

Issues Relating to the Collection of Garbage and Recyclables

Term

1. The term of the Franchise Agreement should be from 5 to 8 years. The City also has an option to extend the Agreement for an additional period (say three years). Longer contract terms tend to lower the price of services as the trucks and materials processing equipment can be amortized over the longer term. Shorter-term contracts allow changes in the level of service are more easily.

Franchise Fee

1. The level of the franchise fee can be set at whatever amount the City feels is appropriate to cover the cost to the City of preparing, monitoring and enforcing the terms of the Agreement. This includes all City staff time, attorney's time, consultant's time, and other expenses. It can also include funding for roadway impact fees. Generally franchise fees are set at 5%-10% of the contractor's revenues.

Vehicles

1. Options include co-collection of two or more material types in a split body truck; or separate vehicles for each material type.
2. The contract can require clean air vehicles powered by natural gas / hydrogen fuel cell / bio-diesel / gas-electric hybrid
3. The contractor can be required to use new collection vehicles at start of the Agreement, or used ones. New trucks are less likely to break down, but a lower price may be offered if the Franchisee is able to use older trucks. Used trucks make better sense for shorter term contracts.

Services

1. The City has some areas with larger lot sizes, and a relatively low housing density. Should the rates reflect the differences in harder to service areas?
2. The contractor should be required to maintain a local (non-toll) telephone number, staffed Monday through Friday from 8 AM to 5 PM. What hours of the day should this phone be staffed? Should an answering machine be required for other hours?
3. Should collection service be provided for handicapped & elderly persons adjacent to their dwelling, but charged at the same rate as curbside service? Can the City generate a list of households that would be eligible for this service?
4. Garbage and recyclables collection currently begins at 7:00 AM, and must be completed by 6:00 PM. Would you like service to start later in the morning? After rush hour at 8:00 AM or 8:30 AM? Should the contractor be required to complete the collection before 6:00 PM? At an earlier time? When?

5. Should the new contractor be required to offer to hire the existing Franchisee's garbage and recyclables collection employees for these jobs?
6. A more efficient automated collection system using mechanically lifted wheeled carts could reduce the costs, but residents would have to bring the carts to the public access roadways, or pay higher rates to have them returned to their backyards. Should wheeled carts be required? For Garbage? For Recyclables? For Organics?
7. Should debris box service for construction, remodeling and demolition waste collected in large containers 3 cubic yards or more be covered as part of this exclusive Franchise Agreement, or should residents be allowed to arrange for this service with any hauler of their choosing.
8. Do you want to require the contractor to provide bulky item collection and recycling or hard to manage large and heavy items as an on-call service?
9. Do you want the contractor to promote program options? Or do you want to contract with a Promotions firm?
10. Is litter from garbage collection a problem?

Residential Collection Categories

1. The key is to rank how important each of these features are relative to each other: a high recycling rate, low landfill rate, small carbon footprint; convenience to resident, cost of service?
2. Collection Options:
 - a. garbage, recyclables, and plant trimmings; most common
 - b. garbage, recyclables, and combined food and plant trimmings – Fremont
 - c. organics (wet) and recyclables (dry) – Los Altos Hills, Portola Valley, Woodside

Cost of Service

1. How many sizes of garbage cans should be provided? [20-gallon, 32-g, 64-g, 96-g]
2. How much differential should there be between the 32-g rate and the 64-g rate?
3. Charge for residential and commercial garbage collection with no charge for collection of recyclables and compostables; or charge for all materials collected; or charge differential rates for collection of different material types?
4. Rates for service based on distance from truck access point, and change in elevation?

Residential Recycling Collection

1. Should the frequency of collection of recyclables continue to be every week or every other week (twenty-six times per year)? More often may mean higher costs. More often should recover more recyclables.
2. Should all recyclables be collected all mixed together (single stream recycling), or shall paper be collected separate from other materials?
3. Should recyclables be collected adjacent to the garbage container (in the backyard), and / or only at the curbside? Collection of recyclables adjacent to the garbage container is more expensive, but will increase diversion rates.
4. Recyclable Materials to be collected should include:
 - Old newspapers (ONP)
 - Corrugated cardboard
 - Other paper *
 - Aluminum cans
 - Steel/tin cans
 - Scrap metal: individual pieces of which do not weight more than 5 pounds
 - Glass bottles and jars (container glass)
 - PET plastic containers (#1)
 - HDPE plastic containers (#2): natural color
 - HDPE plastic containers (#2): other colors
 - Fabrics & Textiles (and stuffed animals, and shoes)
 - Optional recyclable materials **
 - household batteries and compact fluorescent lamps
- * other paper shall include: magazines, white or colored writing or ledger paper, copy paper, computer print-out paper, wrapping paper, envelopes, bulk mail and catalogs, phone books, paper grocery bags, cereal boxes and other chipboard packaging, paper egg cartons, and other food packaging paper which is clean and dry.
- ** optional recyclable materials include: aseptic milk and juice boxes, foam packaging materials, film plastics, and any other material which may be proposed for collection by the Proposer.
5. Would you like to have a larger number of material types collected under the new Agreement?
6. Should each residence be provided with a wheeled recycling cart? It is easier for the resident to move a big wheeled cart than a small recycling bin. The large cart allows the collector to gather more weight per stop and increases efficiency.
7. The new contractor will be responsible for sale of all collected recyclables. The City can share in the revenues above a proposed base amount, if they want to. Should we ask for this or hope that these revenues will be passed along by the Proposer in a lower rate per household? The City could 'bank' these extra revenues and use them to offset future rate increases?

8. Should the City require the contractor to tell them what is happening to each of the types of recyclable materials recovered; including what new products are being made from the recovered materials?

Residential Yard Trimmings Collection

1. Should plant trimmings be collected weekly or every other week. Yard trimmings will include grass clippings, shrubbery prunings, tree trimmings, and other vegetative matter, but not kitchen wastes.
2. Should wheeled carts for plant trimmings be provided to every household?
3. Processing of plant trimmings will be contractor's responsibility. Do you want contractor to provide finished compost to City for parks or residents to use at home?
4. Do you want the contractor that composts the plant trimmings to meet city specified compost quality specifications?
5. Do you want to promote backyard/at-home composting by residents to reduce the amount of plant trimmings that need to be collected?

Contractor Performance Requirements

The new contractor will be required to:

- a) collect missed set-outs within 24-hours of notification;
- b) log all phone calls;
- c) maintain clean, well running collection vehicles;
- d) clean up litter generated during collection, and insure that litter is not created while truck is moving; and
- e) comply with all applicable State and Federal laws.

Would you propose any other requirements?

Extra Services

City-wide Clean-up

Services to City facilities and litter bins

Street Sweeping

Program Promotion

Compensation for Services

The Franchisee is currently responsible for billing residential accounts. Billings can be quarterly or every other month. Commercial accounts are billed on a monthly basis.

The Franchisee will be required to pay damages for failure to perform as specified, including: failure to collect a missed setout within 24 hours, starting before the approved time, damaging customers containers, leaving containers in the street, failing to submit reports on time, or other similar incidents.

Reporting Requirements

The Franchisee will be required to submit reports. The more information required of the Franchisee, the higher the cost of service. There is no benefit to requiring the contractor to submit reports that will not be used by the City. The following information can be requested. Would you suggest any changes in the proposed reporting requirements?

Monthly Reports - Within 10 days of the end of each month, Franchisee shall provide the City with copies of the Telephone Logs. The report shall include the name and address of each caller, the reason for the call, details on each complaint and a description of its resolution.

Quarterly Reports - Within 15 days of the end of each three month period, Franchisee shall provide the City with information on quantities of garbage, recyclables and yard trimmings collected in each of the prior three months. Reports shall also contain a description of contamination levels in recyclables; milestones achieved; revenue from sale of recyclable materials (to verify the base revenue and revenue sharing features of the Agreement); staffing levels; a log of special occurrences, scavenging, or other problems encountered (*e.g.*, household hazardous wastes in the garbage); and any other relevant information.

Annual Reports - Within 30 days of the end of each calendar year, Franchisee shall provide the City with a summary report of the quarterly reports for the year, including information on the total annual quantities garbage, recyclables and yard trimmings.

Proposal Evaluation

Proposals will be evaluated on the following criteria. Are the relative values of each factor appropriate? Should there be other criteria?

Firm Qualifications (5%) - Strength and previous experience of proposing company; and recommendations from references.

Technical Proposal (40%) - Completeness of technical information on overall system components; equipment proposed, ability to meet schedule; overall system compatibility.

Price & Cost Proposal (50%) - Proposed costs to the residential and commercial customers; accuracy and reasonableness of estimated capital, and operations & maintenance costs; and financial strength of Proposer.

Responsiveness (5%) - Completeness of proposal; responsiveness to RFP guidelines and objectives; management ability of proposal team; bondability and insurability of Proposer; overall responsiveness to City.