

This RCA not only provides false information, but also fails to provide pertinent details about the facility where organic materials will be processed, and the details about the disposal facility where contaminants and residual materials will be disposed, and how the City will market the compost generated from the materials it controls, and how OBG will separately manage the City's

compostable waste. Also, whether portions of these waste materials will be used in the biosolids compost operations. And, whether this contract would need to be amended in order for this contractor to accept compostables from other streams of compostables

and contracts the City takes control over (i.e.: special events).

What are the specific unit prices quoted and for what specific services?



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	62708	Agenda Number	<ITEM_OUTLINE>
Meeting Date:	October 6, 2016			
Department:	Purchasing			
Subject				
<p>Authorize negotiation and execution of a 36-month contract with EMPLOYEE OWNED NURSERY ENTERPRISES, LTD DBA ORGANICS "BY GOSH", to provide organics processing services, in an amount not to exceed \$1,510,000, with three 12-month extension options in an amount not to exceed \$940,000 for the first option, \$950,000 for the second option, and \$960,000 for the third option, for a total contract amount not to exceed \$4,360,000.</p>				
Amount and Source of Funding				
<p>Funding in the amount of \$255,500 is available in the Fiscal Year 2016-2017 Operating Budget of Austin Resource Recovery. Funding for the remaining 24 months of the original contract period and extension options are contingent upon available funding in future budgets.</p>				
Fiscal Note				
<p>A fiscal note is not required.</p>				
Purchasing Language:	<p>The Purchasing Office issued a Request for Proposals (RFP) SLW0509REBID for these services on May 30, 2016 and it closed on June 28, 2016 with one offer received. The recommended offer is the sole offer submitted by a responsible offeror. Additional information on the solicitation is included below the line. The recommended offeror is the current provider for these services.</p>			
Prior Council Action:				
For More Information:	Sandy Wirtanen, Senior Buyer, 512-974-7711			
Boards and Commission Action:	November 9, 2016 – To be reviewed by the Zero Waste Advisory Commission.			
Related Items:				
MBE / WBE:	<p>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 no subcontracting opportunities; therefore, no subcontracting goals were established.</p>			
Additional Backup Information				

The RCA fails to report that an initial RFP was released on 3-21-2016 and closed on 4-12-2016 with one offer received from the same contractor now being recommended. The RCA also fails to report that TDS notified the City on 4-12-2016 that its existing "Waste Disposal and Yard Trimmings Processing Contract" already allows for these services at an established rate to begin immediate receipt and processing of the organic materials without a contract amendment. See TDS Unsolicited Offer to Council, ZWAC and Staff dated 4-12-2016.

Can the OBG location handle the added volume of the 210,000 homes organic waste and the volumes of compostable materials expected from the contract proposed for Republic, since the staff can designate where recyclables and compostables hauled under that contract will be processed?

The contract for organics processing is needed to accommodate the expansion of the organics collection program in Austin. The current program handles material from about 14,300 homes and will be expanding based on Council approval with an additional 38,000 homes in 2017 and 52,000 homes for the next three years after that. The contract will allow the diversion of food waste that is currently being landfilled and help the City get closer to our zero waste and carbon neutral goals.

RCA fails to state whether provision of services was evaluated under the existing 30-year TDS/COA "Waste Disposal and Yard Trimmings Processing Contract."

An evaluation team with expertise in this area evaluated the offers and scored Employee Owned Nursery Enterprises, Ltd. dba Organics "by Gosh" as the best to provide these services based on system concept and solution, applicable experience, contingency plan, location of the drop-off facility, total evaluated cost and local business presence.

Without a contract, the City will not be able to expand the program as anticipated, leaving residents without an organics collection program.

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](#)

EMPLOYEE OWNED NURSERY ENTERPRISES, LTD dba ORGANICS "BY GOSH"

	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	36	\$ 1,510,000	n/a	n/a
Extension Option 1	12	\$ 940,000	n/a	n/a
Extension Option 2	12	\$ 950,000	n/a	n/a
Extension Option 3	12	\$ 960,000	n/a	n/a
TOTAL	72	\$ 4,360,000	\$ -	\$ -

It is patently false to state that this contract is the only option available to the City and that residents will be left without an organics collection program if the contract is not approved. Besides, if they fail, will that threaten the program?

See Scoring Sheet & Comments. Who was on the team?

- The sole RFP respondent being recommended by City staff received an effective scoring grade of "C minus" (71), and received low scores on location and contingency plan.
- The RCA fails to include details mentioned in Bob Gedert's 5-11-2016 Memo (attached) regarding the scope of work changes made to the rebid solicitation that were not addressed in the initial solicitation, and what measures were taken to ensure adequate vendor capacity to process the increased volume and the possibility of using multiple vendors to decrease vehicle mileage driving to vendor locations.
- It is inappropriate for this RCA to not include information about the potential for these services being provided under the 30-year TDS/COA Waste Disposal and Yard Trimmings Processing Contract and what steps City staff took to consider TDS as an option for providing these services.
- Clearly City staff is refusing to use the TDS facility because TDS will not consent to the staff's demand to allow the City to take full control over compostable and recyclable materials covered under this proposed contract and the Citywide Dumpster Collection Services Contract.