



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 15

Agenda Date: May 11, 2023

In Control: City Council A Session

DEPARTMENT: Solid Waste Department

DEPARTMENT HEAD: David Newman

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Metal Recycling Contract

SUMMARY:

This Ordinance authorizes acceptance of a contract with Monterrey Iron & Metal to recycle metals collected by the Solid Waste Management Department (SWMD). Monterrey Iron & Metal will pay the City \$180 per net ton if the City delivers to vendor facility and \$140 per net ton if the vendor picks up metals from City locations on a monthly basis. The estimated fiscal impact is \$60,000.00 annual revenue, and all revenue will be deposited in the Solid Waste Operating and Maintenance Fund.

BACKGROUND INFORMATION:

Items that may be recycled through this contract consist of varied scrap metals, such as appliances and bar-b-que pits, which are generated in a residential setting collected by SWMD crews curbside or at one of four bulky drop-offs sites. SWMD is responsible for ensuring that metals collected citywide are recycled appropriately, utilizing a provider that has the technology, equipment, facilities, and experience necessary to comply with safety and environmental requirements.

The City released a Request for Proposals (RFP) to seek interested parties to recycle metals on April 2, 2022. Proposals were due May 30, 2022. The RFP was advertised in the Express-News, TVSA channel, the City's Bidding & Contracting Opportunities website, the San Antonio e-Procurement System and an email notification was released to a list of potential Respondents.

A total of two proposals were received and deemed eligible for review. The evaluation team consisted of representatives from the SWMD.

The evaluation committee met on October 12, 2022, for discussion on each of the Respondent's proposals. The evaluation of each proposal was based on a total of 100 points: 30 points allotted for experience, background, qualifications; 40 points allotted for proposed plan; and 15 points allotted for price. The committee recommends Monterrey Iron & Metal for award as the firm receiving the highest collective score from the evaluation categories.

The Small Business Economic Development Advocacy (SBEDA) Ordinance requirements were waived due to the lack of small, minority, and/or women businesses available to provide these services.

The recommended award is in accordance with the Local Preference Program (LPP). The LPP program was applied in the evaluation of responses received for this contract, and the recommended Respondent received 10 points for being headquartered within the incorporated San Antonio City limits.

The recommended award is in accordance with the Veteran-Owned Small Business (VOSB) Preference Program. The VOSB program was applied in the evaluation of responses received for this contract; however, the highest ranked firm is not a VOSB eligible firm.

Under this agreement, Monterrey Iron & Metal will take possession of all scrap metals collected from SWMD curbside collections, the bulky drop-off sites, and potentially other departments and collection programs.

All expenses for the metal recycling will be covered by the selected provider. Monterrey Iron & Metal will provide containers and collect the metal from City facilities. Additionally, the City has the choice of delivering the materials to the provider if needed.

ISSUE:

In response to the community's concerns about the recent fire at Monterrey Iron & Metal, SWMD requested that several potential issues regarding fire safety, air quality, and litter control be addressed.

Fire Safety – Fire risk can be reduced at metal recycling facilities by limiting the height and size of piles, having buffers or roads between piles to reduce heat and provide access, and having good material intake controls that prohibit combustible materials from entering the facility. Monterrey

Iron & Metal is a registered recycling company with the City of San Antonio. These controls are included in the required safety plan that has been reviewed by the San Antonio Fire Department and Code Enforcement. Generally, the required fire lanes, perimeter buffer, and access for fire trucks to all areas of their yard are in place. Monterrey Iron & Metal stated that all their pile heights (except for the current processing pile) are limited to 20 ft.

Monterrey Iron & Metal has a list of prohibited combustible materials posted at their facility, on their website, and on fliers distributed to their customers and employees. They implement a three-tiered safety inspection of all materials coming into their facility to prevent them from entry. The first inspection is done when the material is weighed upon entry to the facility. It is next inspected when the material is dumped on the concrete pad prior to processing. The final inspection is done by the machine operator who loads the material into the machine.

Monterrey Iron & Metal is equipped with infrared cameras that detect heat signatures and monitor for hotspots. In the event of a fire, Monterrey Iron & Metal has two fire trucks full of water and always strategically placed for rapid response to extinguish a fire. Monterrey Iron & Metal's shredder is equipped with in-line water flooding capabilities. If a fire is detected in the shredder box, a flooding deluge is activated that will extinguish the fire. This same system injects water constantly into the shredder to cool material temperatures, creating steam often confused for smoke.

Air Quality & Litter - Monterrey Iron & Metal operates two water trucks to control dust. As mentioned above, their shredder is equipped with a water sprayer to help minimize dust and air pollution. This equipment is electric and not diesel, which further reduces air emissions. Belt driven equipment is also equipped with dust suppression water sprayers. Monterrey Iron & Metal is improving the facility with concrete roads to facilitate access and reduce dust. This improvement is expected to be completed in 2023. All material is shipped out as quickly as possible and not stored.

Monterrey Iron & Metal regularly sweeps the area with a magnet to pick up any metal objects. They also have a two-person crew that mows and picks up litter along Frio City Road. They often call 3-1-1 to address illegal dumping and broken signage as well.

ALTERNATIVES:

City Council could choose not to enter into a revenue agreement with the selected vendor, and the City could re-issue the RFP and solicit proposals from additional vendors. Without a metal recycling vendor, SWMD would dispose of metals in a landfill by paying current contract disposal rates.

FISCAL IMPACT:

This ordinance approves Monterrey Iron & Metal to pay the City \$180 per net ton if the City delivers to the vendor facility and \$140 per net ton if the vendor picks up metals from City locations on a monthly basis. The estimated fiscal impact is \$60,000 annually, and all revenue will be deposited in the Solid Waste Operating and Maintenance Fund.

RECOMMENDATION:

Staff recommends the execution of a revenue agreement with Monterrey Iron & Metal to provide recycling of metals services for the City of San Antonio.

This contract is procured by means of Request for Proposals and a Contracts Disclosure Form is attached.