options in the Future Biosolids Contract:

AW does not want to wait for the next contract to get the material off-site and risk a fire starting and spreading. However if there are no other options there are provisions in the RFP for the material to be left for the next contractor to handle. This of course would be a non-revenue option.