

*Utilities Department*

**Procurement Update  
Residential Solid Waste and Recyclable  
Collection Services**

**November 14, 2023**



# Presentation Outline

- **Background**
- **Current State of Solid Waste Collection Industry**
- **Key Issues**
- **Procurement Approach**
- **Summary**



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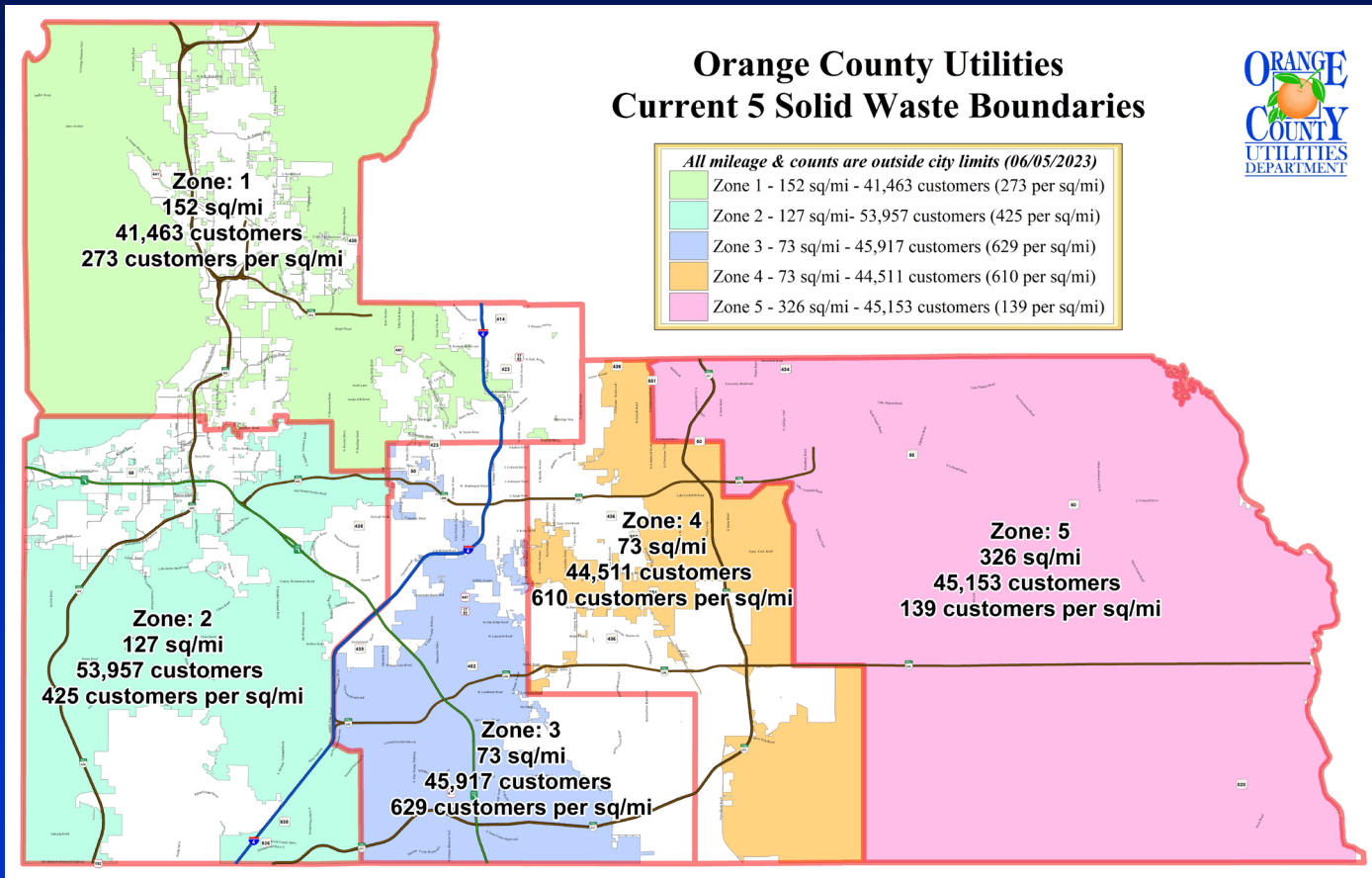


# Background – Current Program

- Provide services to 230,000+ residential units
- County currently divided into five zones/service areas
- Three firms currently provide:
  - Once per week garbage collection in carts
  - Once per week recycling collection in carts
  - Once per week yard waste collection (up to 3 cy)
    - Empty bags at curb
  - Once per week bulk collection (up to 3 cy)
- GPS tracking of collection vehicles



# Background – Current Zones

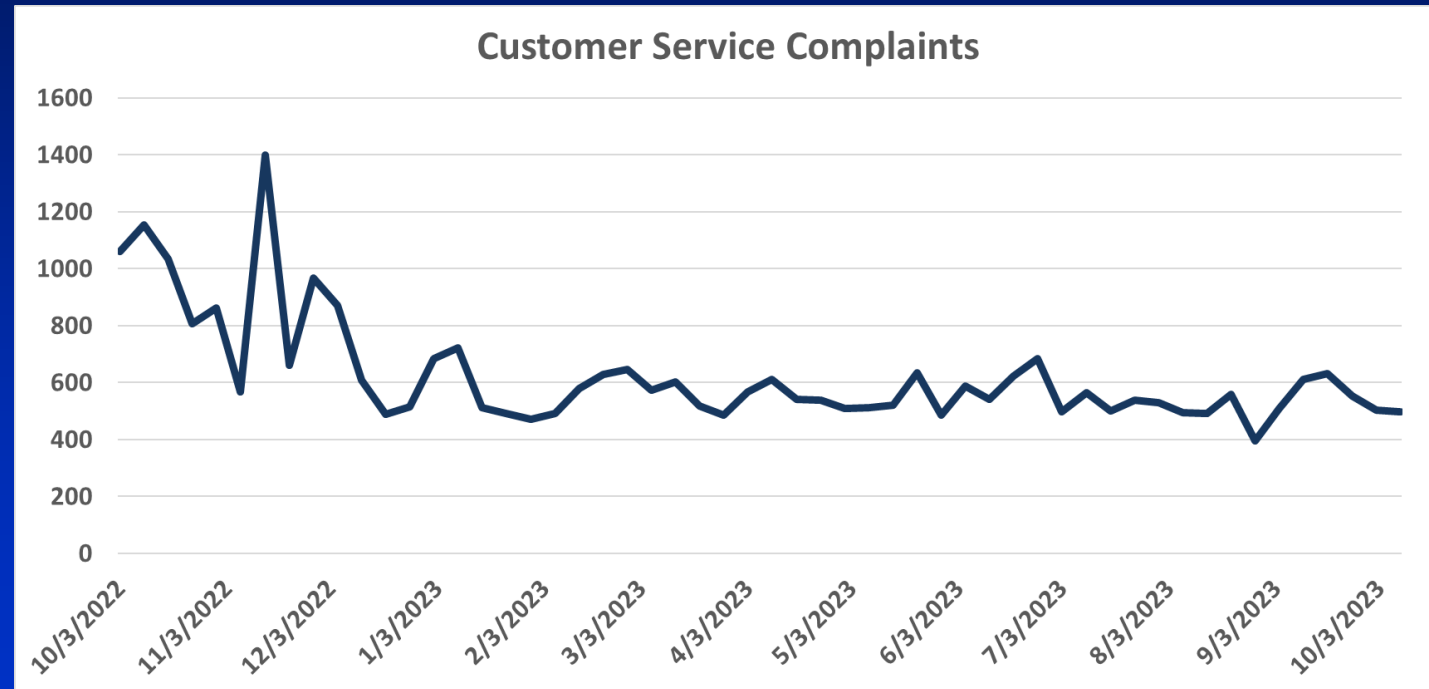


- Current contract bid in 2015
- Five zones
- Limit haulers to two zones
- Initial prices set by bid
- Annual price adjustment for inflation
- Term: January 1, 2016 to December 31, 2025



# Background – Current Performance

- Successfully addressed hauler performance issues
- Contract provided cost control over time
- 230,000 customers
- 48 million service opportunities per year
- 32,334 complaints
- 0.07% complaint ratio





# Background – Procurement Goals

- **Start new contract on January 1, 2026**
- **Complete competitive procurement in time for smooth transition and rate adoption**
- **Balance optimal level of service with customer cost**
- **Consistent quality of service to minimize complaints**
- **Consider service frequency options like last procurement**
- **Meet customer expectations**



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# Current State – Solid Waste Collection Industry

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- **Trend to automated collection vs. manual**
  - Safety, efficiency, and insurance concerns
- **Labor shortages for high skilled jobs**
- **Equipment manufacturing delays**
- **Increased contract transparency and accountability**
- **Technology advancements**



# Current State – Technological Advancements

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## Smart Waste Collection Technologies

- **Fleet advancements**
  - Alternative fuels
  - Safety improvements and camera technologies
- **Routing software efficiencies**
- **Service and performance verification software**
  - Real-time data access
  - New reporting tools
- **Container monitoring applications (contents and contamination)**



# Current State – Price Increases

■ **Recent causes:**

– Labor wages and benefits

– Truck and equipment costs

– Fuel costs

– Inflation

Level of Service	Contract Award Date	Contract Rate (\$/HH/year) <sup>3</sup>	Percent Increase Over Prior Contract <sup>1</sup>	Jurisdiction <sup>4</sup>	Includes Commercial
2-1-1	2023	\$193.20 – \$206.04	83% - 98.5%	Manatee County (Contract Extension)	Y
	2022	\$171.00 – \$275.64	78% - 187%	Hillsborough County	Y
	2020	\$249.12	590% (was \$36.12)	Broward County <sup>2</sup> (MSD)	N
	2019	\$194.04 – \$354.96	55%-120%	Palm Beach County (SWA)	Y
1-1-1	2023	\$225.00 – \$249.60	39.2%	Lee County (SA3&5) (Contract Extension)	Y
	2022	\$292.92	83.4%	Lee County (SA4)	Y
	2020	\$273.72	51.3%	Volusia County	N
1-1-1	2016	\$138.12 – \$195.48		Orange County	N

Notes: 1 Percent increase data provided where readily available.

2 Broward County MSD yard trash collection once per month. For simplification on table, provided under 2-1-1 level of service.

3 Contract rate annualized by simple multiplier of 12 applied to monthly rates.

4 Direct comparisons between rates cautioned due to differences in the level of services provided and contract term length.



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# Key Issues – Service to Customer

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- Customer contact through call center
- Important issues from call center
  - Collecting waste and recycling on schedule
  - Missed pickups
  - Cart problems
  - Occasional large/non-conforming piles



# Key Issues – Contractor Input

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- **“Industry Day” Q & A with collection companies**
  - Labor challenges
  - Equipment and other costs keep going up
  - Higher service levels will result in higher price



## Key Issues – Resident

- **Cart collection of residential recycling and garbage**
- **Collect up to 3 cubic yards of yard waste each week – bags, bundles, cans – empty bags at curb**
- **Collect up to 3 cubic yards of bulky trash each week**
  - Up to 4 tires, white goods, and other bulky waste
- **Positive service verification**
  - GPS and technology applications



## Key Issues – Contractor

- Seven-year term rather than 10-year term
- Contractor to assist with diversion and recycling
- Require trucks appropriate to collection area
- Require a claw truck in each zone
- Contractor to manage carts
- One company can service up to two zones
- Keep CNG trucks, allow alternative fueled trucks
- Escalating accountability for performance problems





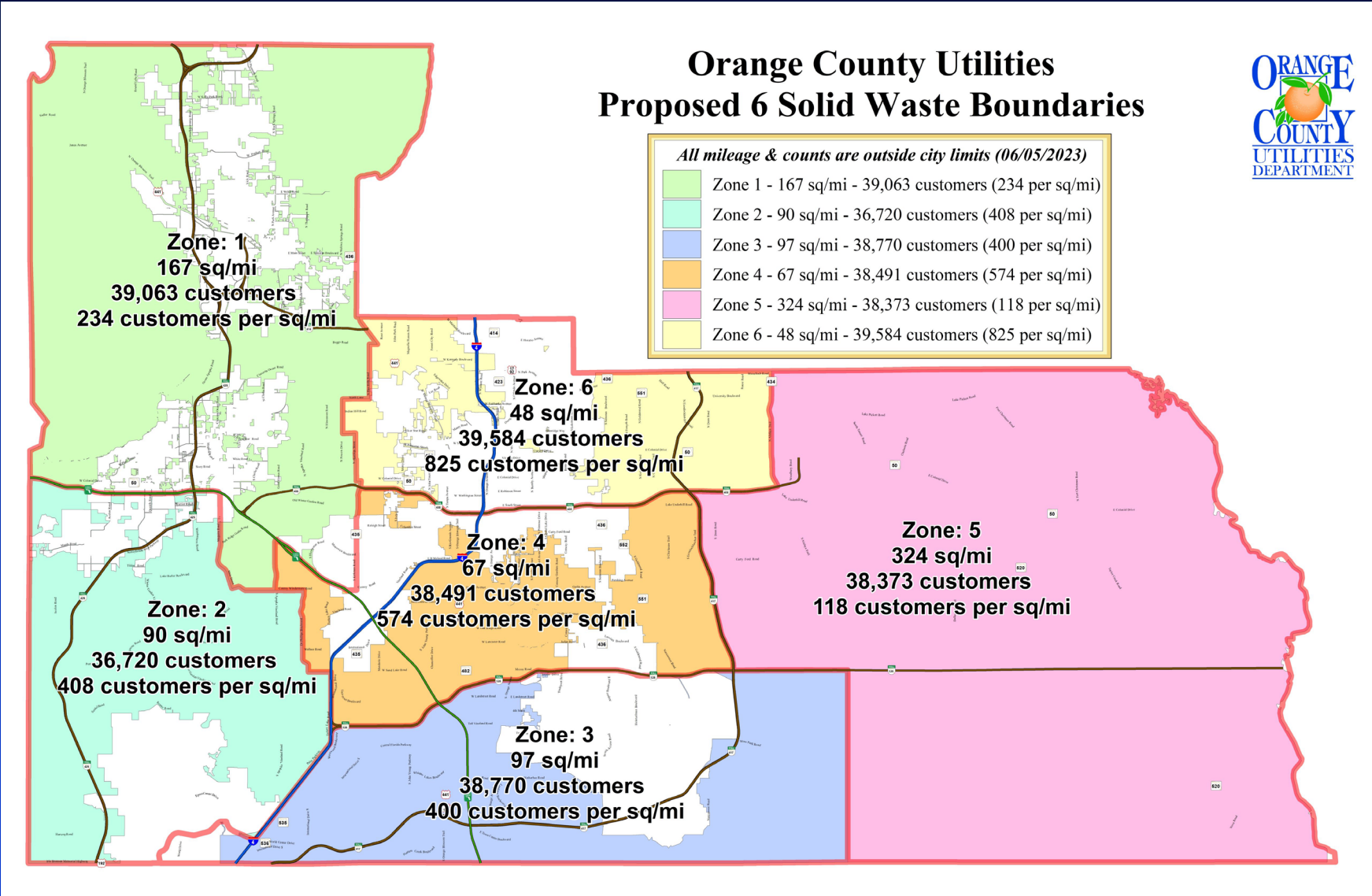
## Key Issues – County

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- **Options for garbage collection – once or twice per week**
  - Twice per week collection could improve resiliency, service, and recycling, but will increase cost
- **Include requirement to provide “directed collection”**
  - Oversized piles, non-conforming setouts, orphan loads of waste
  - Improve community service, need to manage expectations and cost recovery
- **RFP versus bid approach**
- **Six collection zones versus five**
  - Balance zones for population growth



# Key Issues – Six Collection Zones Versus Five





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# Procurement Approach – RFP Evaluation

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- **Cost is important**
- **Qualifications of firm and assigned personnel**
- **Staffing commitment**
- **Equipment dedicated to project**
- **Positive service verification approach**
- **Resiliency and customer service**
- **Best value evaluation**

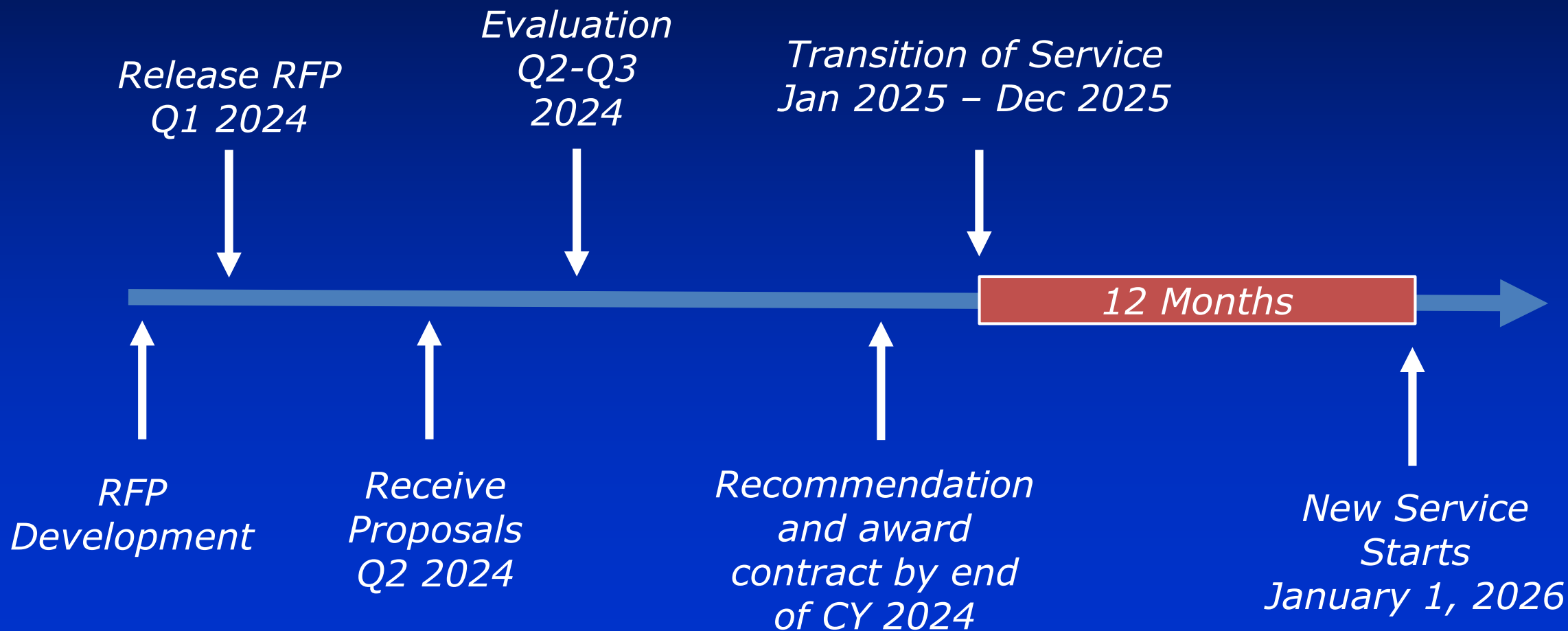


# Procurement Approach – Customer Impacts

Component	2024	Pct.	New Contract
Collection	\$161.94	56%	↑
Disposal	\$62.19	21%	↑
Administration	\$13.02	4%	↔
Recycling	\$36.15	12%	↔
Carts	\$14.15	5%	↓
Reserves/Rate Stabilization	\$2.55	1%	↔
MSBU Rate per Household	\$290.00		↑



# Procurement Approach – Schedule





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# Summary

- Keep much of the same type of services with contractual improvements
- Revisions to improve service and accountability
- Six zones, making size of zones more manageable
- Option price for twice per week collection
- Include “directed services”
- RFP versus bid