



**PUBLIC SERVICE BOARD MEETING
AGENDA ITEM
REGULAR MEETING
Wednesday, August 12, 2026**

SUBJECT

Award RFP 22-26, Disposal of Wastewater Sludge and Water Residuals Services

BACKGROUND

EPWater requires transportation and disposal services for wastewater sludge and water treatment residuals generated at the Haskell R. Street Wastewater Treatment Plant, Roberto Bustamante Wastewater Treatment Plant, Jonathan Rogers Water Treatment Plant, Fred Hervey Water Reclamation Plant, John T. Hickerson Water Reclamation Facility, and Upper Valley Water Treatment Plant.

These services support continued treatment-plant operations through the timely removal, transportation, disposal, or beneficial use of sludge and residual materials. All handling, transportation, disposal, and beneficial use must comply with applicable Texas Commission on Environmental Quality (TCEQ) requirements and all other applicable federal, state, and local laws, permits, and regulations. These services are needed to ensure the public health and safety of our customers.

PRIOR PSB ACTION

- On May 11, 2016, the Public Service Board awarded RFP 56-15 Water and Wastewater Treatment Residuals Services to CEMEX Construction Materials South, LLC., in the estimated annual amount of \$1,935,150 for a term of five years with option for two five-year extension periods.

UTILITY KPI ALIGNMENT

Infrastructure Performance

EVALUATION PROCESS

On May 19, 2026, EPWater received proposals in response to RFP 22-26, Disposal of Wastewater Sludge and Water Residuals Services, from GCC Sun City Materials, LLC (GCC), GrayMar Environmental Services, LLC (GrayMar), and Renda Environmental, Inc.

An EPWater evaluation committee reviewed all responsive proposals using the published evaluation criteria: Experience, Cost, and Responsibility and Reliability. GCC was ranked as the highest-scoring proposer, followed by GrayMar as the second-highest-ranked proposer.

GCC proposed a unit price of \$68.00 per wet ton, resulting in an estimated annual service amount of \$6,800,000, plus a \$1,000,000 Owner's Allowance, for a total estimated annual contract amount of \$7,800,000. GrayMar proposed a unit price of \$54.00 per wet ton, resulting in an estimated annual service amount of \$5,400,000, plus a \$1,000,000 Owner's Allowance, for a total estimated annual contract amount of \$6,400,000.

Staff recommends awarding contracts to the two highest-ranked proposers, GCC and GrayMar, to provide disposal services for wastewater sludge and water treatment residuals. Awarding contracts to two qualified vendors provides operational flexibility, improves service reliability, and helps ensure the uninterrupted disposal of treatment residuals. This procurement was conducted in accordance with the requirements of Rules and Regulations No. 18 Governing Certain EPWater Procurements Necessary to Preserve or Protect the Public Health or Safety.

FINANCIAL IMPLICATIONS

This expenditure is part of the approved budget.

PROPOSED ACTION REQUESTED

Consider and award RFP 22-26, Disposal of Wastewater Sludge and Water Residuals Services, to the two highest-ranked proposers, GCC Sun City Materials, LLC and GrayMar Environmental Services, LLC., for each vendor to dispose wastewater sludge and water treatment residuals on an as-needed basis for an estimated annual amount of \$7,800,000 for GCC Sun City Materials, LLC., and for an estimated amount of \$6,400,000 for GrayMar Environmental Services, LLC. The contract term for each vendor is for a term of five years with one five-year option to extend; and authorize future price adjustments based on fluctuation in the applicable consumer price index; and that the Public Service Board makes the following findings:

1. That the Texas public health or safety bidding exemption applies to RFP 22-26;
2. That multiple vendors are required to ensure continuity of utility services; and
3. That the public notice requirements under Rules and Regulations No. 18 have been satisfied.

SUPPORTING DOCUMENTATION PROVIDED

- Final Evaluation and Ranking Score Sheet

EXHIBIT 3 - COMMITTEE SCORE SHEET

SOLICITATION TITLE: DISPOSAL OF WW SLUDGE & WATER RESIDUALS SRVC

SOLICITATION NO: RFP22-26

	MAX POINTS	GCC SUN CITY MATERIALS, LLC	GRAYMAR ENVIRONMENTAL SERVICES LLC	RENDA ENVIRONMENTAL, INC.
1 Cost	35	29	35	23
		\$7,800,000.00	\$6,400,000.00	\$9,747,000.00
2 Experience	40	39	29	32
Responsibility & 3 Reliability	25	25	22	22
MAX POINT	100	93	86	77
FINAL RANKING:		1	2	3



 Geoffrey Espineli, Wastewater Systems Division Manager

8/3/26

 Date



 Veronica Garcia, Senior Purchasing Agent

08/03/2026

 Date