

**SEMINOLE COUNTY GOVERNMENT  
AGENDA MEMORANDUM**

**SUBJECT:** Residential Solid Waste Collection Franchises

**DEPARTMENT:** Environmental Services **DIVISION:** Solid Waste Management

**AUTHORIZED BY:** *Robert G. Adolphe*, P.E. **CONTACT:** *David Gregory* **EXT.** 2022

<b>Agenda Date</b> 02/24/04	<b>Regular</b> <input checked="" type="checkbox"/>	<b>Consent</b> <input type="checkbox"/>	<b>Work Session</b> <input type="checkbox"/>	<b>Briefing</b> <input type="checkbox"/>
	<b>Public Hearing – 1:30</b> <input type="checkbox"/>		<b>Public Hearing – 7:00</b> <input type="checkbox"/>	

**MOTION/RECOMMENDATION:**

Provide to staff direction on completing negotiations for the Residential Solid Waste Collection Franchise Agreements that expire on December 31, 2004. Options include:

- A. Complete negotiations with the current service providers addressing Franchise Agreement terms, conditions, and prices; and bring back to the Board of County Commissioners updated Franchise Agreements for approval; or,
- B. Take other action as directed by the Board of County Commissioners.

Seminole County's current residential refuse collection franchises expire on December 31, 2004. The residential franchise agreements govern the collection of garbage, yard waste, and recycling from residences in the unincorporated areas of Seminole County. At the October 28, 2003 Board of County Commissioners meeting, staff was directed to negotiate new agreements with the current service providers addressing new terms, conditions, and pricing, and to bring the matter back to the Board for consideration.

Following the Board's direction, staff met with representatives of Florida Recycling Services, Republic Services, and Waste Management. At the meeting the following items were discussed:

- The County expects to receive a high level of residential solid waste collection service at a competitive price to the customer.
- New agreement terms and conditions were negotiated.
- Revised residential collection service areas were negotiated.
- The three firms were asked to propose prices for providing service to the County under the new Franchise Agreements.

<b>Reviewed by:</b>	<i>J. Dietrich</i>
<b>Co Atty:</b>	<i>J. Dietrich</i>
<b>DFS:</b>	
<b>Other:</b>	
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<b>CM:</b>	<i>[Signature]</i>
<b>File No.</b>	<u>RESS01</u>

## Terms and Conditions

New terms and conditions for the Franchise Agreement were negotiated that will improve hauler accountability to assure a high level of service is provided to County customers. Highlights of the new agreement are included in the attached presentation. As this Agenda Memorandum was prepared, the Franchise Agreement was being drafted by the County Attorney's office. The final Franchise Agreement will be brought before the Board for approval after it is signed by the haulers.

## Service Areas

Revised service areas were negotiated with the haulers. The service areas are compact to allow for more efficient collection and supervision activities. Three equal sized service areas were developed, so the number of customers serviced by each hauler will change.

A map of the revised service areas, including the change in house-count, is shown in the attached presentation.

## Price Proposals

The haulers were asked to make price proposals for providing residential refuse collection services. The haulers offered prices less than the current agreement's pricing. The price proposals are summarized and compared in the attached presentation.

### *Clarification for side-door service*

One of the optional convenience services offered to County customers is side-door refuse collection service. Historically, the Franchise Agreements have allowed individual customers to have their refuse collected at the side-door through an arrangement with the hauler. The fee for this service is in addition to the MSBU garbage collection assessment on the tax bill. Customers pay the haulers directly for side-door service. The Franchise Agreement establishes the maximum amount the haulers can charge for this service. In certain areas (e.g., Springs Landing and Spring Lake Hills), deed restrictions require all of the residences in an entire neighborhood to subscribe to the side-door service. Under the current contract, the price cap for side door service is \$8 per month. Note that the haulers have historically, and will continue to, provide side-door service to handicapped customers at no charge.

The haulers proposed two prices for side-door service, one price for individual homes that subscribe to side-door services and a second price each home where the entire neighborhood subscribes to side-door service. The prices proposed were: FRS for entire neighborhood, \$6.78; individual homes, \$8; Republic Services for entire neighborhood, \$8; individual homes \$10; Waste Management for entire neighborhood, \$12.50; individual homes; \$12.50.

## Attachments

Attached is a brief presentation on this topic in Power Point format.

## Residential Solid Waste Management Update

February 24, 2004

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## Overview

- On October 28, 2003 the BCC directed staff to negotiate new residential refuse franchise agreement terms, conditions, and pricing with current service providers.
- Goal - *Ensure our customers receive the best service at a competitive price.*

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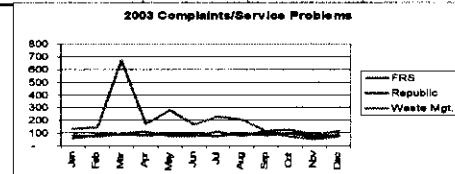
## Issues Negotiated with Haulers

- Met with Florida Recycling Services, Republic Services, and Waste Management
- Collection agreement terms revised
- Collection service areas revised
- Price revisions requested

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## Performance, Calendar Year 2003

Florida Recycling Services	22,441	2,458	109.7
Republic Services	19,538	1,019	52.4
Waste Management	17,507	1,042	59.4



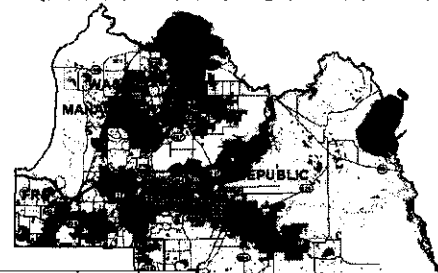
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## Agreement Terms - Highlights

- County to pay for collection service only
- Four service choices, optional services
- Dedicated route information submitted electronically
- Equipment requirements defined
- Supervisor requirements defined
- Customer service requirements detailed
- Complaints and administrative charges addressed
- Egregious violations defined
- Annual rate adjustment set at CPI-U with a 3 % cap
- Hauler provide recycle bins
- Small amount of remodeling waste collected
- Obtain and remain in compliance with a Non-Exclusive Commercial Franchise for commercial waste activities
- Countywide collected waste directed to County facilities

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## Proposed Hauler Service Areas



Hauler	Current	Revised
FRS	22,441	18,856
Republic Services	19,538	18,887
Waste Management	17,507	18,841

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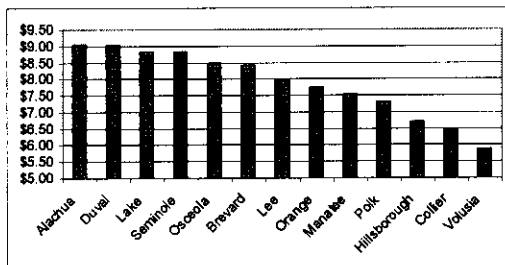
## Price Proposal Comparison

Header	Service Choice	2004 Price (2 percent more than 2003)	Proposal	Proposal Compared to 2004 Price	Weighted Average of proposal
FIS 19,886 customers	211	\$9.28	\$9.07	-\$0.19	\$8.58
	201	\$8.82	\$7.86	-\$0.96	
	111	\$8.15	\$7.66	-\$0.47	
	101	\$7.81	\$8.17	+\$0.24	
	All 211	no	\$8.20		
Side-door service		\$8.00	\$8.76/\$8.00		
Republic 19,887 customers	211	\$8.39	\$9.13	+\$0.24	\$8.74
	201	\$8.03	\$8.00	-\$0.03	
	111	\$8.38	\$8.30	-\$0.02	
	101	\$7.90	\$7.19	-\$0.75	
	All 211	no	\$8.88		
Side-door service		\$8.00	\$8.00/\$12.00		
WHI 19,841 customers	211	\$8.22	\$9.23	+\$0.21	\$8.96
	201	\$9.14	\$9.00	-\$0.14	
	211	\$8.39	\$8.10	-\$0.29	
	101	\$8.02	\$8.00	-\$0.02	
	All 211	no	\$8.98		
Side-door service		\$8.00	\$12.80/\$12.80		7

## Comparison With Other Counties

County	Service Level (garbage, Recycling, TIRE, etc.)	Range of monthly rates for different sizes	Assume contractor's charges per month without disposal	Exclude Commercial Collection	Last Contract Renewal
Alachua	2-1-1 extra	\$8.84 to \$9.14	9.06	No	Negotiated 1999
Duval	2-1-1	\$8.72 to \$9.24	9.02	No	Negotiated 1999
Lake	2-1-1	\$8.98 to \$8.17	8.84	Yes	Negotiated 2002
Seminole	Varies	Average	8.76	No	Negotiated 2004
Oceola	2-1-0 (no recycle)	one price	8.50	No	Bid 1999
Brevard	2-1-1	one price	8.41	Yes	Negotiated 2003
Lee	1-1-1	\$7.81 to \$8.10	7.87	Yes	Bid 2000
Orange County	2-1-1	\$5.77 to \$8.53	7.76	No	Bid 2001
Manatee	2-1-1	one price	7.83	Yes	Bid 2001
Polk	2-1-1* (no recycle)	\$7.28 to \$7.35	7.30	No	Negotiated 2002
Hillsborough	2-1-1	\$8.39 to \$8.93	6.70	Yes	Bid 1996
Collier	2-1-1 math.	one price	6.50	Yes	Negotiated 2001
Volusia	1-1-1	one price	5.88	No	Negotiated 2003

## Monthly Collection Charges, Comparison with Other Counties



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## BCC Direction

- Complete negotiations and bring back a signed contract for consideration
- Other alternatives
  - Modify agreement terms, conditions, or prices
  - Initiate competitive procurement
- Other direction

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