



Legislation Text

File #: 23-0290, Version: 1

**Contract Request Template (Contracts; IGAs; Leases)**

**Date Submitted: 3/12/23**

**Requesting Agency: DOTI**  
**Division:**

**Subject Matter Expert Name: Jason Gallardo**  
**Email Address: Jason.gallardo@denvergov.org**  
**Phone Number:**

**Item Title & Description:**

*(Do not delete the following instructions)*

*These appear on the Council meeting agenda. Initially, the requesting agency will enter a 2-3 sentence description. Upon bill filling, the City Attorney's Office should enter the title above the description (the title should be in **bold** font).*

*Both the title and description must be entered between the red "title" and "body" below. Do **not** at any time delete the red "title" or "body" markers from this template.*

**A resolution approving a proposed Agreement between the City and County of Denver and Alpine Disposal, Inc. for recycling processing and Materials Recovery Facility services.**

Approves a contract with ALPINE DISPOSAL, INC., doing business as GFL Environmental Inc., for \$10,500,000 and 5 years for recycling processing and Materials Recovery Facility services (202265797). The last regularly scheduled Council meeting within the 30-day review period is on 4-24-2023. The Committee approved filing this item at its meeting on 3-21-2023.

**Affected Council District(s) or citywide? Citywide**

**Contract Control Number: 202265797**

**Vendor/Contractor Name (including any "DBA"):** ALPINE DISPOSAL, INC. doing business as GFL Environmental Inc.

**Type and Scope of services to be performed:**

DOTI provides residential recycling, organics, and solid waste collection services to single-family households and multi-family residential buildings with up to seven (7) units. Solid waste and recycling services are provided to approximately 183,000 households. In 2021, the City collected 42,500 tons of recyclables and anticipates this tonnage increasing with the January 1,

2023 launch of weekly recycling collection services. This contract shall provide Recycling Processing and Materials Facility services to process and market the City's recyclables.

ALPINE DISPOSAL, INC. is the current provider of these services for the City. The existing contract terminates on 3/31/23. Through a competitive RFP selection process, ALPINE DISPOSAL, INC. was selected to continue to be the provider of these services for the City.

The scope of work for this contract with ALPINE DISPOSAL, INC. dba GFL Environmental Inc. shall be to provide Recycling Processing and Materials Facility services to process and market recyclables. In 2021, the City delivered over 42,500 tons to the Materials Recycling Facility (MRF) operated by ALPINE DISPOSAL, INC. through an existing contract that terminates on 3/31/23. With the launch of the Volume Based Pricing program on January 1, 2023, the tonnage per year is predicted to increase. This new contract with ALPINE DISPOSAL, INC. dba GFL Environmental Inc. will allow for the continued and predictable processing of the City's recyclables.

Reason for the 5-year contract: the recycled commodities market has experienced a great deal of volatility over the past few years and industry predications are that the future will continue to see declines in recycled commodity pricing. While MRF's have to deal with this decrease in recycling commodity pricing over the next few years, the City cannot budget around this volatility. In order to provide the best cost value to the City in this new contract, a 5-year contract was negotiated with ALPINE DISPOSAL, INC. dba GFL Environmental Inc. The extended term provides the following advantages to the City:

- Stabilizes costs in Years 1 and 2 - particularly crucial during the first two years of Volume Based Pricing program
- Minimizes impacts to year 1 budget; allowing better transition to new MRF contract and corresponding potential increased levels of recycling tonnage with the launch of Volume Based Pricing program
- Maintains existing contractor fee at or below \$85/ton for 5 years (lower than national average)
- Best positions the City during evolution of changes in the recycling industry
- Allows for continuation of current co-mingled material collection

**Location (if applicable): Citywide**

**WBE/MBE/DBE goals that were applied, if applicable (construction, design, Airport concession contracts): N/A**

**Are WBE/MBE/DBE goals met (if applicable)?**

**Is the contract new/a renewal/extension or amendment? New**

**Was this contractor selected by competitive process or sole source? Competitive RFP**

**For New contracts**

**Term of initial contract: NTP + 5 years**

**Options for Renewal:**

**How many renewals (i.e. up to 2 renewals)?**

**Term of any renewals (i.e. 1 year each):**

**Cost of initial contract term: \$10,500,000**

**Cost of any renewals:**

**Total contract value council is approving if all renewals exercised:**

**For Amendments/Renewals Extensions:**

**Is this a change to cost/pricing; length of term; terms unrelated to time or price (List all that apply)?**

***If length changing***

**What was the length of the term of the original contract?**

**What is the length of the extension/renewal?**

**What is the revised total term of the contract?**

***If cost changing***

**What was the original value of the entire contract prior to this proposed change?**

**What is the value of the proposed change?**

**What is the new/revised total value including change?**

***If terms changing***

**Describe the change and the reason for it (i.e. compliance with state law, different way of doing business etc.)**