



City of Austin

Recommendation for Action

File #: 24-6049, **Agenda Item #:** 34.

11/21/2024

Posting Language

Authorize execution of a contract for compost processing services for Austin Resource Recovery with Employee Owned Nursery Enterprises Ltd. d/b/a Organics By Gosh, for an initial term of three years with two one-year extension options, for a total contract amount not to exceed \$11,800,000. Funding: \$2,163,333 is available in the Fiscal Year 2024-2025 Operating Budget of Austin Resource Recovery. Funding for the remaining contract term is contingent upon available funding in future budgets.

Lead Department

Financial Services Department.

Client Department(s)

Austin Resource Recovery.

Fiscal Note

Funding in the amount of \$2,163,333 is available in the Fiscal Year 2024-2025 Operating Budget of Austin Resource Recovery.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

The Financial Services Department issued an Invitation for Bids IFB 1500 RGW1023 for these services. The solicitation was issued on July 22, 2024, and closed on August 13, 2024. Of the two offers received, the recommended contractor submitted the lowest responsive offer. A complete solicitation package, including a tabulation of the bids received, is available for viewing on the City's website. This information can currently be found at https://financeonline.austintexas.gov/afo/account_services/solicitation/solicitation_details.cfm?sid=140860.

MBE/WBE:

This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program). For the services required for this solicitation, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500. Respondents to the solicitation and their Agents should direct all questions to the Authorized Contact Person identified in the solicitation.

Council Committee, Boards and Commission Action:

November 13, 2024 - To be reviewed by the Zero Waste Advisory Commission.

Additional Backup Information:

The Austin Resource Recovery (ARR) Department's Comprehensive Plan serves as a guide for the City to achieve its Zero Waste goal of reducing the amount of trash sent to landfills by 90% by 2040. Zero Waste is a shift from traditional waste management to materials management, where trash is what remains once we reduce, reuse, recycle, and compost. The compost program is expected to expand from 44,722 tons collected towards a potential of up to 60,000 tons of compost materials delivered annually. This contract will support the City's Zero Waste initiatives.

City vehicles will collect and deliver approximately 50-loads daily from current ARR residential and commercial customers with ARR carts (e.g., small businesses, food permitted businesses, etc.) participating in the services, to the Contractor.

The contract will provide compost processing services, including processing, sorting, and composting of organics, yard waste, food scraps, and food-/oil-soiled compostable paper, as well as marketing services to include detailed data reporting to support the City's residential curbside compost materials collection services. The Contractor shall be responsible for the environmentally sustainable and proper disposal of any waste material, including contaminated materials received by the City, generated under this contract in accordance with federal, state, and local laws, rules, and regulations.

The contract replaces a contract that will expire February 20, 2025. Requested authorization is based on historical spend and departmental estimates of future needs. The recommended contractor is the current provider of these services.

If the City is unable to secure a contract, ARR will experience disruptions, delays, or suspensions of curb-side collection.