



Curbside Refuse & Recycling Request for Proposals (RFP) Bid Results

Commerce City Public Works
September 23, 2019

Overview

- Background
- 2016 – 2019 Annual Program Cost(s)
- 2019 Municipal Comparisons
- 2020 Projected Cost(s)
- Base Bid Results
- Base Bid with Bid Alternate #1 Results
- Additional Incentives Offered by Bidders
- Selection Committee & Recommendation(s)
- Next Steps



Background

- Current curbside refuse contract expires at end of 2019
- Public Works advertised RFP on August 7th
 - Bids were due on September 3rd

Annual Program Cost(s)

2016	2017	2018
\$1,614,357	\$1,695,630	\$1,817,238

- 2019 Projected Cost(s) - \$2,088,067
 - Monthly rate for each unit is \$10.77
 - Includes base price plus adjustment for recycling extraordinary cost
 - Based on current program elements
 - Includes annual contractual 2.7% CPI increase
 - Includes estimated 50 additional units per month

2019 Municipality Comparisons

Municipality	Service Level	Unit Cost Per Month
Commerce City	96 gallon trash w/weekly service 96 gallon recycling with every other week service.	\$10.77
Golden	96 gallon trash w/weekly service 96 gallon recycling with every other week service.	\$20.25
Lafayette	96 gallon trash w/weekly service 96 gallon recycling with every other week service.	\$27.38
Louisville	96 gallon trash w/weekly service 96 gallon recycling with every other week service.	\$30.77 \$12.32 (Monthly Composting) \$43.09 (Monthly Total)
*Northglenn	96 gallon trash w/weekly service 96 gallon recycling with every other week service.	\$16.00 *Done in house by City Staff (does not cover entire cost of services).

2020 Projected Program Cost(s)

- 2020 Potential Cost Increase
 - Predicated on price increases (per unit/per month) and assumes same level of service/program elements and with the continued growth of 50 units per month.

2020 Unit Cost/Per Month	Amount of Increase	2020 Projected Cost
\$13.74	27.5% increase	\$2,856,172
\$16.00	Lowest Comparable (Northglenn)	\$3,323,314
\$23.60	(Average)	\$4,894,234
\$30.77	Highest Comparable (Louisville)	\$6,376,273

- Additional variables that could impact cost
 - Number of Units, Length of Contract, Contract Terms

Base Bid Elements

- Base Bid:
 - Two (2) 96 gallon totes at each residence
 - One (1) tote is for weekly trash service
 - One (1) tote is for every other week recycling service
 - Recycle tote may be switched out for a second trash tote no more than once a year at no additional cost
 - ❖ Second trash tote would be picked-up weekly
 - Approximately 500 residences are served by dumpster service
 - Minimum of 4 annual large item pickups for all residences
 - Programmed dumpster and tote service at city facilities such as buildings/parks



Base Bid Results

	Bidder #1	Bidder #2	Bidder #3
Base Bid Price/Unit/Month	\$30.00	\$13.10	\$16.98
Dumpster Service	\$110.00	\$85.00	\$56.50
Estimated Price per Year for Residential Curbside Refuse Removal (totes only)	\$6,201,000.00	\$2,707,770.00	\$3,509,766.00
Estimated Price per Year for Dumpster Service	\$21,120.00	\$101,185.84*	\$10,848.00
Estimated 2020 total cost	\$6,222,120.00	\$2,808,955.84	\$3,520,614.00

* Bid amount includes \$84,865 for municipal dumpster service. Bidder #3 included that service for no additional charge. Bidder #1 did not provide a price for that service.

Base Bid w/Bid Alt #1 Results

- Bid Alt #1 - Provide recycling pickup service weekly instead of every other week

	Bidder #1	Bidder #2	Bidder #3
Bid Alt #1 Price/Unit/Month	\$38.00 (Increase of \$8.00 over base bid)	No Bid	\$21.72 (Increase of \$4.74 over base bid)
Dumpster Service	\$110.00	No Bid	\$56.50
Estimated Price per Year for Residential Curbside Refuse Removal (totes only)	\$7,854,600.00	No Bid	\$4,489,524.00
Estimated Price per Year for Dumpster Service	\$21,120.00	No Bid	\$10,848.00
Estimated 2020 total cost	\$7,875,720.00	No Bid	\$4,500,372.00

Additional Incentives Offered By Bidders

- Bidder #2 proposed they will double disposal fee revenue rebate. Total value of about \$17,000 in 2020.
- Bidder #2 proposed paying for two additional large item drop offs where residents can drop off items at a drop off site for free.
- Bidder #2 provided a bid for a 7-year contract
 - Contract rates saves City \$289,380+ over 7 years (compared to 5-year contract rates).

City Staff Selection Committee

- The Internal Selection Committee was comprised of the following staff members:
 - Mike Brown, Deputy Director of Operations
 - Willis Waterhouse, Parks and Streets Manager
 - Uriel Akiva, Streets O&M Division Supervisor
 - Matthew Hauther, Accountant II
 - Travis Huntington, Communications Specialist



Recommendation(s)

- The Internal Selection Committee reached consensus on the following;
 - Recommend Bidder #2 Base Bid (5-year contract)
 - Bidder #2 is the low bidder by a minimum of \$711,658.16 per year.
 - Qualitative aspects of the bids did not outweigh the quantitative aspects (and additional incentives).

Next Steps

- Selection of Contractor
 - September/October 2019
- Coordinate w/Selected Contractor
 - October – December 2019
- Begin New Contract
 - January 2020



Questions & Discussion
