



ENVIRONMENTAL MANAGEMENT DIVISION

MEMORANDUM

TO: Bruce Walden, Chief Administrative Officer
FROM: Bill Gray, Public Works Director
Rod Fletcher, Environmental Manager
DATE: October 22, 2003
RE: Results of Recycling RFP for Residential and Multifamily Programs

Action Requested

A motion authorizing staff to negotiate contracts for the residential and multifamily U-CYCLE programs.

Background

An RFP to solicit proposals to continue to provide the residential and multifamily recycling programs was issued and responses were received on September 29. Two responses were received from ABC Sanitary Hauling (ABC) and Central Waste Services (CWS). ABC currently provides service for the residential program and CWS for the multifamily program. Both contracts will expire March 31, 2004. The term of the proposed contracts will be for 5 years, with a mutually agreed upon option to extend an additional 2 years.

For the residential program, both firms submitted a price of \$1.90 per unit. Currently the cost is \$1.80, which has remained the same for the past 7 years and represents a 5 ½ percent increase. For the multifamily program ABC submitted a pricing schedule, for various service levels, slightly less than what was paid for unit costs initiating the program in 1999. CWS submitted a price schedule that maintains the fees currently paid for the program. Overall, ABC'S cost was approximately 1 percent, (\$467/month) less than CWS.

Staff has met and discussed the responses. Staff feels that there is a benefit to having 2 separate contractors provide services, especially in terms of collection and processing redundancy, to ensure that the programs can continue to provide service without interruption, and the familiarity that each contractor possesses of their respective programs. Given this, CWS was contacted and has agreed to meet the pricing schedule that ABC proposed. Attached is a summary of program costs given the current number of units and level of service for both programs as proposed, moving 5 and 6 unit apartment buildings into the multifamily program.

Financial Impact

Both programs are funded from recycling taxes. At this point in time, staff has not yet assessed all the costs associated in administering the programs, purchasing bins, educational efforts, etc. However, we can expect the

current cost paid by residents of \$2.25 per month to increase at least ten cents. Staff will be recommending a new fee schedule for the programs that will require a budget amendment. This will be presented to Committee following contract negotiations.

Recommendations

It is recommended that a motion be made authorizing staff to negotiate a contract with ABC to provide residential service and a contract with Central Waste Services for the multifamily contract.

Summary of Costs from Residential and Multifamily RFP
for 2004 to 2009 Contract Years

October 22, 2003

				ABC	CWS	#units	ABC Cost	CWS Cost
				Unit cost	Unit cost			
Residential Program				\$ 1.90	\$ 1.90	7830	\$ 14,877.00	\$ 14,877.00
Multifamily							ABC Cost	CWS Cost
	#of Toters	frequency				locations		Initial
	2	once/wk.		\$ 23.00	\$23.23	193	\$ 4,439.00	\$4,483.39
	4	once/wk.		\$ 38.00	\$38.38	175	\$ 6,650.00	\$6,716.50
	6	once/wk.		\$ 53.00	\$53.53	36	\$ 1,908.00	\$1,927.08
	8	once/wk.		\$ 68.00	\$68.68	6	\$ 408.00	\$412.08
	2	twice/wk.		\$ 51.00	\$51.51	0		
	4	twice/wk.		\$ 81.00	\$81.81	16	\$ 1,296.00	\$1,308.96
	6	twice/wk.		\$ 112.00	\$112.11	6	\$ 672.00	\$672.66
	8	twice/wk.		\$ 142.00	\$142.41	2	\$ 284.00	\$284.82
	Dumpsters							
	2 yd	once/wk.		\$ 30.00	\$30.30	10	\$ 300.00	\$303.00
	2 yd	twice/wk.		\$ 50.00	\$50.50	2	\$ 100.00	\$101.00
	8 yd	once/wk.		\$ 75.00	\$75.75	0	\$ -	\$0.00
	8 yd	twice/wk.		\$ 100.00	\$126.25	1	\$ 100.00	\$126.25
Subtotal							\$ 16,157.00	\$16,335.74
ABC no cost for municipal blgs							288.00	
Adjust mf cost							\$ 15,869.00	\$16,335.74
TOTALS							\$ 30,746.00	\$ 31,212.74
dollar diff per month							\$ 466.74	
percent diff in price							1.015	
based on current levels adjusted for 5 and 6 units going to multifamily								
residential percent of total							48.39%	
est. annual cost							\$ 368,952.00	