MEMORANDUM

Date:	September 3, 2025
To:	Honorable Mayor and Commissioners
Via:	Brian Barroso City Manager
CC:	Christina Bervaldi Director of Finance
From:	Lucas Torres-Bull Procurement Manager
Subject:	**File ID 25-4350 - Approving staff's recommendation to award a contract to Waste Management Inc. of Florida for Sludge Transportation and Disposal Services (in response to RFP #25-017) for an initial term of three (3) years from effective date; Authorizing the City Manager, or their designee, to negotiate and execute the Agreement and all associated documents, upon consent of the City Attorney.**

Introduction

Staff recommends that the Mayor and City Commission approve a resolution authorizing the City Manager, or designee, to negotiate and execute an agreement for Sludge Transportation and Disposal Services, as procured under RFP #25-017, contingent upon legal sufficiency review by the City Attorney.

This agreement will provide for the continued, compliant transportation and disposal of sludge generated from the City's wastewater treatment operations, thereby ensuring uninterrupted service in support of public health, safety, and regulatory compliance.

Background

On July 31, 2025, the City of Key West released Request for Proposals (RFP) No. 25-017, *"Sludge Transportation and Disposal Services,"* in compliance with the City's Procurement Ordinance and the competitive solicitation requirements established under Florida law. The solicitation was advertised in *The Citizen* newspaper and made available through the DemandStar electronic procurement platform.

A submission window of twenty (20) calendar days was provided to allow for fair and open competition. Proposals were formally opened on August 20, 2025, at the City Clerk's Office. At the close of the process, the City received a single responsive proposal from:

- **Waste Management Inc. of Florida**

The company's submittal presented detailed service rates for transportation and disposal consistent with the RFP's scope of services. Upon review, the City determined that the proposal satisfied all essential criteria, including technical requirements, operational capacity, and regulatory obligations.

Waste Management's proposal included the following **Unit Price Proposal Form** for Transportation and Disposal:

EXHIBIT "B"
Unit Price Proposal Form

Bid Item	Description
1	**Sludge Transportation and Disposal Services:** Bid proposal is hereby submitted for Sludge Transportation and Disposal Services for the completion of the Scope of Services in accordance with ALL the requirements herein, but not limited activities for biosolid waste removal, transportation to landfill, tipping fees, etc. **Estimated at 6,000 Wet Ton Per Year* Total Cost for Disposal $ **78.80** Per Wet Ton. Total Cost for Transportation $ **100.00** Per Wet Ton. Total Cost $ **178.80** Per Wet Ton.

The undersigned Bidder hereby submits the following bid for Sludge Transportation and Disposal Services as described in the Scope of Services and all related documents. This includes, but is not limited to, the removal, loading, transportation, lawful disposal of biosolid waste at a licensed facility, tipping fees, fuel, equipment, labor, and all other incidental costs required to perform the work in full compliance with applicable federal, state, and local regulations.

All services shall be performed at the unit price listed below, based on the actual quantity of wet tons transported and disposed of:

Total Cost (Unit Price): **$178.80** Per Wet Ton
In Words: **One hundred seventy-eight** Dollars and **eighty** Cents Per Wet Ton.

Bidder Information:
Company Name: **Waste Management Inc. of Florida**
Authorized Representative: **David M. Myhan**
Title: **President**
Address: **1800 N. Military Trail, Suite 201, Boca Raton, FL 33431**
Phone Number: **(954) 984-2035**
Email: **dmyhan@wm.com**
Phone Number: *Jason Neal, Senior Account Executive, Public Sector, (305) 986-6107, JNEAL2@WM.com*
Signature: David M. Myhan
Date: **August 18, 2025**

Because no other proposals were received, the City reviewed Waste Management's submission in accordance with the established standards of responsibility, responsiveness, and price reasonableness. This evaluation was conducted to confirm that the proposed agreement reflects fair market value and protects the City's financial interests. Although the City could elect to reissue the solicitation in hopes of generating additional competition, doing so would pose a significant risk of service disruption and could leave the City without the critical solid waste services necessary to ensure public health, safety, and compliance with regulatory requirements.

Procurement

The proposed contract establishes unit prices for sludge transportation and disposal services on a per-ton basis. Because the annual volume of sludge generated by the City varies based on wastewater treatment plant operations and seasonal demand, the total annual expenditure cannot be predetermined.

The contract is structured as a unit-price agreement, wherein the City is billed based on the actual tons of sludge transported and disposed of during the contract term. This payment model ensures fiscal prudence by aligning costs directly with service levels provided.

Funding for these services has been appropriated in the City's FY 2025–2026 Adopted Budget, under the Wastewater Enterprise Fund (Account Number 4013504-5353400 – Other Contractual Services). Actual expenditures will be dependent upon operational volumes during the term of the agreement.

Recommendation

Staff respectfully recommends that the Mayor and City Commission:

1. Approve by Resolution the award of RFP #25-017 – Sludge Transportation and Disposal Services to the selected vendor for an initial three (3) year term commencing upon contract execution; and

2. Authorize the City Manager, or designee, to negotiate, finalize, and execute the Agreement and all associated documents, subject to review and approval of the City Attorney as to form and legal sufficiency; and

3. Approve such administrative actions, budgetary adjustments, or contract modifications as may be necessary to implement the agreement within the approved budget.

Attachments:
Resolution
Cover Memorandum
RFP 25-017 – Sludge Transportation and Disposal Services
Bid Memo
Proposal – Waste Management Inc. of Florida