

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL

Regular Meeting: November 1, 2018

Item Number: 020

Purchasing Office

Authorize negotiation and execution of a multi-term contract with Synagro of Texas-CDR, Inc., to provide biosolid composting services, for up to ten years for a total contract amount not to exceed \$19,300,000. (Note: 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).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of \$1,404,608 is available in the Fiscal Year 2018-2019 Operating Budget of Austin Water. Funding for the remaining contract term is contingent upon available funding in future budgets.
Purchasing Language	The Purchasing Office issued Invitation for Bids (IFB) 2200 CDL2003REBID2 for these services. The solicitation issued on August 13, 2018 and it closed on September 4, 2018. Of the three offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a response list, is available for viewing on the City's Financial Services website, Austin Finance Online. Link: Solicitation Documents <https://www.austintexas.gov/financeonline/account_services/solicitation/solicitation_details.cfm?sid=126894> .
Prior Council Action	August 11, 2016 - Council postponed the item, item 25, on an 11-0 vote and directed staff to refer the item to the Water and Wastewater Commission and the Zero Waste Advisory

	<p>Commission for discussion and feedback prior to returning to Council for action.</p> <p>December 15, 2016 - Council approved an amendment, item 52, waiving the anti-lobbying ordinance regarding solicitations for the sale and removal of compost materials and management of biosolids reuse on a 10-0 vote, with Council Member Troxclair off the dais.</p> <p>December 15, 2016 - Council withdrew item 53, cancelling the solicitation and directed staff to reissue the Request for Proposals and send the solicitation documents to the Zero Waste Advisory Commission and the Water and Wastewater Commission, on a 10-0 vote with Council Member Troxclair off the dais.</p> <p>March 23, 2017 - Council approved Resolution No. 20170323-055, item 55, to form a council working group to examine waste management and biosolids policy issues and contracts on an 11-0 vote.</p> <p>April 6, 2017 - Council approved Ordinance 20170406-023, item 23, waiving the Anti-Lobbying Ordinance for solicitations for the collection, disposal and processing of municipal solid waste, recyclables, compostables, special waste collections for City facilities, and other solid waste matters related to these items, on a 7-1 vote, with Council Member Troxclair voting nay, Council Member Houston abstained and Council Members Alter and Casar off the dais.</p> <p>August 15, 2017 - Waste Management Working Group presented its recommendations to Council at Work Session; among the recommendations was to revise the Anti-Lobbying Ordinance.</p> <p>September 2017 through May 2018 - Staff worked with the Audit and Finance Committee to develop the revisions to the Anti-Lobbying Ordinance. Staff postponed the solicitation for Biosolids until after Council approved the revisions to the ordinance.</p> <p>June 14, 2018 - Council approved the revised Anti-Lobbying Ordinance, item 56, on an 8-1 vote, with Council Member Alter voting nay and Council Members Garza and Troxclair off the dais. Shortly thereafter, staff issued the solicitation for Biosolids, IFB 2200 CDL2003REBID2, with the revised ordinance referenced therein.</p>
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For More Information	<p>Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov <mailto:AgendaOffice@austintexas.gov></p> <p>NOTE: Respondents to this solicitation, and their representatives, shall continue to direct inquiries to the solicitation's Authorized Contact Person: Matthew Duree, at 512-974-6346 or Matthew.Duree@austinetexas.gov <mailto:Matthew.Duree@austinetexas.gov>.</p>
Council Committee, Boards and Commission Action	<p>October 10, 2018 - Recommended unanimously by the Water and Wastewater Commission on a 6-0 vote, with Commissioner's Castleberry, Turrieta, Lee, Bell, and Schmitt absent.</p> <p>October 10, 2018 - Reviewed by the Zero Waste Advisory Commission; Commissioner White motions that the commission recommends to Council to hold off on moving forward with the contract until the commissioners can receive more information from Purchasing by having them attend the meeting to answer these questions to gain understanding. Commissioner Blaine seconds. Commissioner Gattuso offers a friendly amendment: wants information as to how the cost of grinding fits in to the contract. Vote: 8-0-2; Abstentions made by Commissioners Barona and Hoffman and with Commissioner Bones absent.</p>
Client Department(s)	Austin Water.

Additional Backup Information:

The contract is for the composting of biosolids at the Hornsby Bend Biosolids Management Plant. The contract will be managed in accordance with strict federal, state, and local regulations; and in a safe and environmentally responsible manner. The contractor will beneficially reuse a minimum of 110,000 wet tons of biosolids annually.

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 and will seek to maintain or improve environmental quality and protect public health.

The current contract expires on December 31, 2018; however, the contract is low on authorized funding.

If the City is unable to secure a contract, there will not be sufficient City staff or resources to process all the biosolids material. If the biosolids are not processed, the Hornsby Bend Biosolids Management Plant 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 or lead to health and public safety concerns.

Contract Detail:

<u>Contract Term</u>	<u>Length of Term</u>	<u>Contract Authorization</u>
Initial Term	5 yrs.	\$ 9,650,000
Optional Extension 1	1 yr.	\$ 1,930,000
Optional Extension 2	1 yr.	\$ 1,930,000
Optional Extension 3	1 yr.	\$ 1,930,000
Optional Extension 4	1 yr.	\$ 1,930,000
Optional Extension 5	1 yr.	\$ 1,930,000
TOTAL	10 yrs.	\$19,300,000

Note:Contract Authorization amounts are based on the City's estimated annual usage.