



CITY OF GRAND PRAIRIE COMMUNICATION

MEETING DATE: 07/08/2024

PRESENTER: Patricia D. B. Redfearn, PhD, Director, Solid Waste and Recycling Department

TITLE: Award a primary prepositioned disaster debris hauling contract to Ceres Environmental Services in an amount not to exceed \$23,300,000 per year, the total award is \$116,500,000 if all extensions are utilized; Award a secondary prepositioned disaster debris hauling contract to DRC Emergency in an amount not to exceed \$23,300,000 should the primary be unable to perform, total award, is \$116,500,000 if all extensions are utilized; Each contract will be for an initial term of one year with the option for four one-year renewals and authorize the City manager to execute the renewal options on each contract.

REVIEWING COMMITTEE: (Reviewed by the Public Safety, Health, and Environment Committee on 07/08/2024)

SUMMARY:

| <u>Vendor Name</u> | <u>Annual Cost</u> | <u>Total Cost</u> |
|------------------------------|-----------------------------|-----------------------------|
| Ceres Environmental Services | Not to exceed \$23,300,000 | Not to exceed \$116,500,000 |
| DRC Emergency | Not to exceed \$23,300,0000 | Not to exceed \$116,500,000 |

PURPOSE OF REQUEST:

These estimated costs were derived using a hypothetical storm event with a set amount of debris to be hauled and reduced. Actual costs will depend upon the amount of material generated by a large-scale debris-generating event. This price agreement will only be used in the event of a large-scale debris-generating disaster.

Within the last three years, the mid-west has seen several catastrophic storm events that have produced large quantities of disaster debris. Each of these events has produced an unanticipated amount of construction and demolition waste, household hazardous waste, vegetative debris and appliances. These events can cost a community millions of dollars in unplanned expense, but a significant portion of it, if handled in accordance with Public Assistant directives, are reimbursable. Were Grand Prairie to experience such a storm, the city would need to respond quickly to questions of how to best handle the additional storm-generated materials and how to do so in the most fiscally responsible manner.

City Staff requested proposals from qualified and experienced contractors for a stand-by contract for disaster debris hauling in the event of a natural or man-made disaster as directed by the City in order to eliminate immediate threat to the public health and safety.

Each contract will be for an initial term of one year with the option for four one-year renewals. Each term contract value would be \$23,300,000 prepositioned and ready should we ever need disaster debris services.

Primary vendor Ceres Environmental Services and secondary vendor DRC Emergency meet all specifications and are recommended for award.

PROCUREMENT DETAILS:

Procurement Method: ☒ RFB/RFP

Number of Responses: 6

RFB #: 24074

Selection Details: ☒ Low Bid

FINANCIAL CONSIDERATION:

All of the City's property and assets are currently insured through the Texas Municipal League (TML). However, the decision to request federal assistance comes after all local and state resources have been exhausted and an uninsured losses threshold has been exceeded. The Stafford Act states the following:

Section 401. Procedures for Declaration. All requests for a declaration by the President that a major disaster exists shall be made by the Governor of the affected State. Such a request shall be based on a finding that the disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. As part of such request, and as a prerequisite to major disaster assistance under this Act, the Governor shall take appropriate response action under State law and direct execution of the State's emergency plan. The Governor shall furnish information on the nature and amount of State and local resources which have been or will be committed to alleviating the results of the disaster, and shall certify that, for the current disaster, State and local government obligations and expenditures (of which State commitments must be a significant proportion) will comply with all applicable cost-sharing requirements of this Act. Based on the request of a Governor under this section, the President may declare under this Act that a major disaster or emergency exists.

Therefore, the City requires additional reviews and approvals of accessing, appropriating, and utilizing available funding until any FEMA assistance is provided. A reimbursement resolution request will be necessary to allow use of available funds such as reserves and will require repayment of such funds upon the approval of another funding mechanism, such as debt issuance.

Debt will be specific to an operation's capital needs. Depending upon the nature of the specific debris generating event, debt issuance will vary by type, structure, and dollar amount. Due to the emergency circumstances, this process would be expedited. It is estimated that debt funds may be available within 30 to 60 days or as quickly as a reimbursement resolution request could be approved by City Council.

ATTACHMENTS / SUPPORTING DOCUMENTS:

1- Bid Summary