

BACKGROUND INFORMATION:

- The City issued solicitation (23-11RFP) Solid Waste & Recycling Collection and Recycling Processing Services. Out of 114 supplier notifications, six proposals were received on Thursday, February 16, 2023.
- Of the six proposals received and evaluated, Balcones was identified as the highest ranked respondent for recycling processing services.
- The City Council approved a resolution at the May 23rd, 2023, Special Meeting that allowed for the City to begin negotiations with Balcones.
- Staff from the City Manager's Office, Public Works, City Attorney's Office, and Procurement Services worked in collaboration with the City's consultant, Burns & McDonnell Engineering Company, Inc., to negotiate with and form contract with the finalist.
- Through negotiations, staff has formed a contract with the finalist and is seeking Council's approval to authorize the City Manager to execute the contract.
- Balcones contract for recycling processing services will begin on October 1st, 2024, and continue through September 30th, 2039. After the initial term, the City may elect to renew the agreement for terms of five (5) years. The total length of the agreement shall not exceed 25 years.
- The contract has been executed by Balcones and is available upon request.

FINANCIAL SUMMARY:

- Recycling Processing Services Fees:
 - Operating cost (0-3,000 tons per month) \$53 per incoming ton
 - Capital cost (0-3,000 tons per month) \$44 per incoming ton
 - Total Processing Fee (0-3,000 tons per month) \$97 per incoming ton
 - Discount for tonnage (3,000-5,000 tons per month) (\$5) per incoming ton
 - Total Processing Fee (3,000-5,000 tons per month) \$92 per incoming ton
 - Discount for tonnage (over 5,000 tons per month) (\$10) per incoming ton
 - Total Processing Fee (over 5,000 tons per month) \$87 per incoming ton
- Proposed Recyclable Revenue Share to City:
 - City Net Revenue Share eighty percent (80%) of net revenue based on percentage share of net revenue (positive or negative).
- Residue and Contamination Transportation Fee:
 - Transportation for to RDF-121 \$25 per ton of Residue and Contamination
 - Transportation for to Transfer Stations Pass-Through per ton of Residue and Contamination.
- Contract Rates for Recycling Processing shall remain effective from the execution of this Agreement through September 30, 2025.
- CPI cost adjustments shall be made automatically on October 1 of each year thereafter for the term of the agreement.
- CPI cost adjustments may be requested on an annual basis and a subject to adjustment based on seventy percent (70%) of the year-over-year change in the average value of the U.S. Consumer Price Index and approval by City Council.
- The annual CPI cost adjustment shall not exceed five percent (5%) in any single year.

BOARD OR COMMISSION RECOMMENDATION: N/A