



MEMORANDUM

To: Mayor and City Council

From: Ken Griffin, P.E., Director of Engineering and Public Works

Date: April 08, 2014

Reference: Waste and Recycling Collection Contract

2030: Sustainable City Government, Goal 3
Excellent and Well-maintained City Infrastructure and Facilities

Introduction:

After much discussion and meetings with representatives of Waste Management, the city has decided to test the market for our waste and recycling contract. The contract with Waste Management has not been bid since our very first contract with Waste Management. Typically we renegotiate the rates but kept the general terms. The last major change was in 2008 when we started providing the 65 gallon carts for recycling. More recently we added the “At Your Door” service. But again, the general terms of the contract haven’t changed during the length of the contract.

Analysis:

The current contract expires in October 2014. Leading up to this date, we obtained the services of a consultant to evaluate our service and compare it to our target communities. The comparison included level of service and rates. After we obtained the report, we began to negotiate with Waste Management to change some of the terms of the contract to be more in line with industry standards and to maintain or lower the current rate to the citizens.

The final outcome with the Waste Management negotiations was that they were insistent that the residential rates needed to be increased to maintain the current level of service. Based on that, the city decided to proceed with bidding our services. However, there are several broad categories that we need direction on before we finalize the RFP.

Our current service level is:

- 2x per week refuse collection;
- 1x per week recycling, yard waste, and brush and bulk collection; and
- On call door-to-door HHW collection.

One proposal is to consider once per week refuse collection and once per week recycling. The thought behind this approach would be to collect all the refuse in Coppell on the same day and then collect all the recycling, yard waste, brush and bulk on the same day. The recycling day could then be marketed as a true “green” day in Coppell.

Our current service level is:

- We provide a 65 gallon blue recycling cart.

One proposal would be to provide a 95 gallon recycling cart and a 95 gallon refuse cart. The refuse cart would be especially beneficial if we decide to go to once a week refuse collection. There is also at least one provider that requires all recycling and refuse to be in carts since their entire operation is automated. The decision points would be the size of carts (65 or 95), one or two carts and the color of carts (Coppell blue or the standard green).

Our current level of service is:

- We collect recycling and refuse on Wednesday and Saturday;
- The entire refuse is collected each day and half of the city recycling is collected on each day.

One proposal would be to change the collection days. Most of our complaints are generated from Saturday collection. This has two causes: 1) new drivers are frequently brought in from other areas on Saturday because the regulars drivers have already meet the maximum drive hours for the week; and 2) Waste Management only provides customer service until noon on Saturday and the collection period extends to 7 pm. If the collection days were changed and we went to once a week refuse collection, we would suggest a Monday refuse day and a Wednesday or Thursday “green” day.

Our current level of service is:

- The vendor provides and owns the 65 gallon recycling carts.

One proposal would be for the city to purchase the carts and then have the vendor store and distribute them. At the end of the contract period the city would own the carts. This typically results in about a 50% savings on the cost of the carts; however there is a large upfront capital outlay. The other approach would be to have the vendor supply, maintain and own the carts.

There are other issues to be addressed in the RFP; however the ones above are the most time sensitive for us to get input on before we finish the RFP.

Legal Review:

Documents were reviewed by City Attorney, David Dodd.

Fiscal Impact:

The Waste and Recycling Collection Contract will go out to bid at a later date, which will ultimately determine the fiscal impact.

Recommendation:

Staff will make a presentation in Work Session to provide additional detail on the process.