Energy/Compost Facility or Export Request For Proposal

Informational Webinar

March 12, 2013
Project Team

City of Palo Alto
- Phil Bobel, Environmental Services Assistant Director
- Ron Arp, Zero Waste Manager
- Jamie Allen, Water Quality Control Plant Manager
- Ken Torke, Watershed Protection Manager
- Matthew Krupp, Zero Waste Administrator (Project Manager)
- Chuck Muir, Environmental Control Programs Manager
- Jon Abendschein, Utilities Resource Planner
- John Montenero, Purchasing Agent

ARI
- Jim Osborn, President
- Jim Binder, Special Consultant
Agenda

A. RFP Outline
B. Project Background
C. Project Concept
D. Evaluation Criteria
E. Proposal Requirements
F. Proposal Timeline
G. Questions
A. RFP Outline

1. Introduction
2. Description of Existing Sites and Existing Facilities
3. Feedstock Supply and Characteristics
4. Description of Proposed Project, Scope of Service, and Schedule
5. Key Terms and Conditions of Contract
6. Procurement Process
7. Proposal Evaluation
8. Proposal Requirements
A. RFP Outline (Appendices)

A. Proposal Forms
B. Pricing Proposal Forms
C. Landfill Site Information
D. RWQCP Site Information, RWQCP Energy Needs
E. Quantity and Characteristics of City Food Scraps, Yard Trimmings and Biosolids
A. RFP Outline (Appendices)

F. F-1: E/C Facility and Export Requirements
   F-2: Utility Information

G. Preliminary CEQA Checklist

H. (Reserved for Future Use)

I. Assignment Provisions

J. Form of Guaranty Agreement
   J-1: Example for E/C Facility
   J-2: Example for Export
B. Background: Timeline

- Feasibility Study – September 2011 - Completed
- Measure E – November 2011 - Passed
- Action Plan – July 2012 – Council approved
- RFP Released – March 2013
- Proposals Due – July 30, 2013
- Proposal Evaluation – August 2013 to Feb 2014
- Proposals Evaluated by Council – February 2014
B. Background: Objectives

- Provide a reliable, long-term organics solution
- Enhance the beneficial use of organic materials
- Reduce landfill disposal
- Reduce greenhouse gas emissions
- Provide economically competitive services
- Allow the City to phase out the existing incinerator for biosolids.
B. Background: Feedstocks

For Consideration:
- Biosolids and FOG
- Yard Trimmings
- Food Scraps

Not for Consideration:
- MSW
- Plastics
- Tires
- Medical Waste
### B. Background: Feedstocks

<table>
<thead>
<tr>
<th>Feedstock</th>
<th>Quantity (tpy)</th>
<th>2015</th>
<th>2050</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biosolids (26% solid)</td>
<td></td>
<td>32,288</td>
<td>41,975</td>
</tr>
<tr>
<td>FOG</td>
<td></td>
<td>158-226 (flat)</td>
<td></td>
</tr>
<tr>
<td>Yard Trimmings</td>
<td></td>
<td>13,500-14,300 (flat)</td>
<td></td>
</tr>
<tr>
<td>Food Scraps</td>
<td></td>
<td>12,100-15,500 (flat)</td>
<td></td>
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RWQCP: Biosolids Facility Space
10-acre Landfill Site

OPEN TO THE PUBLIC
72 Acres

Byxbee Park
Restroom and Parking

New Park Maintenance
Road/Trail

Temporary Vegetative Soil
Stockpile Approximately
100 ft Wide.

WATER QUALITY
CONTROL PLANT

Design Grade

REVISED 11/15/12
Figure 2
ALTERNATIVE FINAL COVER GRADING PLAN
10-AC DEVELOPMENT AREA
MEASURE "E" ENERGY/COMPOST FACILITY OPTIONS
PALO ALTO LANDFILL

NOTES
1. BASED ON NEESED SURFACE OF WET, 3.2010 TOPOGRAPHY AND 2009 FINAL GRADING PLAN.
2. ADDITIONAL REFUSE DISPOSAL ABOVE 2009 FINAL GRADING PLAN IS APPROXIMATELY 255,700 CY.
C. Project Concept

Energy/Compost Facility

Technology

- Anaerobic Digestion (wet and/or dry)
- Gasification
- Combination of technologies
- Proven at commercial scale
- Produces energy, other useful products
- Potential to handle all three feedstocks together
C. Project Concept

Energy/Compost Facility

Technical Requirements

- Scope of Services – permit (except CEQA by City); finance; design/build/operate; market products
- Facility sized for Palo Alto, optional regional facility
- Use of landfill gas if practical
- Compost digestate on or off site (flexible)
C. Project Concept

Energy/Compost Facility

Site and Environmental Considerations

- Efficient use of the landfill site
- Minimize environmental impacts
- Compost quality and use
- Permitting
- Aesthetics
C. Project Concept

Export Option

Technical Considerations

- City to provide handling, storage and loading facilities for biosolids
- City will deliver Food Scraps and Yard Trimmings up to 18 miles from City Hall
- Contractor is responsible for transport from transfer station, MRF, and/or Water Quality Control Plant
- Conventional composting, AD, and gasification is allowed
- Incineration is not allowed
C. Project Concept

Key Business Terms

- Ownership and financing
- Term of Contract operations
- Performance guarantees during construction and operation
- Fees, payments and compensation – Tip fee model
### D. Evaluation Criteria

<table>
<thead>
<tr>
<th>Comparative Ranking</th>
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<tbody>
<tr>
<td>Quality of Proposal</td>
<td>5% (5 points)</td>
</tr>
<tr>
<td>Proposer's Technical Resources and Experience</td>
<td>15% (15 points)</td>
</tr>
<tr>
<td>Financial Resources and Strength of Proposer</td>
<td>15% (15 points)</td>
</tr>
<tr>
<td>Record of Performance/Reliability of Technology</td>
<td>25% (25 points)</td>
</tr>
<tr>
<td>Technical Approach</td>
<td>25% (25 points)</td>
</tr>
<tr>
<td>Business Proposal (excluding price)</td>
<td>15% (15 points)</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>100% (100 points)</td>
</tr>
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<table>
<thead>
<tr>
<th>Cost Ranking</th>
<th>50%</th>
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<tr>
<th>Consolidated Ranking</th>
<th>100%</th>
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Process allows choice of other than lowest priced proposal (Value Analysis) 
Process allows choice of other than highest consolidated ranking 
Process does not commit the City to any action
E. Proposal Requirements

- Proposers **must** submit Base Case Proposal for Food Scraps, Yard Trimmings and Biosolids
- Proposers **must** submit Required Alternative Proposal for Food Scraps and Yard Trimmings Only
- Proposers may submit additional acceptable alternatives defined in RFP
- Proposal Bond or Alternative Security
E. Proposal Requirements

- Five Volumes
  I. Executive Summary
  II. Technical Qualifications
  III. Technical Approach
  IV. Business Proposal
  V. Price Proposal

- No pricing or cost information to be included in Volumes I - IV

- Submit original proposal, ten (10) copies and electronic copy to City; submit two (2) copies to ARI
F. Proposal Timeline

- Optional Site Tour 1:00 - 2:00 PM PDT, March 12, 2013
- Last Date for Submittal of Written Questions: July 12, 2013
- **Proposal Submission Due Date**: 3:00 PM PDT, July 30, 2013
- Proposer Interviews (if required): September/October 2013
- City Council Review of Options: February 2014
- Selection of Preferred Proposer: February 2014
- Anticipated CEQA Approval: By February 2016
- Company Contract Negotiations Completed: By February 2016
- Operations no later than July 1, 2017 for Export; No later than January 1, 2019 for E/C Facility
G. Questions

Contact (All Questions): John Montenero at john.montenero@cityofpaloalto.org
Contact (Tours Only): Matt Krupp at matthew.krupp@cityofpaloalto.org
Website (RFP, Addenda): http://www.cityofpaloalto.org/gov/depts/asd/solicitations.asp
Proposals Due: 3:00PM PDT, July 30, 2013