

MANATEE COUNTY GOVERNMENT

SOURCE SELECTION

SUBJECT Sale of Class "AA" Pellets	DATE POSTED August 17, 2009
PURCHASING REPRESENTATIVE Chris Daley, 749-3048	DATE CONTRACT SHALL BE AWARDED To be determined after Negotiations
DEPARTMENT Utilities /Peter Bonk Chris Collins	CONSEQUENCES IF DEFERRED N/A
SOURCE RECOMMENDATION Request for Proposals #09-0760CD	AUTHORIZED BY DATE Rob Cuthbert August 17, 2009

ACTION DESIRED

Authorization to enter into negotiations with the top ranked firm, GreenTechnologies, LLC, Gainesville, Florida to purchase and remove Class AA pellets from the Manatee County Bio-Solids Dryer facility.

ENABLING/REGULATING AUTHORITY

Federal/State law(s), administrative ruling(s), Manatee County Comp Plan/Land Development Code, ordinances, resolutions, policy.)

Manatee County Purchasing Ordinance Chapter 2-26; Article IV, Source Selection; Section 2-26-40, Policies

BACKGROUND/DISCUSSION

- The Utilities Department has a requirement for a qualified firm to collect, purchase, and properly dispose of Class "AA" Pellets produced at the Manatee County Residuals Management Facility's Bio-Solids Dryer, on a regular basis.
- The selected firm shall be responsible for: the daily pick-up of the Class "AA" Pellets, weigh each load taken at the Lena Road Landfill scale house, pay Manatee County a set fee per ton, and be a registered bulk fertilizer company with the Florida Department of Agriculture and Consumer Services. Any pellets that do not meet the Florida Department of Environmental Protection's (FDEP) requirement to be classified as a Class "AA" pellet cannot be sold to the selected firm and must be disposed of at the Manatee County Landfill.
- Funding Source: Not applicable, as this will be a revenue generating contract.
- Background / discussion is continued on Page 2.

SUMMARY

Recommend to enter into negotiations with the top ranked firm, GreenTechnologies, LLC, Gainesville, Florida for the purpose of negotiating a contract for the purchase and removal of Class AA pellets from the Manatee County Bio-Solids Dryer facility.

ATTACHMENTS: (List in order as attached)	INSTRUCTIONS TO BOARD RECORDS:
✓ <i>EMAIL 8/14 RE: COMMUNICATION WITH THE COUNTY ADMINISTRATOR</i>	
COST N/A- Revenue Generating	SOURCE (ACCT# & NAME) N/A
COMMENTS (Ref. RFP# 09-0760CD)	AMT./FREQ. OF RECURRING COSTS (ATTACH FISCAL IMPACT STATEMENT) N/A

- The subject Request For Proposal #09-0760CD was advertised on May 7, 2009 and notice of its availability was made via County Web site and Demand Star Bid Notification Delivery System to three hundred fifty six (356) firms considered possibly capable of providing this type of service. Nine firms (9) firms downloaded the request for proposal and six (6) responses to the solicitation were received and opened on May 29, 2009 at 4:00 P.M.
- Four (4) local firms that were directly contacted and made aware of this Request for Proposal were:
Appalachin Material Services, Parrish, FL- **Did not respond** Harrell's, Sarasota, FL- **Did not respond**
Keen Farm and Grove Service, Parrish, FL ProSource One, Palmetto, FL- **Did not respond**
- The Selection Committee consisted of:
Chris Daley, Senior Buyer, FMD Purchasing Division, Chair, **Voting Member**
Peter Bonk, Wastewater Division Manager, Utilities Department, **Voting Member**
Chris Collins, Biosolids Dryer Supervisor, Utilities Department, **Voting Member**
Melissa Assha, Contract and Buyer Manager, FMD Purchasing Division
- On June 2, 2009 the Selection Committee convened and selected the following three (3) firms to provide oral presentations, to determine the highest and best offer:
 1. GreenTechnologies, Gainesville, FL
 2. Keen Farm and Grove Service, Parrish, FL
 3. U.S. Water Services Corporation, New Port Richey, FL

The following two (2) proposers were not short listed because their proposals were to market the pellets, and split the revenues from sold product:

4. Nutri-Source, Inc., Windermere, FL
5. Synagro- WWT, Inc., Bartow, FL

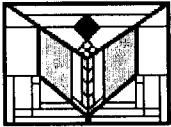
The following firm submitted a "No Bid" response:

6. H&H Liquid Sludge Disposal, Inc., Branford, FL

- Oral presentations were made to the Selection Committee on June 9, 2009 allowing thirty (30) minutes for each firm. Following the last oral presentation, the selection committee decided to hold off on voting until further investigation of the supposed highest and best offer could be conducted and validated.
- After subsequent investigation, and answers to specific concerns and questions were answered in writing, the Selection Committee convened on July 24, 2009 and voted to negotiate with the top firm that provided the highest and best offer to purchase the Class "AA" pellets from Manatee County. The voting members of the Selection Committee ranked the firms as follows for the purpose of negotiating a contract with the top ranked firm:

GreenTechnologies, LLC, Gainesville, FL
U.S. Water Services Corporation, New Port Richey, FL
Keen Farm and Grove Service, Parrish, FL

- **Ranked #1**, GreenTechnologies, LLC, Gainesville, FL- This firm was ranked number one because of its initial offer of \$52 per ton. GreenTechnologies intends to blend and bag the biosolids and market them through their existing network of direct sales and distribution channels under their brand name of GreenEdge. This firm has been marketing and distributing biosolids since 2002 for the JEA in Jacksonville, FL. In order to validate their offer, subsequent investigation was done and written clarifications were sought and received as to the validity of their offer. During oral presentations they were asked if they would offer any increases tied to a fertilizer index for subsequent contract years, and they said no but they would want to talk about reductions if the price of diesel fuel reached a certain amount. The exact payment terms and conditions will be negotiated and made a part of the final agreement.
- **Ranked #2**, U.S. Water Services Corporation, New Port Richey, FL- This firm was ranked second because its initial offer of \$32 per ton is lower than that of the top ranked firm. This firm intended to deliver the biosolids directly to local Manatee County farms and groves as well as farms and groves in neighboring counties. During oral presentations they stated that they would match the price of \$36 per ton that they are paying Hillsborough County for their Class "AA" Pellets. They also stated that they would agree to tie their price to a fertilizer index and give a price increase if the index increased, but that our price would never drop below the \$36 per ton base.
- **Ranked #3**, Keen Farm and Grove Service, Parrish, FL- This firm was ranked third because its initial offers of \$21.82 per ton for uncoated pellets and \$33.82 per ton for coated pellets were lower than that of the top two ranked firms. This firm was short listed because of their local status and the potential benefits to the local farmers. This firm intended to deliver and spread the biosolids at local Manatee County farms and groves as well as farms and groves in neighboring counties. During oral presentations they stated that they could offer as high as \$35 per ton for the uncoated pellets.



Rob Cuthbert/MCG
08/14/2009 09:03 AM

To Chris Daley/MCG@MCG, Melissa Assha/MCG@MCG
cc
bcc
Subject Fw: Sale of Solid Waste pellets - negotiation with

----- Forwarded by Rob Cuthbert/MCG on 08/14/2009 09:07 AM -----



Dan Gray/MCG
08/14/2009 07:44 AM

To Rob Cuthbert/MCG@MCG
cc "Karen Windon" <karen.windon@mymanatee.org>, "Tedd Williams" <tedd.williams@mymanatee.org>, Peter Bonk/MCG@MCG
Subject Re: Sale of Solid Waste pellets - negotiation with

Thanks for the hard work Rob...lets do it...dan

Daniel T. Gray, Director
Utilities Department
(941) 792-8811 x 5323
dan.gray@mymanatee.org
Ed Hunzeker/MCG

Ed Hunzeker/MCG
08/13/2009 09:10 PM

To Rob Cuthbert/MCG@MCG
cc "Dan Gray" <dan.gray@mymanatee.org>, "Karen Windon" <karen.windon@mymanatee.org>, "Tedd Williams" <tedd.williams@mymanatee.org>
Subject Re: Sale of Solid Waste pellets - negotiation with

I concur with your recommendation contingent on Dan Gray's approval.
Ed Hunzeker
Rob Cuthbert

----- Original Message -----

From: Rob Cuthbert
Sent: 08/13/2009 03:25 PM EDT
To: Ed Hunzeker
Cc: Chris Daley; Melissa Assha
Subject: Sale of Solid Waste pellets - negotiation with

Mr. Hunzeker,

We are communicating the recommended selection of Green Technologies, LLC, Gainesville, FL for the purchase of our biosolid pellets that are generated by the Utilities plant. They offer the highest payment to the County at a rate of \$52 per ton. This firm has been marketing and distributing biosolids since 2002 for the JEA in Jacksonville, FL.

As the JEA contract is the sole written government contract that this firm holds, additional investigation was made into that agreement. After confirmation that this firm did not intend to add stipulations and

terms to the Manatee County contract similar to the JEA contract, recommendation to proceed to negotiate with this firm was made.

The following brief summation is supported with more detail on the enclosed selection documentation. Staff will proceed with the posting of the selection and negotiations upon your confirmation.

Thank you. Rob Cuthbert

Project Description: Revenue Generating

The selected firm shall be responsible for: the daily pick-up of the Class "AA" Pellets, weigh each load taken at the Lena Road Landfill scale house, and to pay Manatee County a set fee per ton. The firm must be a registered bulk fertilizer company with the Florida Department of Agriculture and Consumer Services.

Ranking with offered price per ton::

Green Technologies, Gainesville, FL offer \$52 per ton

U.S. Water Services Corporation, New Port Richey, FL offer \$32 per ton

Keen Farm and Grove Service, Parrish, FL offer \$21.82 (if a coating is added to the product \$33.82)

Offers from Nutri-Source, Inc., Windermere, FL and Synagro- WWT, Inc., Bartow, FL were not considered as they were alternative marketing processes with no specific guarantee of purchase, but division of revenues/expenses. The response received from H&H Liquid Sludge Disposal, Inc., Bradford, FL was a "no bid" response.

Selection Committee (voting) Members:

Peter Bonk, Wastewater Division Manager, Utilities Department

Chris Colins, Biosolids Dryer Supervisor, Utilities Department

Chris Daley, Senior Buyer, Purchasing Division, Financial Management Department

[attachment "Sale of Pellets Negotiation 09 0760 CD.doc" deleted by Ed Hunzeker/MCG]