



**To:** Zero Waste Advisory Commission  
**From:** Bob Gedert, Department Director, Austin Resource Recovery  
**Date:** November 9, 2016  
**Subject:** Contract for Organics Processing Services

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Austin Resource Recovery (ARR) is requesting the Zero Waste Advisory Commission (ZWAC) to provide a favorable ZWAC recommendation to the City Council for the authorization of an award and execution of a 36-month with three 12-month extensions contract with Employee Owned Nursery Enterprises, LTD DBA Organics "By Gosh" in an amount not to exceed \$4,360,000 for organics processing services over a six (6) year period.

#### **Funding**

The processing costs noted in this contract were planned and included within the 2016 Organics discussions with ZWAC and City Council. Funding of the first year requirement (\$255,500) has been appropriated and is included in the FY17 ARR Budget. Funding of future years' requirements will be contingent upon future budget approvals.

#### **Background**

This procurement is being requested in anticipation of the additional volume of composting materials that will be collected when the curbside composting service is expanded in FY17 to an additional 38,000 homes. ARR anticipated awarding this contract to multiple vendors/locations to allow for efficiencies in operations, but only one vendor submitted a proposal.



**This is not true. They have the TDS long-term contract option as submitted to Council and ZWAC members on 4-12-16.**

#### **Contract Timeline**

November 9<sup>th</sup> – ZWAC recommends City Council approval of original contract  
December 1<sup>st</sup> – Target City Council date

#### **Staff Recommendation**

Staff recommends City Council authorization of award and execution of a 36-month with three 12-month extensions contract with Employee Owned Nursery Enterprises, LTD DBA Organics "By Gosh" in an amount not to exceed \$4,360,000 for organics processing services over a six (6) year period.

**Council and ZWAC members, as well as stakeholders, must see the Contract and the incorporated RFP Response language to see the compost facility location(s) and understand the expected activities and unit charges, particularly since OBG scored so low overall (71%) and they were scored so low on the location of drop-off facility (10 of 20) and their contingency plan (1 of 5), to know if the locations are compliant with the County Siting Ordinance for Solid Waste Facilities and to see if the City can ship compostables from other contracts to OBG without going out for bid.**

**Note: This processing facility location could be the same facility that Synagro planned to use with undisclosed partners and for undisclosed purposes, but refused to identify.**