



Monthly Update

Solid Waste Collection Service Performance Issues

May 5, 2021



Outline

- Background
- Contract Overview
- Performance Issues
- Waste Pro Corrective Actions Update
- City's Response to Performance Issues
- Options
- Next Steps
- Questions and Discussion

Background

§ 403.706, Florida Statutes: Local Government Solid Waste Responsibilities

- Municipalities responsible for collecting and transporting solid waste from their jurisdiction to a county solid waste disposal facility.
- Generally, municipalities may not operate solid waste disposal facilities.
- Counties responsible for operation of solid waste disposal facilities to meet needs of all areas of the county.
- Counties required to implement a recycling program with a goal of recycling 70 percent of recyclable solid waste.

Background *(continued)*

Chapter 9, City Code of Ordinances: Health and Sanitation

- City's franchisee required to collect and dispose of all refuse, except for construction refuse.
- Prohibits anyone other than City's franchisee from providing garbage and trash collection services except for construction refuse.
- All recyclable waste becomes City property once placed curbside for collection.

Contract Overview



- Exclusive collection of residential and commercial solid waste, horticultural waste and recycling materials.
- Terms:
 - Initial: October 1, 2010 – September 30, 2015
 - 1st Renewal: October 1, 2015 – September 30, 2020
 - Current: October 1, 2020 – September 30, 2027
 - Next renewal option: Three years upon mutual agreement
- Non-Renewal requires no less than 12, but no more than 18 months notice prior to expiration on September 30, 2027 (March 26, 2026).
- Termination requires 30 days written notice only after contractor given opportunity to satisfactorily resolve issue(s).
- Compensation:
 - 10/1/20: 7% increase
 - 10/1/21: Automatic 1% with ability to request CPI increase if approved by Council
 - 10/1/22: Automatic 1% with ability to request CPI increase if approved by Council
 - Subsequent years: Ability to request CPI increase if approved by Council
 - Note: CPI increases require request by May 1

Contract Overview *(continued)*

- City Manager can approve changes to regular routes and schedules in the event of a declared national disaster or disruption event.
- City Manager can authorize others to provide temporary collection services during a disruption event of natural disaster.
- City may, at its sole option, with or without cause, eliminate types and/or frequency of service.
- City may levy administrative charge of \$250 to \$1,500 per incident depending on severity:
 - Failure to complete a route on scheduled day
 - Failure to remove solid waste from customers' right-of-way
- City receives franchise fee of 8.5% of all franchise revenues.
- Waste Pro supports up to six community clean-ups per year.
- Waste Pro provides free collection services at City facilities and events and removal of dead animals from rights-of way.

Contract Overview *(continued)*

Average Monthly Solid Waste Costs:

- Waste Pro Collection: \$ 934,378
- Lee County Disposal: \$ 416,809
- Monthly Total: \$1,351,187

Performance Issues –Collection Volume

	MSW in Tons	% of Total	Recycle in Tons	% of Total	Horticulture in Tons	% of Total	Bulk in Tons	% of Total	Total Tons	Total %
Oct-20	6,005	55%	1,584	15%	2,313	21%	922	9%	10,825	100%
Nov-20	6,314	55%	1,747	15%	2,460	22%	881	8%	11,401	100%
Dec-20	6,818	59%	2,014	17%	1,811	16%	994	9%	11,636	100%
Jan-21	6,221	60%	1,786	17%	1,532	15%	912	9%	10,451	100%
Feb-21	5,655	58%	1,693	17%	1,814	19%	643	7%	9,805	100%
Mar-21	6,790	62%	1,863	17%	2,035	18%	343	3%	11,031	100%
Apr-21	6,451	62%	1,850	18%	1,459	14%	721	7%	10,481	100%

Performance Issues – March 2021

1. 311 logged complaints: 826 missed pickups from March 26 through March 31.
2. At \$250.00 each = \$206,500 in Administrative Charges for 6 days.
3. March Invoice is \$933,391 - \$206,500 = \$726,891

Performance Issues – April 2021

1. April 1 thru 26 = 1,829 (Staff is still vetting the 311 tickets)
 - 1,829 missed pick-ups X \$250 = \$457,250
2. April 27 thru 30 = TBD (Staff is still vetting the 311 tickets)
 - TBD missed pick-ups X \$500 = \$?
3. April Waste Pro Invoice = \$936,525

Waste Pro Corrective Actions Update

1. Employee Recruitment / Development
 - Hired 11 new drivers
2. Employee Retention
 - Waste Pro Market Rate Review is near completion
3. Service - Routes
 - Waste Pro continues to hire subcontractors for Bulk removal
 - Public Works Crews assisting with Horticultural pickup
(Waste Pro will reimburse the City)
4. Service - Phones: Waste Pro working on updating Queue Management System

Waste Pro Corrective Actions Update

(continued)

5. Temporary Bulk Drop off Locations:

- Cultural Park Theater – Monday thru Friday – 7 AM to 3 PM
- City Hall Parking Lot – Saturdays – 7 AM to 11 AM
- Additional sites opening Thursday, May 6, 2021
 - NW Softball Complex
 - Festival Park
 - Pelican Baseball Complex
 - Locations unstaffed
 - Open from Dusk until Dawn

City's Response to Performance Issues

1. Implemented per incident "administrative charge":
 - \$250/incident from March 26 to thru April 25
 - \$500/incident from April 26 thru May 25
 - Escalates by \$250/incident every 30 days
2. Activated Crisis Track software with code enforcement officers to locate uncollected bulk items on weekly basis.
3. On average deployed 20 public works personnel and 25 pieces of equipment to assist in collecting horticultural waste.
4. Coordinated with Lee County Sheriff's Office for community service worker support.
5. Authorized emergency purchase of second grapple truck.
6. Hosted temporary disposal sites.
7. Evaluating digital waste special collection tool for use in scheduling, routing and tracking bulk waste collection requests.

City's Response to Performance Issues

Public Works Horticulture Pickup Summary

Date	Number of Homes Picked Up	Cost (Labor and Equipment) Waste Pro to Reimburse the City
Friday, April 23, 2021	146	\$7,339
Monday, April 26, 2021	79	\$5,041
Tuesday, April 27, 2021	251	\$16,614
Wednesday, April 28, 2021	446	\$18,780
Thursday, April 29, 2021	361	\$16,906
Friday, April 30, 2021	454	\$18,562
Total:	1,737	\$83,242

Options

1. Resolve existing performance issues with Waste Pro.
2. Terminate contract for unresolved performance issues:
 - Issue new request for proposals with same terms (exclusivity) ¹
 - Issue new request for proposals and select multiple providers (requires ordinance change)¹
 - Waive procurement process and negotiate directly with other providers²
 - Establish City-operated solid waste collection services.³

Notes:

1. State statutes require competitive solicitation unless there is an immediate danger to public health, safety or welfare or other substantial loss.
2. City Code allows City Council to waive procurement procedures in the City's best interest, insufficient time, or other factors.
3. §403.70605 may apply requiring public hearings, compensation and notice requirements unless threat to public health, safety or substantial public nuisance, among other factors.

Next Steps

1. Continue to monitor contractor performance.
2. Assist in removing yard waste until normal collection frequency resumes.
3. Deploy second grappler truck.
4. Host alternative disposal sites.
5. Impose administrative charges for missed pick-ups.
6. Implement digital scheduling tool.

Questions & Discussion

