

City of San Antonio

Recycle Processing RFP Pre-Solicitation Briefing

Item # 2
City Council “B” Session
April 14, 2021

Presented by: David Newman, Director



CITY OF SAN ANTONIO
**SOLID WASTE MANAGEMENT
DEPARTMENT**

Pre-Solicitation Overview



SWMD seeks a contractor to provide recycle processing

- ◆ High profile contract
- ◆ Annually collect over 80,000 tons from blue cart
- ◆ Commodities sold on open market, such as:
 - ◆ Cardboard, paper, aluminum cans, plastic & glass bottles
 - ◆ Revenue shared with the City

Current Recycling Contract



- ◆ Republic Services, formerly ReCommunity
- ◆ Began 8/1/14; expires 7/31/24
- ◆ Processing fee \$4.1 M (\$48.99/ton)
- ◆ Revenue \$3 M
- ◆ Net expense \$1.1 M (\$12.98/ton)



Community Health and Equity Committee Recap

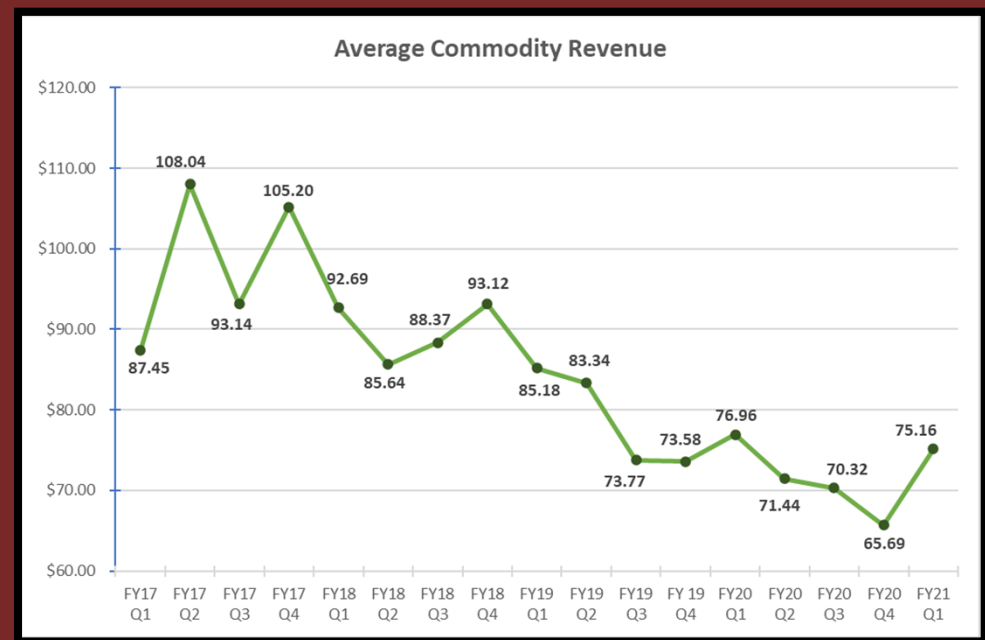


- ◆ Presented on October 22, 2020; follow-up on March 25, 2021
- ◆ Options for future recycling
- ◆ Update on Recycling Goals
 - ◆ 60% goal, currently at 36%
 - ◆ Current focus on quality
 - ◆ Benefits of recycling
 - ◆ Conservation of natural resources
 - ◆ CAAP strategy
- ◆ Recycling Market

Declining Market



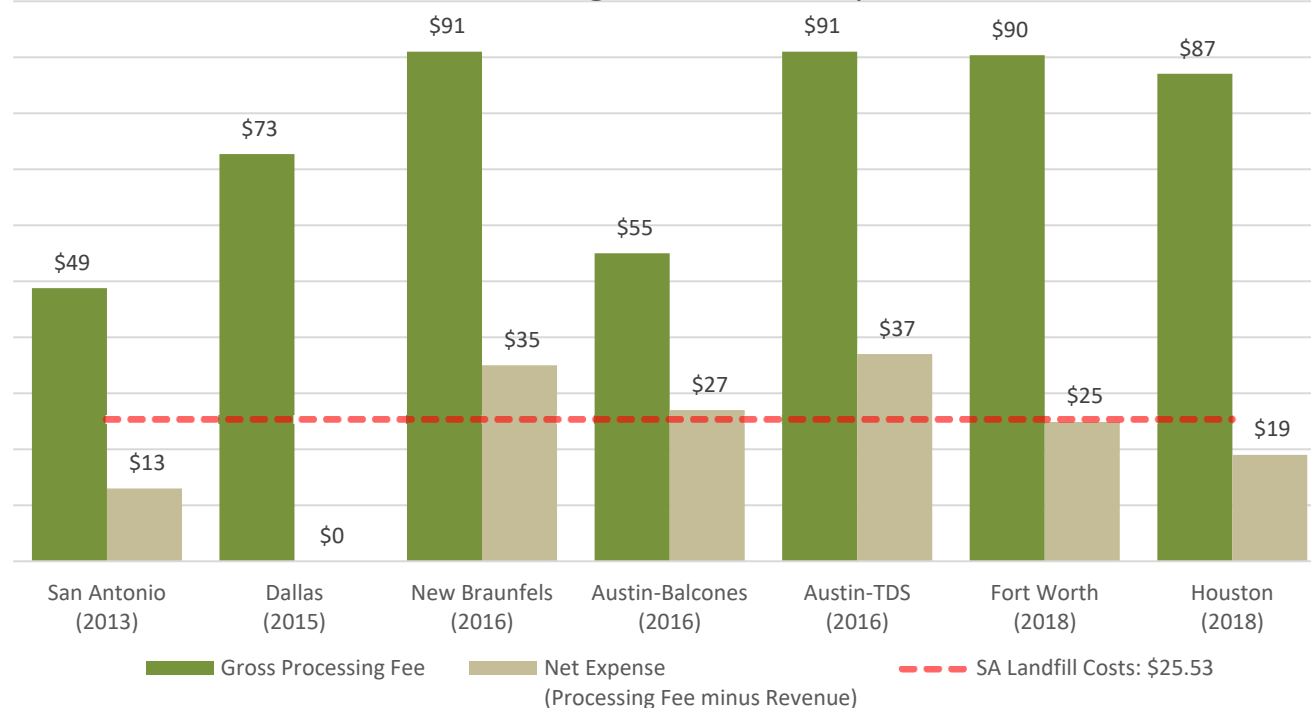
- ◆ China-National Sword Policy
 - ◆ High quality standard
- ◆ Impact shifted revenue contracts towards expenditure contracts



Contracts in Comparable Cities



Per Ton Processing Fees and Net Expense to Cities



Dallas

- ◆ Contract states \$0 fee
- ◆ Facility on City property

Austin

- ◆ Contract originally awarded in 2011, renegotiated every five years

Fort Worth & Houston

- ◆ Contracts state max fee of \$25 & \$19, respectively

Contract Development



- ◆ Evaluated options for processing recyclables
 - ◆ City owned/operated
 - ◆ Contractor owned/contractor operated
 - ◆ City owned/contractor operated
- ◆ Consultant Burns & McDonnell analyzed scenarios
- ◆ Issued RFI to understand vendor preferences
 - ◆ Seven responses received
 - ◆ Interest in both contractor owned, and City owned property

City Operated Considerations



Pros

- ◆ Design control
- ◆ Operational control
 - ◆ Commodity capture
 - ◆ Employee compensation
 - ◆ Educational opportunities
- ◆ 100% of revenue

Cons

- ◆ No processing experience
- ◆ Entering a tight market
- ◆ Capital for construction
- ◆ No financially stable and experienced partner

Contract Recommendation



- ◆ RFP with two submittal options
 - ◆ City property/contractor operated
 - ◆ Contractor property/contractor operated



Former Northwest Service Center Option



Artist's rendering of recycling facility at 6802 Culebra



General Specifications



- ◆ New contract to be similar to existing contract
- ◆ City delivers co-mingled materials, contractor sorts and sells
- ◆ Mandatory items to be accepted:
 - ◆ Paper & cardboard
 - ◆ Aluminum & metal cans
 - ◆ Plastic bottles
 - ◆ Glass bottles
- ◆ Kiosk/drop-off option for plastic bags, etc.



Pre-Solicitation Overview



Solicitation Type

- ◆ Request for Proposal (RFP)

Proposed Term

- ◆ 15 years
- ◆ One, five-year option

Estimated Value

- ◆ \$5M-\$7M Processing Fee
- ◆ \$3M-\$5M Commodity Revenue
- ◆ \$2M Annual Net Expense

Current Contract Status

- ◆ Expires July 31, 2024

Outreach Efforts



NGIP Codes Identified:

92677 – Recycling Services

Number of vendors to be notified:

Central Vendor Registry: 46

Veteran Owned Small Business (SBA): 848

Targeted Vendor Outreach: 4

Advertising:

TVSA Channel 21

COSA Bidding
Opportunities website

Express News

Solicitation Requirements



Evaluation Criteria

Experience: 30 points

Financial strength | Contract performance with other cities | Market strength | Past safety & environmental record

Proposed Plan: 35 points

Location | Recovery of commodities | MRF operational commitments | Facility design & property development

Pricing: 20 points

Veteran-Owned Small Business (VOSB) Preference Program: 5 points

Local Preference Program: 10 points

Additional Requirements

Audited Financial Statements

SBEDA Requirements Waived

Evaluation Panel



- ◆ David McCary, Assistant City Manager
- ◆ David Newman, Director, SWMD
- ◆ Josephine Valencia, Assistant Director, SWMD
- ◆ Natalie Smith, Sr. Property Manager, Pearl Brewery
- ◆ Audrey Zamora-Johnson, Assistant to the Director, SWMD
- ◆ Catelyn C. Scholwinski, Recycling Coordinator, City of New Braunfels
- ◆ Assistance from Purchasing, City Attorney's Office, Finance

Timeline



2021

May
Advertise RFP

August
Evaluate Responses

October
Post Solicitation
B Session

December
Contract Award

2022-2023

If selected vendor
proposes to build a
processing facility,
this time will be used
for design and
construction.

2024

August
New contract begins

Thank You - Questions

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