



169 Oak Street • Forest City, NC 28043  
office 828. 247.4495 • fax 828.247.4498

December 18, 2019

Steve Garrison  
County Manager  
Rutherford County, NC  
289 N. Main St.  
Rutherfordton, NC 28139

RE: Bid results and Contractor Recommendations for the Rutherford County Transfer Station MSW Transport and Disposal, and Recycling Materials Transport, Processing and Marketing.

Dear Mr. Garrison,

Current contracts for both MSW Transport and Disposal, and Recycling Materials Transport, Processing and Marketing are due to expire on June 30, 2020. In light of changed market conditions for recyclable materials, and in order to provide sufficient time for budgeting for the July 2020 – June 2021 fiscal year, RFP's were prepared and issued on October 14, 2019, with proposals due December 12, 2019.

There are only a small number of active contractors in our region for MSW and or Recycling processing. Efforts were made to identify and notify potential bidders directly, in addition to public notice of the RFP issues on the County website. A non-mandatory Pre-bid conference on October 29, 2019 was attended by representatives of Republic Services, Waste Management, and Curbside Management.

Republic Services is the current contractor for both MSW and Recycling services for the County.

The RFP process allowed respondents to provide individual bids for MSW and/or Recycling services, and alternate bids for combined services, which would be valid only if the contractor was selected as contractor for both MSW and Recycling services for the County.

The following responses were received on Thursday, December 12, 2019 at the Forest City office of Odom Engineering, PLLC.:

Firms Responding to Request for Proposals:

- |                       |  |
|-----------------------|--|
| • Republic Services   | MSW and Recycling Combined and Individual Bids |
| • Curbside Management | Recycling Individual Bid                       |

Bids were opened on December 13, 2019, and bids were tabulated to compare pricing.

Bid results are discussed below. Copies of selected proposals are attached.

Republic Services was the sole bidder for Hauling and Disposal of MSW. Both the individual and combined pricing bids were equal with Hauling and Disposal of MSW quoted at \$41.66 per ton. Republic Services has verified by email that the dollar amount bid includes the \$2.00 per ton State Excise Tax Fee. The bid also includes a reasonable fuel surcharge calculation, and reasonable exceptions for requested

additional contract clauses, including annual adjustment at 3% or indexed to CPI. Although only a single bidder was responsive, we feel fortunate that the bid provided represents zero increase over the current contract amount. **We recommend entering contract negotiations with of Republic Services as Contractor for Hauling and Disposal of MSW.**

Proposals for Transport, Processing, and Marketing of Recyclable Materials were received from two bidders, Republic Services and Curbside management. Bid Results are tabulated below.

| Recycling Bid Results (2019-RECY-TPM)   |                     |                   |                   |
|---|---------------------|-------------------|-------------------|
|   | Curbside Management | Republic Services | Republic Services |
|   | Individual Price    | Individual Price  | Combined Pricing  |
| Processing \$ per ton                   | \$65.00             | \$123.00          | \$123.00          |
| Hauling \$ per ton                      | \$38.12             | \$32.00           | \$32.00           |
| Subtotal Hauling & Procesing \$ per ton | \$103.12            | \$155.00          | \$155.00          |
| County Share of Market Value %          | 85%                 | 65%               | 80%               |
| Minimum County Share \$ per ton         | \$15.00             | \$0.00            | \$0.00            |
| Sample Month Invoice \$                 | \$30,272.20         | \$52,331.40       | \$50,015.40       |
| Sample Invoice \$ per ton               | \$75.68             | \$130.83          | \$125.04          |

Rutherford County enjoys a current contract whereby Republic Services processes in county recyclable materials at essentially zero cost. Unfortunately, this contract expires on June 30, 2019, and changing market conditions currently value the recycle material at significantly less than the cost of hauling and processing. In order to encourage lowest cost bids, and reduce risk for both contractor and County, a bid process was designed to separate processing and hauling cost from material market value. Processing and hauling were bid as essentially fixed costs per ton to the County. Market value for the material is based on publish market index values, and the County receives a % share of the calculated material market value. Bidders provided a quote for the percentage of share, and a minimum dollar amount per ton for the county share.

Curbside Management's proposal had significantly better combined Hauling and Processing cost per ton than competitors and provided better share percentage and minimum for county portion of shared market value of material. Curbside Management's only exception was for addition of an annual escalation of Hauling and Processing cost, indexed to CPI.

**We recommend entering contract negotiations with Curbside Management as Contractor for Hauling, Processing and Marketing of Recycle Materials.**

Sincerely,



David Odom, P.E.

Attachments: Republic Services Proposal for RFP#: 2019-MSW-TD, Curbside Management Proposal for RFP#: 2019-RECY-TPM

CC: James Kilgo, Director, Rutherford County Solid Waste.