

**Indian River County, Florida  
Solid Waste Disposal District  
Board Memorandum**

**Date:** October 11, 2019

**To:** Jason E. Brown, County Administrator

**From:** Vincent Burke, PE, Director of Utility Services  
Kristin Daniels, Director, Office of Management and Budget  
Jennifer Hyde, Purchasing Manager

**Prepared By:** Himanshu H. Mehta, PE, Managing Director, Solid Waste Disposal District

**Subject:** Ranking of Firms for RFP 2019045 – Yard Waste Processing and Recycling

**Descriptions and Conditions:**

On February 5, 2019, the Indian River County (IRC) Solid Waste Disposal District (SWDD) Board considered an unsolicited Public Private Partnership (P3) proposal, relating to the IRC Landfill, submitted by the Indian River Eco District (IRED), and two supplemental proposals from Gen2, LLC, and Synagro-WWT. The SWDD Board directed staff to enter negotiations to sell generated landfill gas (LFG) to IRED and to re-solicit the other portions of their proposal (yard waste acceptance and processing, improvements to the yard waste area and recycling of concrete at the landfill).

On February 19, 2019, the SWDD Board approved the conceptual approach for the issuance of a Request for Proposals (RFP) for yard waste processing and recycling services. Subsequently, staff developed RFP #2019045 with the following scope of work:

- Process (Receive, Grind, Screen, and Load) up to 75,000 tons per year of yard waste.
- Transport and Dispose/Recycle up to 40,000 tons per year of mulched yard waste.
- SWDD reserved the right to keep up to 35,000 tons per year of mulch for landfill cover or any other beneficial use.
- The draft sample agreement included an initial term of seven (7) years with a single three (3) year renewal option.
- The criteria for initial ranking by the committee members was as follows:
  - 1) Firm Qualification and References (20 Points);
  - 2) Technical Proposal with emphasis on recycling or beneficial reuse of mulch (40 points); and
  - 3) Financial Proposal (40 points). An option for interviews and re-ranking by the committee members was identified in the method of selection.

**RFP Results:**

Advertising Date:	July 18, 2019
RFP Opening Date:	September 17, 2019
Solicitation Broadcast to:	237 Subscribers
RFP Documents Requested by:	16 Firms
Replies:	7 Firms

Seven (7) responses were accepted and initially determined to be responsive. Upon secondary review after the public opening, it was noted that two firms had submitted the proposal pricing form from the original RFP, rather than the pricing form issued with Addendum 1, which had added a column for pricing as a per ton rate. Since the form had changed and addendum 1 noted previous versions of the form should be replaced with the updated version, those two proposers were declared non-responsive, and their submittals removed from consideration.

One of those two proposers, Atlas Organics, LLC (“Atlas”) submitted a timely protest, asserting that the annual cost was provided on both the original and updated pricing form and requested their submittal be reinstated for consideration. In accordance with the Protest Procedure, the Purchasing Manager reviewed the protest with Department staff and the County Attorney. It was determined that pricing for all proposers can be compared and scored by committee members using the total annual cost present on both versions of the form, rather than the price per ton, as the estimated annual quantities did not change between the forms. The lack of price per ton for the two previously disqualified firms did not prevent equitable comparison of annual pricing, or require the committee to make any calculations for pricing, and no other substantive changes were made to the updated pricing form. The protest was upheld and the submittals of both Atlas and the other non-responsive proposer, Banker’s Maintenance and Inspections, LLC (“BMI”) were provided to the committee for review with the other five submittals.

P.J.’s Land Clearing & Excavating, Inc. (P.J.’s) submitted a timely protest in response to the reinstatement of the Atlas and BMI proposals, asserting the original RFP document required all addendums and their attachments be included in the final RFP submission made by each firm. The Purchasing Manager reviewed this protest with Department staff and the County Attorney and determined P.J.’s claim to be invalid and their protest was denied.

Subsequent to the RFP opening, on September 30, 2019, SWDD received a 90-day notice of termination from Mr. Mulch, our current yard waste operator. The effective date for discontinuing their services will be December 30, 2019. This notice is allowed in our contract agreement.

#### Analysis:

A selection committee comprised of Kristin Daniels, Director, Office of Management and Budget; Vincent Burke, Director of Utility Services; and Himanshu Mehta, SWDD Managing Director, independently evaluated and scored the received proposals in accordance with the RFP document and Purchasing Manual. On September 30, 2019, these scores were compiled by the committee and an overall initial ranking of firms developed. Financial proposals were scored at 40 of 100 possible points.

Proposing Firm	Location	Total Annual Amount
1. Bankers Maintenance and Inspection	Vero Beach, FL	\$1,196,650
2. Justin Industries	Loxahatchee, FL	\$1,263,750
3. Atlas Organics	Spartanburg, SC	\$1,359,750
4. PJ's Land Clearing & Excavation	Lake Worth, FL	\$1,335,000
5. Treecycle Land Clearing	Lake Worth, FL	\$1,623,000
6. Consolidated Resource Recovery	Sarasota, FL	\$2,621,500
7. Russell Payne dba Mr. Mulch	Vero Beach, FL	\$1,580,100

On October 10, 2019, the committee invited the three top ranked proposers to an interview and subsequently developed an overall final ranking of firms.

A brief summary of each of the three top ranked proposes is provided below:

1. Bankers Maintenance and Inspection

BMI provided the lowest price per ton to process the yard waste and to recycle the mulch not used by SWDD for cover material into compost. BMI proposed to transport the mulch to the NuTerra Organics (Biosolids) facility in Fellsmere, FL or to Scott's Organic. A letter of support from NuTerra was provided by BMI, which included an acceptance rate of 18,000 tons per year. BMI provided some limited experience and equipment capabilities in their proposal. During the interview process, BMI provided information about a new 2019 grinder that they are looking to purchase upon award of this contract. BMI also stated that NuTerra could accept 36,000 tons per year. However, a follow-up call with NuTerra confirmed that their capacity to accept was limited to 18,000 tons per year. No other information was provided about Scott's Organic. BMI has operators available and some equipment available and can start within one week of notice of award.

2. Justin Industries

Justin Industries provided the second lowest price per ton to process the yard waste and to recycle the excess mulch via land application to Taylor Farms at the southwest corner of I-95 and State Road 714 in Martin County. Justin Industries did provide experience in processing yard waste in quantities expected at the IRC Landfill based on their previous yard waste contract in Martin County from 2009 to 2013. Justin Industries has offered to build a 30 ft. by 40 ft. maintenance pad with two Conex buildings providing an improvement value of approximately \$60,000 on the SWDD yard waste property. They offered to convey the slab improvement to SWDD if they have a contract period of at least 10 years. Justin Industries has operators and equipment available and can start within 2 weeks of notice of award.

3. Atlas Organics

Atlas Organics provided the highest price per ton as compared to BMI and Justin Industries; however, they also provided improvements to the SWDD yard waste property valued at \$250,000. In addition, Atlas proposed to build a compost facility on the IRED property to handle food waste and biosolids. Atlas would be responsible for the marketing of the final product to end users. Atlas currently owns and operates compost facilities in North Carolina and South Carolina and utilizes US Compost Council (USCC) certified operators, and their final product meets the USCC seal test of approval. Their reference review from their government clients and their end users, which are typically organic farmers and gardens, was very positive. Atlas plans to build an 110,000 tons per year compost facility on the IRED property using an Extended Aerated Static Pile System, which produces finished compost in 45 to 90 days. Atlas will provide a startup management team; however, the firm has to hire new local people to operate the facility on a long term basis and has the financing available to purchase new equipment ready to be delivered. Their estimated start date is eight weeks from notice of award.

Based on the interview process, the Selection Committee re-ranked the top three firms as follows:

1. Atlas Organics
2. Bankers Maintenance and Inspection
3. Justin Industries

Staff is prepared to negotiate with the top ranked firm and bring final agreements to the Board for approval. If negotiations fail with the top-ranked firm, staff will work with the second-ranked firm.

**Funding:**

Funding for the SWDD Yard Waste Processing and Recycling services is budgeted and available in the SWDD recycling account, which is funded from SWDD assessments and user fees.

Description	Account Number	Amount
Recycling – Other Professional Services	41125534-033190	\$1,500,000

The current contract with Mr. Mulch for Fiscal Year 2019/2020 was projected to be approximately \$1,300,000 based on the existing processing fee of \$11.55 per ton and a disposal fee of \$9.79 per ton. However, as shown above, staff budgeted \$1,500,000 for fiscal year 2019/2020 due to the unknown pricing expected from the RFP process.

Although staff's recommendation for the top ranked firm has the highest annual cost out of the three top ranked firms, Atlas's annual cost of \$1,359,750 is under the current approved fiscal year 2019/2020 budget. Based on the 90-day notice of termination from Mr. Mulch, it is expected that the first three months of this fiscal year will be paid to Mr. Mulch at the lower cost and the remaining nine months of this fiscal year will be paid to Atlas at the higher cost; however, the resulting overall cost to SWDD will remain below the projected contractual and budgeted costs for this fiscal year.

In addition, Atlas has offered to make site improvements to the SWDD property that would provide savings to SWDD. Overall, there is a long-term opportunity in establishing a compost facility next to the landfill property that initially would utilize yard waste with the intent to expand into food waste and biosolids composting. These opportunities would help reduce the quantity of this material from going into our landfill, provide recycling credits and extend the overall capacity of our facility.

**Recommendation:**

Staff recommends the Board approve the selection committee's final ranking of firms and authorize negotiations with the top ranked firm, and subsequently ranked firms should negotiations with the top ranked firm fail.

**Attachments:**

- Letter of Protest from Atlas Organics
- Response to Protest from Atlas Organics
- Letter of Protest from P.J.'s Land Clearing
- Response to Protest from P.J.'s Land Clearing
- Mr. Mulch 90-Day Notice of Termination