



Legislation Text

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TO: Board of Mayor and Aldermen

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SUBJECT:

Consideration Of REJECTING ALL BIDS Received For Municipal Solid Waste Transport Services And, Optionally, Municipal Solid Waste Transfer Station Operation Services, For The City's Municipal Solid Waste Stream That Is Processed At The City's Solid Waste Transfer Station, For The Sanitation And Environmental Services Department (Purchasing Office Procurement Solicitation No. 2017-008) (06/27/17 WS; 7/11/17 BOMA Deferred item to 10/10/17 BOMA; 10/10/17 BOMA Deferred to 12/12/17 BOMA)

Purpose

As reported previously, the purpose of this procurement would be to purchase municipal solid waste Transport Services and, optionally, municipal solid waste Transfer Station Operation Services, for the City's municipal solid waste stream that is processed at the City's Solid Waste Transfer Station.

Background

As also reported previously, since 2012, the City has been party to an ongoing arrangement with Bi-County Solid Waste Management System ("Bi-County"), a Tennessee solid waste authority created by interlocal agreement by and between the Montgomery County government and the Stewart County government, for municipal solid waste transport and sanitary landfill disposal services for the City's municipal solid waste stream that is processed at the City's Solid Waste Transfer Station. Services pursuant to this arrangement with Bi-County were, until June 16, 2017, to be rendered through June 30, 2017. On June 16, 2017, the City issued to Bi-County a notice of intent to exercise the second of four three-year options to extend, to June 30, 2020, the term of the 2012 Interlocal Agreement between Bi-County and the City for the transport and disposal of solid waste (City of Franklin contract no. 2012-0023). Per the 2012 Interlocal Agreement with Bi-County, the decision to exercise any of the options to extend the term of the 2012 Interlocal Agreement is exclusively that of the City. Also per the 2012 Interlocal Agreement with Bi-County, the City, in its sole discretion, may choose to exercise an exclusive option to terminate the term of service, and any extension thereto, with or without cause, upon thirty (30) calendar days' notice to Bi-County.

As also reported previously, in anticipation of the June 30, 2017 scheduled completion of the first of four three

-year options to extend the term of the 2012 Interlocal Agreement between Bi-County and the City, and so to determine what private-sector options to the arrangement with Bi-County might currently be available to the City, the City published on April 27, 2017 two Notices to Bidders in the *Williamson Herald* - one for municipal solid waste Transport Services and, optionally, municipal solid waste Transfer Station Operation Services for the City's municipal solid waste stream that is processed at the City's Solid Waste Transfer Station (Purchasing Office Solicitation No. 2017-008), and one for municipal solid waste sanitary landfill disposal services (Purchasing Office Solicitation No. 2017-009). In addition, regarding Solicitation No. 2017-008, bid documents were sent on or about the same date directly to seven (7) potential bidders known or thought to be interested in this solicitation. One (1) bid was received and publicly opened at the bid opening held on May 23, 2017. A tabulation of the bids received for this solicitation is attached.

The Board of Mayor and Aldermen voted on July 11, 2017 to approve a staff recommendation to defer to its meeting of October 10, 2017, and on that date voted to approve a staff recommendation to defer to its meeting of December 12, 2017, consideration of a forthcoming staff recommendation as to whether to accept or reject the MBI bid received for municipal solid waste Transport Services and, optionally, municipal solid waste Transfer Station Operation Services, for the City's municipal solid waste stream that is processed at the City's Solid Waste Transfer Station.

Financial Impact

As also reported previously, the apparent lowest, most responsive and responsible bid, from Mr. Bult's, Inc. (MBI) of Burnham, Illinois, is in the amount range of from \$10.42 per ton to \$26.50 per ton, depending upon the destination landfill, for municipal solid waste Transport Services as a stand-alone service, or in the amount range of from \$13.52 per ton to \$28.31 per ton, depending upon the destination landfill, for the same municipal solid waste Transport Services but in conjunction with and including Transfer Station Operation Services being provided by the same bidder. In either case, per City specifications, the quoted pricing is to be valid for the initial two (2) years of the original five-year term of award and then to be adjusted annually thereafter pursuant to a specified inflation index. This bid was identified because it is the lowest bid that most closely meets or exceeds the City's intention as expressed and implied by the City's specifications as well as the instructions, terms and conditions pertaining to this procurement solicitation. However, please note that the MBI bid does take exceptions to the City's procurement solicitation.

As also reported previously, for the municipal solid waste sanitary landfill disposal services (Purchasing Office Solicitation No. 2017-009), the City's specifications included the following provision:

Selection of the lowest and best responsive and responsible bid for municipal solid waste sanitary landfill disposal services shall be based upon a combination of some or all of the following factors: the pricing quoted by each bidder; the City's estimated costs of delivering the municipal solid waste to the sanitary landfill for each respective bid; compliance with the City's instructions, specifications and standard procurement terms and conditions; any terms and conditions stated by the bidder in the bid; anticipated timeliness of delivery of the bid item(s); the character, integrity and reputation of the bidder; the results of any reference checks; and any prior experience of the City of Franklin with the bidder.

Options

In accordance with the bid documents, the City reserves the right to reject any and all bids.

Recommendation

Staff has worked with Bi-County leadership to identify alternatives to the City's current arrangement (with Bi-County) for municipal solid waste transport and sanitary landfill disposal services for the City's municipal solid waste stream that is processed at the City's Solid Waste Transfer Station. The goal from the City's perspective of these discussions was to arrive at an arrangement with more years of service than the current arrangement allows (now set to expire June 30, 2020, with two (2) three-year options to extend beyond that date) and with transport removed from the scope of services. However, as Bi-County is apparently not currently interested in pursuing such an arrangement, staff now recommends that the Board of Mayor and Aldermen reject the MBI bid received for municipal solid waste Transport Services and, optionally, municipal solid waste Transfer Station Operation Services, for the City's municipal solid waste stream that is processed at the City's Solid Waste Transfer Station. Staff will within the next year formulate and present to the Board for its consideration options and a recommended strategy for achieving the City's objectives relative to the long term management of municipal solid waste.