



Solid Waste Franchise Agreement
Request for Proposal for Solid Waste Services
January 19, 2021

Current Contract Overview

- A franchise agreement permits exclusive rights to a vendor for specified services related to residential and commercial solid waste services
- Current solid waste provider is Waste Management Inc. of Florida
- Current contract began in 2011 and was renewed for a final 5-year term in 2016 with an expiration date of September 30, 2021
- Contract provides service to approximately:
 - 5505 Single Family Residential Accounts
 - 31 Multifamily Auto-Cart Accounts (Not including Dumpsters)
 - 478 Dumpster Accounts
 - 208 Commercial Auto-Cart Accounts
 - **21 Commercial Accounts have Green/Vegetative Waste Accounts**
 - 346 City Controlled Units (Dumpsters, Solar Compactors, Auto-carts, Roll-off Containers, and Roadside Cans.)



Current Contract Overview

- Residential and Multiple Dwelling Unit collection and disposal services
 - Household Trash and Garbage twice a week (Monday & Thursday or Tuesday & Friday)
 - Single Stream Recycling once per week (Thursday or Tuesday)
 - Vegetative Waste once per week (Friday or Monday)
 - Bulk Trash and Vegetative Waste as requested by account holder
 - “Back-Door” service for medically disabled customers
- Commercial Collection and Disposal Services
 - Commercial Trash and Garbage twice per week
 - At an additional fee: Vegetative Waste and Recycling
- Service is typically provided through 64-gallon auto-carts



Current Contract Overview

- City Controlled Property Collection (No Direct Charge to the City)
 - Trash and Garbage twice a week
 - High volume pedestrian areas with roadside cans are serviced 2-4 times per week
 - Single Stream Recycling once per week
 - Vegetative Waste once per week
 - Bulk Trash and Vegetative Waste as needed
- Dumpster Service
 - Various Size and Frequency Collection determined by the Contractor and Account Holder
 - Roll-off/Open Top Container Pull
 - Compactor Pulls
 - Cocoa Village has a combination of autocarts and shared dumpsters with private agreements



Future Contract City Options

- Initiate a request to solicit proposals from qualified vendors to perform the requirements of the solid waste franchise agreement.
- Negotiate an extension with the current provider for a continuation of services with negotiated residential rates not to exceed \$17.50 (additional services could be requested as part of this negotiation, pending agreement from each party).
- Both items above can include options described later in this presentation related to green waste.



Current Rates

- The current monthly rate structure related to single family residential solid waste are as follows:
 - Garbage: \$10.28
 - Recycle: \$3.30 (a \$1.02 increase was approved by council on 7-22-20)
 - Yard: \$1.93
 - Total: \$15.51

- Commercial rates vary by dumpster size and pick-up frequency



Current Service Issues/Concerns

- Vacant Lot Solid Waste
- Vacant Lot Green Waste
- Residential Evictions – Bulk Solid Waste
- Commercial Green Waste Generation
- Overall Green Waste Pick-up Concerns



Potential Solutions/Analysis

- Vacant Lot Solid and Green Waste
 - Establish a new fee in the contract, by debris type and size for on-call pickup within 72 hours (Public Works/Code Enforcement to Initiate)
 - City would need to budget for this service by a contractor or perform in-house within the right-of-way
- Residential Evictions – Bulk Solid Waste
 - Utilize on-call style pick-up, as mentioned above as a form of abatement
 - Code Enforcement Contractor performs abatement
 - Abatements require a minimum of 10 days and may result in a lien placed on the property.
- The City would need to budget these options annually through the General Fund Budget.



Potential Solutions/Analysis

➤ Commercial Green Waste Generation

- This service is already provided, by subscription, to commercial property owners
- **There are over 400 Commercial solid waste accounts (carts and dumpsters) and only 21 pay for green waste**
- Typically, commercial properties handle this through a landscape contractor
- Others leave waste on the Right-of-Way, with an expectation for the City to handle at no charge to them. This takes take staff time and resources. Ultimately, the City Taxpayers are covering this cost.
- On June 24, 2020 Council approved for Code Enforcement to use the Solid Waste Contractor for green waste abatement. Abatements can only take place 10 days after proper notice with no response.



Overall Green Waste Pick-up Concerns

- City appearance due to unsightly green waste piles.
- Timeliness for Code Enforcement related violations to be resolved.
- Solutions:
 - Bring Green Waste In-house entirely (An estimated cost is provided in the next slides)
 - Potentially supplement the current services with additional Public Works Staff to field and possibly respond to bulk green waste calls as needed. This may require an administrative employee and additional maintenance workers, pending service requests.
 - Continue Code Enforcement action on violators



In-House Green Waste

- Current green waste services cost is \$1.93/month or \$23.16/year. This includes once per week and on-call bulk services.
- To match this level of service the following equipment and personnel are needed. Note that both owned and leased equipment were analyzed. Owning the equipment resulted in a lower 10 year cost and was used for the comparison with the contracted rates. A chart is provided for reference.



In-House Green Waste

- Equipment Needs:
 - One Grapple Claw Truck for Bulk Service - \$201,691 [\$24,025.10/year with O&M]
 - Three Diesel Rear Loaders (one as a back-up) - \$699,906 [\$81,558.60/year with O&M]
 - One Chipper/Shredder - \$880,000 – {\$106,500/year with O&M]
 - One Loader - \$121,900 – [\$16,046/year with O&M]
 - One Excavator - \$123,500 – [\$16,206/year with O&M]
 - **Initial capital investment of \$2,026,997 and reoccurring costs of \$41,636.00**
- Staffing Needs:
 - Three Heavy Equipment Operators
 - Six Maintenance Workers
 - Two Customer Service Reps for Billing and Call Center
 - One Green Waste Supervisor
 - **Approximately \$471,165 annually, based on current hourly wages**



In-House Green Waste

- Estimated total annual cost for in-house green waste over a ten year period: \$715,500.70
- State permitting would be required for mulching operations
- Break-even cost to the resident with no miscellaneous expenses or contingency built in:
 - Approximately \$127.61/annually or \$10.63/month
 - Approximately a 450.78% increase from the current \$1.93 residential monthly rate

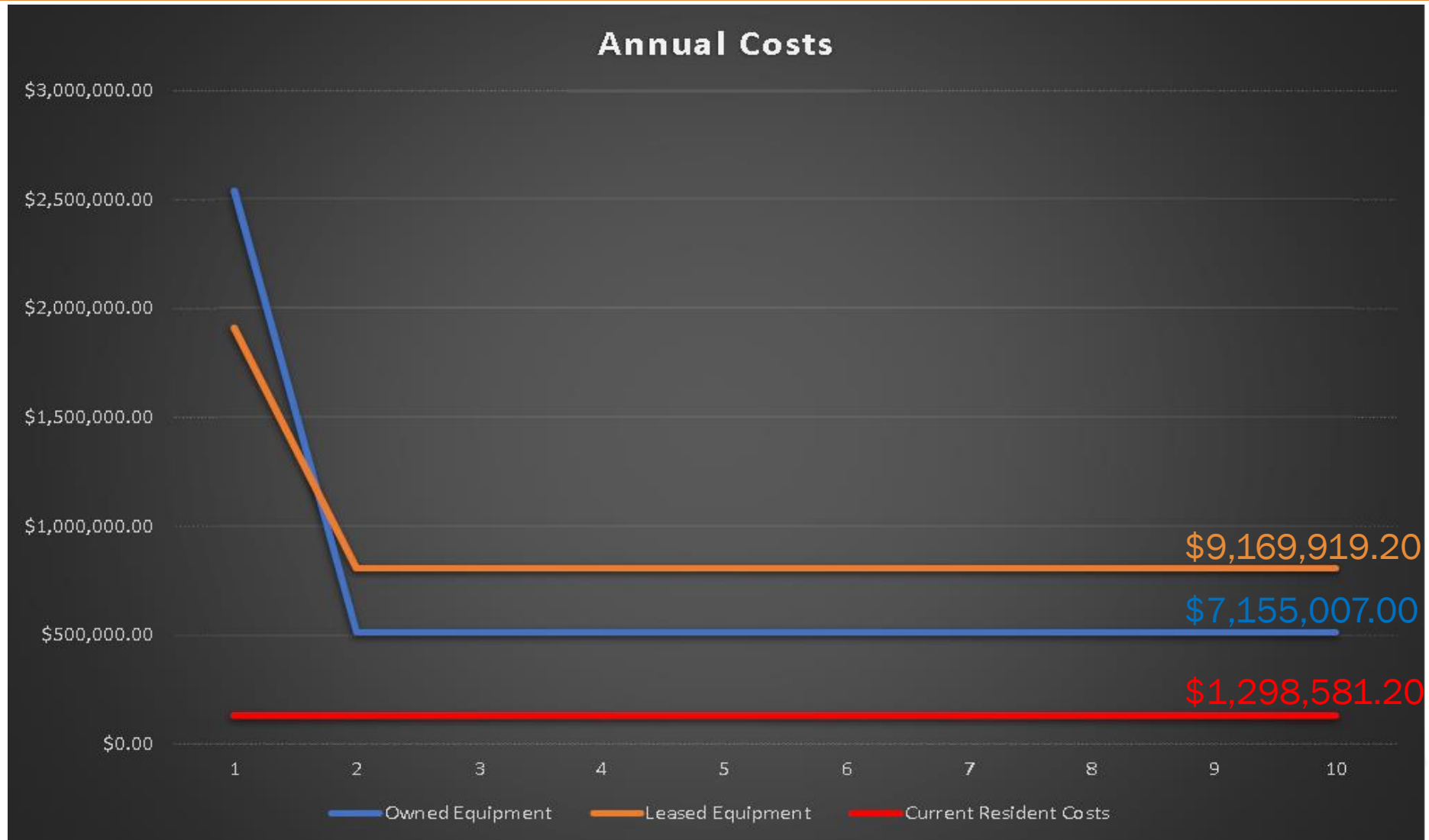


Residential Rate Increases (Florida)

- Recent Contracts
 - Brevard County – 39% Increase (\$16.19/month)
 - Palm Bay – 91% Increase (\$23.50/month) for once per week to twice per week service
 - Osceola County – 24.85% Increase, followed by a 16.97% Increase (\$24.42)
 - Volusia County – New Rate of \$19.98/month
- Negotiated Extension
 - Charlotte County – 2019 and 2020 saw 26.49% and 37.53% increases, each year (\$18.91/month)
 - Hernando County – 46.47% (\$14.40/month)
 - Hillsborough County – 50% Increase (\$15.53/month)
 - Martin County – Projected 31% Increase (\$18.10/month)
- Typical rates are adjusted to an average of approximately \$18.88/month, compared to Cocoa's current rate of \$15.51/month
- All rates are likely to increase due to the new minimum wage bill



In-House Green Waste



Council Direction On Solid Waste Services

- Negotiate with current vendor or issue a RFP
 - Staff suggests exploring both options to potentially provide the lowest possible rate to the account holders. If the residential rates can be negotiated at a rate of \$17.50 or lower, a continuation may be ideal.
 - If pricing adjustment negotiations cannot be completed by February 9, 2021. The City will have an RFP ready for advertisement.
- Incorporate Vacant Lot (Green and Household/Bulk Waste) and Eviction (Household/Bulk Waste) Lot Pick-ups on an as needed basis to the contract.
 - Budget \$10,000 annually for this as needed service and adjust as needed (estimated at 50+ pickups per year, pending size)
 - Private property pick-ups still need to be handled through Code Enforcement.



Council Direction on Green Waste

1. Continue with the current contract or new contract with the same terms
2. Continue with contracted green waste pick-up, but require bulk green waste calls to come through the City and not the Contractor Call Center. Staff could respond if there is a high volume of calls for an increased level of service.
3. In addition to Option #2, supplement bulk green waste pick-up with Public Works Staff. An additional Maintenance Worker II at \$40,000/year would be required. Public Works can utilize existing equipment to perform this function.
4. Bring green waste in-house. This is a very high capital cost that will either require general fund subsidization or high resident costs. General Fund debt service would likely be needed. Up to two years would be needed to acquire equipment and staffing.



RFP Process and Timeline

- Advertise of 45 days
- City Manager to establish a review committee
- Accept proposals and hold presentations for review committee
- Review committee will recommend the highest scoring vendor to Council to initiate contract negotiations
- Vendor service begins on October 1, 2021

This is potentially a 6-8 month process including the negotiation period and finalization of the contract.



RFP Process and Timeline

Action	Date
Bid Advertised	February 10, 2021
Respondent Question Deadline	March 19, 2021
Bid Submissions & Opening	March 31, 2021
Bid Review and Presentations to Review Committee	April 8, 2021
Selection Committee Scoring Meeting	April 21, 2021
Selection Committee Recommendation to City Council for Contract Negotiations	April 27, 2021
Notice of Award	July 1, 2021
Notice to Proceed Effective Date	October 1, 2021

