

Post-Solicitation Briefing for Municipal Solid Waste Disposal



City Council B Session

March 20, 2024

Presented by: Josephine Valencia, Deputy Director
Solid Waste Management Department

Current Contracts - Disposal



Two Traditional Landfill Contracts

- ◆ **Republic Services (BFI) - \$28.48 per ton**
 - Guaranteed minimum 50,000 tons annually
 - Contract executed 1995, expires September 2024
 - One remaining 1-year renewal option

- ◆ **Waste Management - \$25.59 per ton**
 - Guaranteed minimum 50,000 tons annually
 - Contract executed 1995, expires September 2025
 - No renewal options remaining

Current Contract - Transfer Station

- ◆ City owned transfer station, operated by Texas Disposal System
- ◆ Guaranteed minimum 100,000 tons annually
- ◆ \$37.65 per ton - combines transportation and disposal costs
- ◆ Expiration:
 - Facility: Contract executed 1998, expires Sept 2025, no renewal options
 - Disposal: Contract executed 1993, expires Sept 2025, potential 5, 1-year renewals to Sept 2030

Project Overview

- ◆ High profile contract for MSW (landfill) disposal services
- ◆ Pre-Solicitation B Session on Feb. 9, 2023
- ◆ Hired consulting firm R4 Strategies to assist with RFP development and evaluations of proposals
- ◆ 436,333 tons of waste collected annually
- ◆ Operational need to award multiple contracts
- ◆ Pricing based per ton
- ◆ On demand contract – no guaranteed tonnage
- ◆ Contract to begin Oct. 1, 2025

Solicitation Overview

Solicitation: Request For Proposals (RFP)

Funding: Solid Waste Fund

Term: 10 years plus two 5-year renewals

Base Term: \$13.3M Annual, \$133M over ten years

Due Diligence

Finance and Auditor Departments – Due Diligence Results

Number of vendors notified:

247

Number of vendors at pre-submittal conference:

3

Number of responses received:

7

Results of Minimum Requirements Review

2 firms submitted a “no bid”; 1 firm deemed non-responsive for submitting incomplete proposal

Results of Due Diligence Review

No Material Findings

Proposals Reviewed

- ◆ 3 Traditional Landfills
 - BFI
 - Waste Management
 - Waste Connections
- ◆ 1 Alternative: RePower South
 - Proposed new facility to be built; location not final
 - Mixture of waste-to-energy, material recovery, & landfill
 - Proposal requested all the City's garbage tons or an increase in the quoted price



Final Recommendation - Landfill

FINAL SCORE MATRIX

RFP for Municipal Solid Waste Disposal Services (RFP 23-069, RFx 6100016481) Score Summary *FINAL EVALUATION July 6, 2023	Maximum Points	Waste Management of Texas, Inc. 8611 Covell Road San Antonio, TX 78252	BFI Waste Systems of North America, LLC. dba Tessman Road Landfill 7000 IH 10 San Antonio, TX 78219	Waste Connections – Post Oak Clean Green 7787 FM 1150 Luling, TX 78155
A - Experience, Background, Qualifications	35	33.00	31.00	29.00
B - Proposed Plan	30	22.00	23.00	18.00
A - B Sub-Total	65	55.00	54.00	47.00
C - Price	20	12.50	10.29	20.00
D - Local Preference Program	10	5.00	5.00	0.00
E - Veteran-Owned Small Business Preference Program	5	0.00	0.00	0.00
TOTAL SCORE	100	72.50	69.29	67.00
RANK BASED ON TOTAL SCORE		1	2	3

*One evaluation meeting held with no interviews conducted.

SBEDA Program - Waived

Consensus Scoring - Alternative

The evaluation committee met on July 27, 2023, and by consensus, does not recommend awarding a contract to the sole respondent, RePower South, LLC, for the alternative solution proposed.

Agreed Upon Contract Pricing Per Ton

Waste Management – San Antonio

1 to 200,000 tons	\$ 27.99
200,001 to 300,000 tons	\$ 25.49
300,001+ tons	\$ 23.21

BFI – San Antonio

1 to 150,000 tons	\$ 34.00
150,001 – 250,000	\$ 31.00
250,001+ tons	\$ 29.50

Waste Connections - Luling

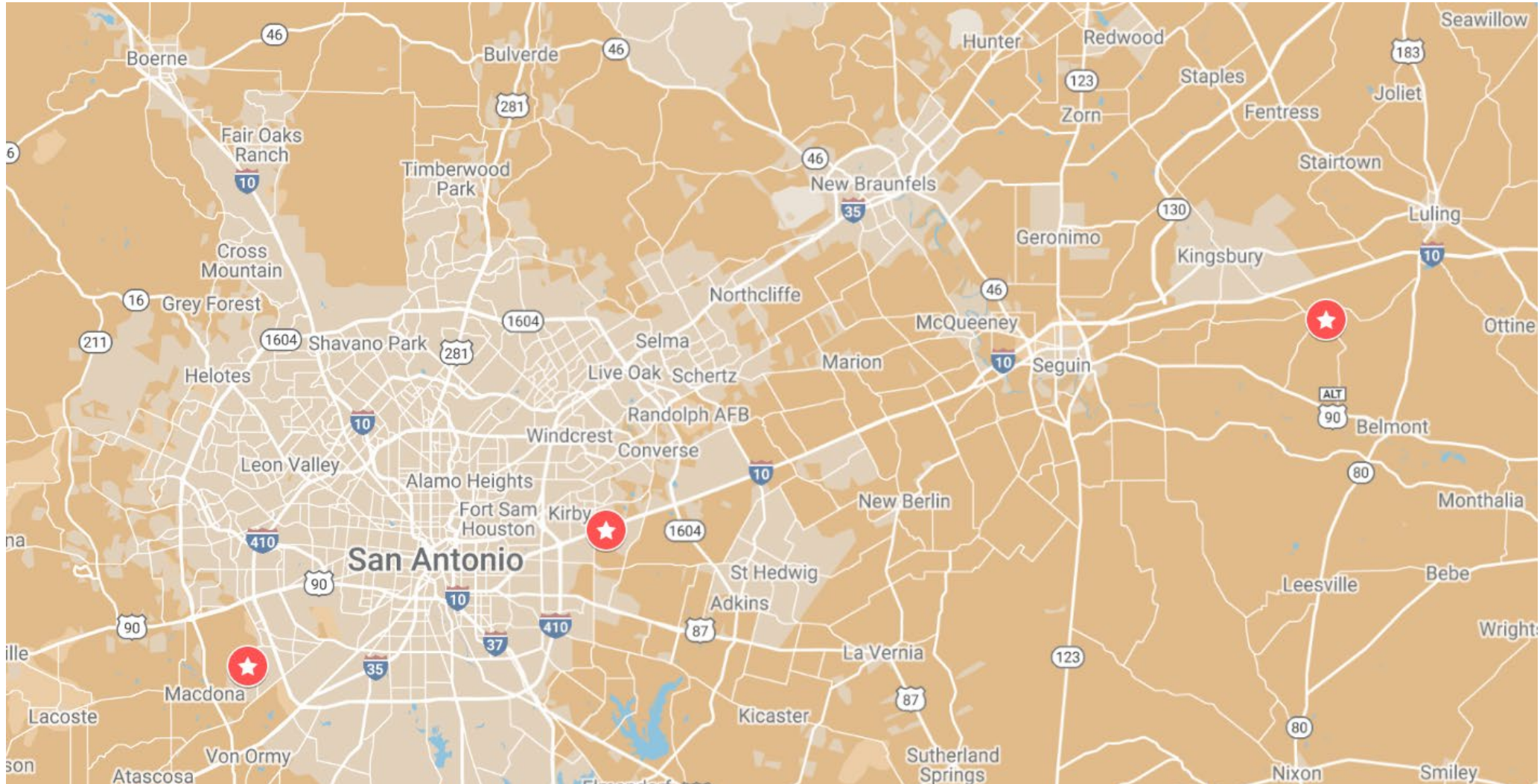
All tons	\$ 17.50
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Contract Comparisons

Vendor	FY2024 Rate Per Ton	New Contract Rate Beginning FY2026
Waste Management	\$25.59	\$27.99
BFI	\$28.48	\$34.00
Texas Disposal System	\$37.65	N/A
Average	\$30.57	\$31.00
Waste Connections	N/A	\$17.50

- Contracts increase annually based on CPI
- Waste Connections will require transportation expenses, to be determined
- Proposed new contracts are consistent with last year's forecast

Landfill Locations



Recommendation

Staff recommends approval to proceed with scheduling three contracts for City Council approval at the next available Council date.





Thank You

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