

A G E N D A



Recommendation for Council Action (Purchasing)

Austin City Council		Item ID:	65870	Agenda Number	53.
Meeting Date:		December 15, 2016			
Department:		Purchasing			
Subject					
Authorize negotiation and execution of a 60-month contract with SYNAGRO OF TEXAS-CDR, INC., or one of the other qualified offerors to Request For Proposals CDL2003, for the management of biosolids reuse, in an amount not to exceed \$9,424,778, with five 12-month extension options in an amount not to exceed \$2,185,180 per extension option, for a total contract amount not to exceed \$20,350,678.					
Amount and Source of Funding					
Funding in the amount of \$1,775,200 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Water. Funding for the remaining 48 months of the original contract period and the extension options are contingent upon available funding in future budgets.					
Fiscal Note					
A fiscal note is not required.					
Purchasing Language:	The Purchasing Office issued a Request for Proposals (RFP) CDL2003 for these services on April 4, 2016 and it closed on May 19, 2016 with five offers received. The recommended offer is the best evaluated offer submitted by a responsible offeror. Additional information on the solicitation is included below the line.				
Prior Council Action:					
For More Information:	Danielle Lord, Corporate Purchasing Manager, 512-974-2298				
Boards and Commission Action:	July 13, 2016 - Recommended by the Water & Wastewater Commission on a 6-1 vote with Commissioner Kellough voting against, Commissioner Lee abstaining and Commissioners Blanding, Parker and Penn absent. October 5, 2016 – Recommended by the Joint Working Group (Zero Waste Advisory Commission & WWW Commission on a 7-0 vote Stacy Guidry absent) with the contingency that the proposed Synagro contract (response to RFP CDL2003) is consistent with the proposed biosolids policies, and with the amendment that the first extension will be brought to Council to seek approval October 12, 2016 - Recommended by the Water and Wastewater Commission on a 9-1 vote with Commissioner Kellough voting against and Commissioner Moriarty absent. (Joint working group's biosolids management policies.) October 12, 2016 - The biosolids management policies developed by the joint working group of the Zero Waste Advisory Commission and Water and Wastewater Commission were				

	recommended by ZWAC on a 9-0 vote with Commissioner's Gattuso and Jiampietro absent.
Related Items:	
MBE / WBE:	This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, there were insufficient number of certified M/WBEs; therefore, no subcontracting goals were established.
Additional Backup Information	
<p>The contract is for the management of biosolids at the Hornsby Bend Biosolids Management Plant. The contract will be used for composting, or other beneficial reuses. The contract will be managed in accordance with strict federal, state, and local regulations; and in a safe and environmentally responsible manner.</p> <p>The Environmental Protection Agency (EPA) and Texas Commission on Environmental Quality (TCEQ) establishes requirements for the treatment, use, reuse, and disposal of biosolids generated during the process of treating municipal wastewater. Biosolids are the solid components of sewage which have undergone treatment and meet federal and state standards for beneficial reuse. The reuse of biosolids under this contract will follow standard management practices for composting that will maintain or improve environmental quality and protect public health.</p> <p>Synagro of Texas-CDR, Inc. will beneficially reuse a minimum of 100,000 cubic yards of Hornsby Bend biosolids annually. Synagro of Texas-CDR, Inc. is one of the nation's largest providers of biosolids reuse solutions. They have a local presence in Austin, and a national perspective on biosolids issues. They currently serve more than 600 local and county government clients across the United States with similar biosolids reuse programs.</p> <p>An evaluation team with expertise in this area evaluated the offers and scored Synagro of Texas-CDR, Inc. as the best to provide these services based on experience and qualifications, proposed solutions, schedule and timeline, proposed cost, and local business presence.</p> <p>This request allows for the development of a contract with a qualified offeror that Council selects. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so Council may select another qualified offeror and authorize contract negotiations with this provider.</p> <p>If the City is unable to secure a contract and an alternative for the processing of biosolids is not selected, there will not be sufficient City staff or resources to process all the biosolid material. If the biosolids are not processed, Hornsby Bend may not be in compliance with EPA and TCEQ regulations, which could lead to fines and administrative penalties for stockpiling and storing of biosolids improperly.</p> <p>A complete solicitation package, including a response list, is on file in the City's Purchasing Office and is available on the City's Financial Services Austin Finance Online website. Link: Solicitation Documents.</p> <p>The Water and Wastewater Commission and the Zero Waste Advisory Commission formed a joint working group which on October 5, 2016 recommended award of the contract if it met their biosolids policy recommendations and if the first extension was brought back to council for approval. On October 12, 2016, the Water and Wastewater Commission recommended adoption of the joint working group's policies and contract extension stipulation, and also on October 12, 2016, the Zero Waste Advisory Commission recommended their own biosolids policies based on the working group policies. The proposed contract complies with the contract requirements in both sets of policies.</p>	
SYNAGRO OF TEXAS-CDR, INC.	

	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	60	\$ 9,424,778	n/a	n/a
Extension Option 1	12	\$ 2,185,180	n/a	n/a
Extension Option 2	12	\$ 2,185,180	n/a	n/a
Extension Option 3	12	\$ 2,185,180	n/a	n/a
Extension Option 4	12	\$ 2,185,180	n/a	n/a
Extension Option 5	12	\$ 2,185,180	n/a	n/a
TOTAL	120	\$ 20,350,678	\$ -	\$ -