

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 02/28/23 M&C FILE NUMBER: M&C 23-0148

LOG NAME: 13PRFP 22-0203 RECYCLING PROCESSING SERVICES AR CODE

SUBJECT

(ALL) Authorize the Execution of a Services Agreement with WM Recycle America, LLC. for Recycling Processing Services in an Estimated Annual Amount of \$4,507,000.00 for an Initial Ten-Year Term for the Code Compliance Department (Continued from a Previous Meeting)

RECOMMENDATION:

It is recommended that the City Council authorize the execution of a services agreement with WM Recycle America, LLC. for recycling processing services in an estimated annual amount of \$4,507,000.00 for an initial ten-year term for the Code Compliance Department.

DISCUSSION:

The Code Compliance Department approached the Purchasing Division to procure an agreement for recycling processing services. The City of Fort Worth (City) will utilize this agreement to provide Program Recyclable Material Processing Services (Recycling Processing Service) essential to preserving and protecting the long-term public health and safety of the City's residents.

In order to procure these services, Purchasing staff issued Request for Proposal (RFP) No. 22-0203. The RFP consisted of detailed specifications describing the project background, vendor requirements, and other requirements in order to perform the services. The RFP was advertised in the *Fort Worth Star-Telegram* on August 17, 2022, August 25, 2022, August 31, 2022, September 7, 2022, and September 14, 2022. Two responses were received.

An evaluation panel consisting of representatives from the Code Compliance, Diversity and Inclusion, and Park and Recreation Departments evaluated and scored the responses using Best Value criteria. After the initial evaluation meeting, the firms were interviewed on January 6, 2023 and the City requested a Best and Final Offers (BAFO) from the respondents. The individual scores were averaged for each of the criteria and the final scores are listed in the table below.

Bidders	Evaluation Criteria						
	a	b	c	d	e	f	Total score
WM Recycle America, LLC Option #1	5.75	6.50	16.88	2.25	2.75	11.42	45.55
WM Recycle America, LLC Option #2	5.75	6.50	20.63	2.50	2.75	28.52	66.65
WM Recycle America, LLC Option #3	5.75	6.50	16.88	2.25	2.74	45.00	79.13
Allied Waste Services of Fort Worth, LLC dba Republic Services	5.75	6.50	16.88	2.50	2.75	22.21	56.59

Best Value Criteria:

- A) Minimum Requirement
- B) Experience and Qualifications
- C) Proposed Approach
- D) Exceptions
- E) Financial & Litigation History
- F) Cost

After evaluation of the BAFO, the panel concluded that WM Recycle America, LLC. option #2 presents both the best value and the necessary coverage for the City. Option #2 provides the City with an opportunity to share in the revenue from the recycling commodity value while Option #3 does not provide an opportunity for the City to share in the revenue. Therefore, the panel recommends that Council authorize an agreement with WM Recycle America, LLC. for recycling processing services. No guarantee was made that a specific amount of services would be purchased.

Staff certifies that the recommended vendor's bid meets specifications.

FUNDING: The estimated cost for the recycling processing services for year one of the contract is \$4,507,000.00. The estimated value of this contract over the 10 year term is \$45,070,000.00. The estimated contract amount does not constitute a not to exceed limit on the contract, as the unit prices paid to Waste Management are impacted annually by the cost adjustment, growth of the City, recycling contamination, and other variable factors including the commodity market prices. Funding is budgeted in the Disposal account of the Code Compliance Department's rollup within the Solid Waster Fund.

BUSINESS EQUITY: Waste Management of Texas, Inc. is in compliance with the City's Business Equity Ordinance by submission of the prime contractor waiver form. The City's Business Equity goal on this project is 15%.

AGREEMENT TERMS: Upon City Council approval, the agreement will begin on April 1, 2023 and expire on March 31, 2033 (initial term). The agreement may be extended for up to ten years following expiration of the initial term.

ADMINISTRATIVE CHANGE ORDER: An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

EXEMPT PROCUREMENT: The City Attorney's Office has determined that solid waste services may be exempt from competitive bidding under the provisions of Chapter 252 of the Texas Local Government Code as necessary to preserve or protect the public health or safety of the municipality's residents. Nevertheless, the City chose to voluntarily procure this agreement through the competitive process, as allowed, to ensure the City receives a fair and equitable contract.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: Waste Management, Inc.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the recommendation, funds are available in the current operating budget, as appropriated, in the Solid Waste Fund. Prior to an expenditure being incurred, the Code Compliance Department has the responsibility to validate the availability of funds.

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Expedited