



Memorandum

To: Mayor and City Commission
From: Ann Potter, Purchasing Director
Date: May 3, 2016
Re: RFP for Collection of Solid Waste
and Recyclable Materials (RFP 16-02-01-AP)

On February 17, 2016, the City of Sunrise issued a request for proposals ("RFP") for the collection of solid waste and recyclable materials. The City received proposals from three companies: (1) Republic Services of Florida, Limited Partnership ("Republic"); (2) Waste Management Inc. of Florida ("Waste Management"); and (3) Waste Pro of Florida, Inc. ("Waste Pro"). The City's Selection Committee evaluated the proposals, except for costs, and assigned a score to each proposal. The Purchasing Division then assigned a score to each proposal, based solely on the cost of the Proposer's services. The total scores indicate that the proposals should be ranked as follows:

- (1) Waste Pro – 95.20 points
- (2) Waste Management – 89.513 points
- (3) Republic – 88.838 points

Given these results, the Purchasing Division recommends that the City Commission select Waste Pro to collect the City's solid waste and recyclable materials.

The following sections of this memorandum provide more detailed information about the City's procurement process in this case.

Chronology of Events

The City's RFP was issued on February 17, 2016. A mandatory pre-proposal conference was held with interested vendors on March 2, 2016. At the pre-proposal conference, the City explained the requirements in the RFP and informally responded to the vendors' questions about the RFP. On March 9, 2016, the vendors submitted written questions concerning the City's RFP. On March 23, 2016, the City issued Addendum No. 1, which provided a formal written response to all of the written

questions submitted by all of the vendors. On April 6, 2016, timely proposals were submitted to the City by Republic, Waste Management, and Waste Pro.

On April 18, 2016, the Selection Committee held a public meeting to discuss the proposals. Each of the Proposers (Republic; Waste Management; Waste Pro) attended this meeting and heard the questions and comments that the Committee members expressed about the proposals. Later that day, the Purchasing Division sent those questions and comments via e-mail to each Proposer. On April 20, 2016, each Proposer provided the Purchasing Division with additional information to supplement their proposal.

On April 25, 2016, the Selection Committee held a public meeting to discuss the new information it received from the Proposers. Following the public discussion, the Selection Committee met with each Proposer separately in a closed meeting, pursuant to Section 286.0113, Florida Statutes. Each Proposer was allowed to make a 15 minute presentation to the Selection Committee. The members of the Selection Committee then questioned each Proposer about the merits of their proposal, except for cost. Each of these question-and-answer sessions lasted more than one hour. After the individual meetings were concluded, the Selection Committee resumed its public meeting. The Selection Committee concluded that it needed more time to evaluate the proposals, including the new information that had been presented by the Proposers. The Selection Committee terminated the public meeting, without scoring the proposals.

On April 27, 2016, the Selection Committee reconvened in another public meeting. At that time, each member of the Selection Committee announced the scores that they had independently assigned to each proposal. The Purchasing Division then announced the scores that the Purchasing Division had assigned, based on the total annual cost of each Proposer's services. The total scores for each proposal were calculated and the following rankings were publicly announced: (1) Waste Pro; (2) Waste Management; and (3) Republic.

On April 29, 2016, the City staff realized that the City's consultant (HDR) had inadvertently miscalculated the total annual cost of the three proposals. Parts of HDR's calculations presented monthly costs, rather than annual costs. Accordingly, HDR promptly recalculated the total annual cost for each proposal and the Purchasing Division assigned new scores to the proposals, based on the revised cost analysis.

On May 3, 2016, the Selection Committee reconvened in a public meeting and the Purchasing Division presented the revised scores. When the correct numbers were used for the total annual cost, the scores for Waste Management and Republic change slightly, but the score for Waste Pro does not change at all. Moreover, the revised scores do not change the rankings of the three Proposers. The rankings continue to be (1) Waste Pro, (2) Waste Management, and (3) Republic.

Scoring and Ranking the Proposers

The City's RFP instructed each Proposer to divide their proposal into two parts, which were delivered to the City in two separate sealed envelopes. One envelope contained the Proposer's "Qualifications Submittal" — i.e., information concerning the Proposer's experience, qualifications, personnel, resources, plan for providing services to the City, and related matters. The second envelope contained the Proposer's "Cost Submittal" — i.e., the prices that the Proposer would charge for providing its services to the City.

The Qualifications Submittals were reviewed and scored by the members of the Selection Committee. However, the members of the Selection Committee did not receive or review the Cost Submittals. The members of the Selection Committee evaluated each Proposer's Qualifications Submittals without having any information concerning the cost of the Proposer's services. This approach was used to ensure that the members of the Selection Committee would not be influenced by cost considerations when they scored the Qualifications Submittals.

The City's RFP provides that the maximum potential score for a proposal is 100 points. The points were allocated by using three criteria. Under Criterion No. 1, a maximum score of 30 points could be awarded to a Proposer based on:

- The experience and qualifications of the Proposer.
- The Proposer's prior performance when providing similar services.

Under Criterion No. 2, a maximum score of 30 points could be awarded to a Proposer based on:

- The Proposer's equipment, personnel, resources, approach, methodology, and plan for providing the services required under the agreement.
- Any other relevant information concerning the Proposer's ability to provide outstanding service, value, and benefits that are consistent with the best interests of the City, including programs that promote sustainability and green initiatives.

Under Criterion No. 3, a maximum score of 40 points could be awarded to a Proposer based on the total annual cost of the Proposer's services.

Each member of the Selection Committee independently assigned a score to each proposal (i.e., the Qualifications Submittal) by applying Criterion No. 1. For each proposal, the committee members' scores for Criterion No. 1 were added together and then divided by three (3) to calculate an average score for Criterion No. 1. The same process was used to calculate an average score for Criterion No. 2 for each proposal.

The City's consultant, HDR, calculated the total annual cost of each Proposer's services. The total annual cost was estimated by using the proposed prices in the Cost Submittals to determine the approximate cost of providing each Proposer's services to all residential customers (Class I and Class II) and commercial customers.

The Purchasing Division calculated the score to be assigned to each Proposer under Criterion No. 3. The Proposer offering the lowest total annual cost received the maximum score (40 points) for Criterion No. 3. Points were assigned to the other Proposers in a proportional manner — i.e., the Proposer's total annual costs were compared to the lowest cost proposal to determine the appropriate number of points.

Using the approach described above, the final (revised) scores for the Proposers are as follows:

	<u>Waste Pro</u>	<u>Waste Management</u>	<u>Republic</u>
Criterion No. 1	27.875	26.958	24.208
Criterion No. 2	27.325	25.875	25.00
Criterion No. 3	<u>40.00</u>	<u>36.68</u>	<u>39.63</u>
Total:	95.20	89.513	88.838

Additional Observations

The City's RFP was designed to provide a competitive, fair, transparent, and objective selection process.

Each of the Proposers submitted a responsive proposal. Each Proposer provided the City with a significant amount of information concerning their qualifications, resources, and plans for serving the City of Sunrise.

The Selection Committee conducted a very thorough review of each proposal. The Selection Committee requested and received a substantial amount of additional information to supplement the proposals. The Selection Committee also carefully questioned each Proposer about the details of their proposal. After the Proposers' presentations, the members of the Selection Committee took an additional 48 hours to independently determine the scores they would assign to each proposal.

All three members of the Selection Committee concluded that, without considering cost, the best proposal was offered by Waste Pro. The lowest total annual cost also was offered by Waste Pro. Thus, the highest ranked proposal (without considering cost) was submitted by the same company that offered the lowest price for its services.

In light of these facts, the Purchasing Division recommends that the City Commission select Waste Pro to collect the City's solid waste and recyclable materials.