



Curbside Refuse Collection Request for Proposals (RFP)

Commerce City Public Works
July 8, 2019

Overview

- Purpose
- Current Program Elements
- Survey Results
- Recycling & Composting
- Current Annual Program Cost(s)
- Municipality Comparisons
- Projected Annual Program Cost(s)
- Requested Council Input

Purpose

- Provide City Council information about the current program
- Seek input and guidance from City Council on elements of the Request for Proposals (RFP) for new contract



Current Program Elements

- Current vendor is Waste Management
- Won award after 2014 RFP
 - Current vendor in place - January 2014 until December 2019.
- Current Core Program
 - Two (2) 96 gallon totes at each residence
 - One (1) tote is for weekly trash service
 - One (1) tote is for every other week recycling service
 - Approximately 500 residences are served by dumpster service
 - Large item pickup on an “as needed” basis, for residences with tote service
 - Programmed dumpster and tote service at city facilities such as buildings/parks and some trash cans



Core Curbside Program

- Future costs are uncertain
 - Dependent on results of RFP bids
- Costs variations are driven by service models
 - Programmed services
 - On demand services
 - Hybrid system



Other Existing Services Available to Residents

- Household Hazardous Waste
 - Open to Adams County Residents
 - Events at Veolia 9131 E. 96th Ave
 - Discounted prices for County Residents.
 - Special discounted price of \$.85 per lb and \$20 vehicle fee waived during event
 - Next Events September 25th and 28th
- E-Waste Recycling
 - Event at Thornton's Infrastructure Maintenance Center 12450 Washington St.
 - Open to Adams County Residents
 - Cost \$15 per vehicle. \$25 per vehicle with up to 3 TVs/CTR monitors
 - Next Event August 17th

Other Existing Services Available to Residents

- Paint Collection
 - Both Ace Hardware and Veolia - no charge
- Tire Collection
 - Event TBD - Offered by City
- Free Landfill Day
 - Two yearly (Spring & Fall). Offered by Tower Road Landfill
- Yard Debris Collection
 - Four events per year Offered by City. Two in spring, two in fall
- Composting Events
 - Offered by A1 Organics 9109 Monaco St. Free Drop off Events for City Residents

Flow (where refuse is deposited)

- Current contract states that the refuse contractor shall pay a 5% fee to the City on all landfill charges
 - Except for charges paid to the Tower Road Landfill
- Current contract also states that all materials will be transported to the Tower Road Landfill
 - Exception - The contractor can take material to another landfill as long as they notify the City in writing
 - No matter where refuse goes, the contractor will pay 5% tipping fee to City
- Staff will remove any contradictions in the upcoming RFP and contract
 - Preserving a 5% tipping fee no matter where the refuse goes and regardless of who collects and deposits it

Where does your money go?

- Every dollar (\$1) the City spends on its curbside refuse collection program...
 - Approximately 56 cents goes to trash collection and disposal
 - Approximately 34 cents goes to recycling collection and processing
 - The remaining 10 cents goes to Large Item Pickup and Municipal Refuse Services



Resident Survey

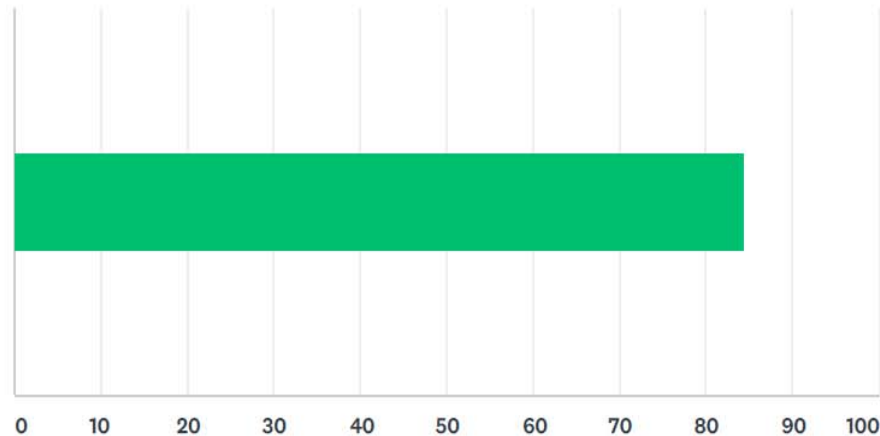
- During the months of May and June, Public Works and Communications conducted a survey of residents to determine:
 - Satisfaction with the program
 - Which elements of the program residents say they use
 - What refuse options they desire?
 - Are residents aware of all the programs available to them?

Survey Results

Trash and Recycling Resident Survey

Q1 How satisfied are you with the service from Commerce City's current trash and recycling program?

Answered: 1,240 Skipped: 26



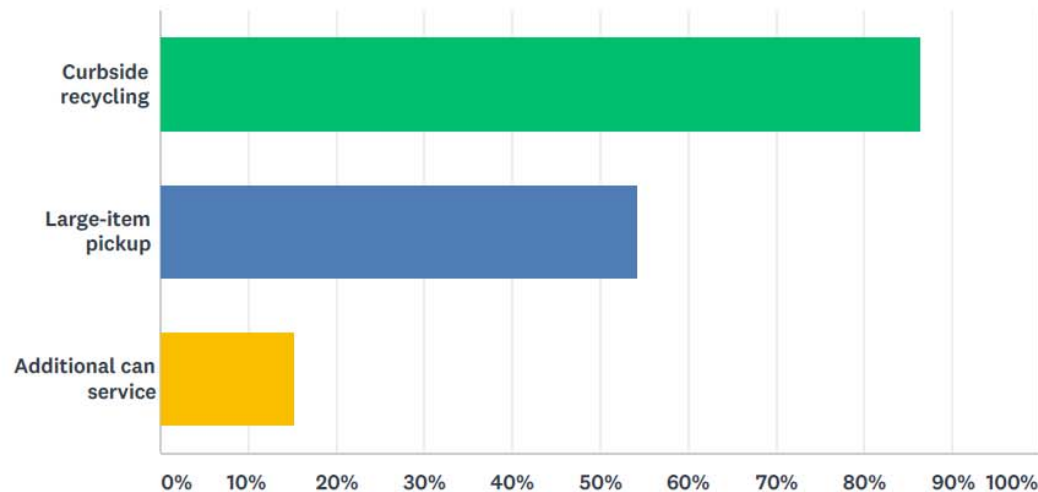
ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
	84	104,761	1,240
Total Respondents: 1,240			



Survey Results

Q2 Besides weekly trash service, which other aspects of the city's current trash and recycling program do you regularly use?

Answered: 1,172 Skipped: 94



ANSWER CHOICES	RESPONSES	
Curbside recycling	86.35%	1,012
Large-item pickup	54.27%	636
Additional can service	15.36%	180
Total Respondents: 1,172		

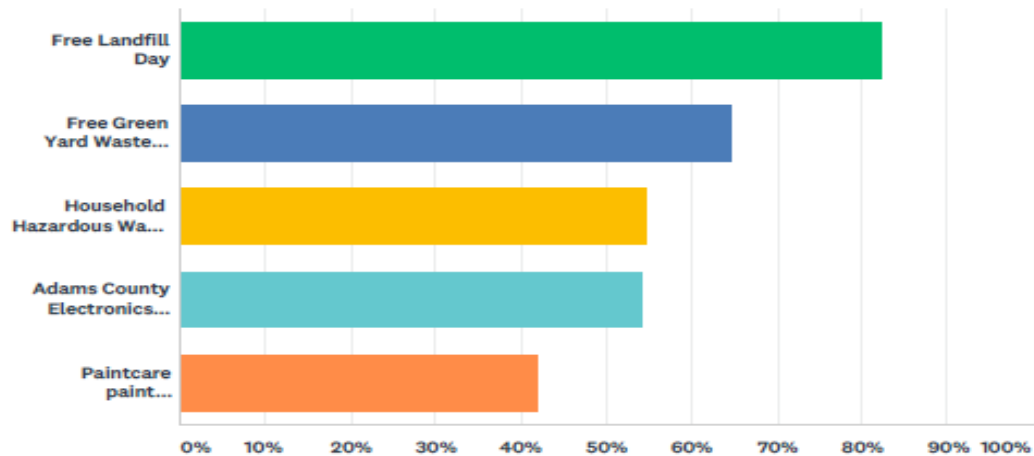


Survey Results

Trash and Recycling Resident Survey

Q3 Outside of your curbside trash and recycling service, which of the following special waste disposal events have you heard of or participated in?

Answered: 1,028 Skipped: 238



ANSWER CHOICES	RESPONSES	
Free Landfill Day	82.30%	846
Free Green Yard Waste Drop-Off	64.59%	664
Household Hazardous Waste disposal events (i.e. Household Chemical Roundup or Veolia Hazardous Waste Recycling Days)	54.77%	563
Adams County Electronics Recycling Event	54.18%	557
Paintcare paint collection events/ drop-off locations	42.12%	433
Total Respondents: 1,028		



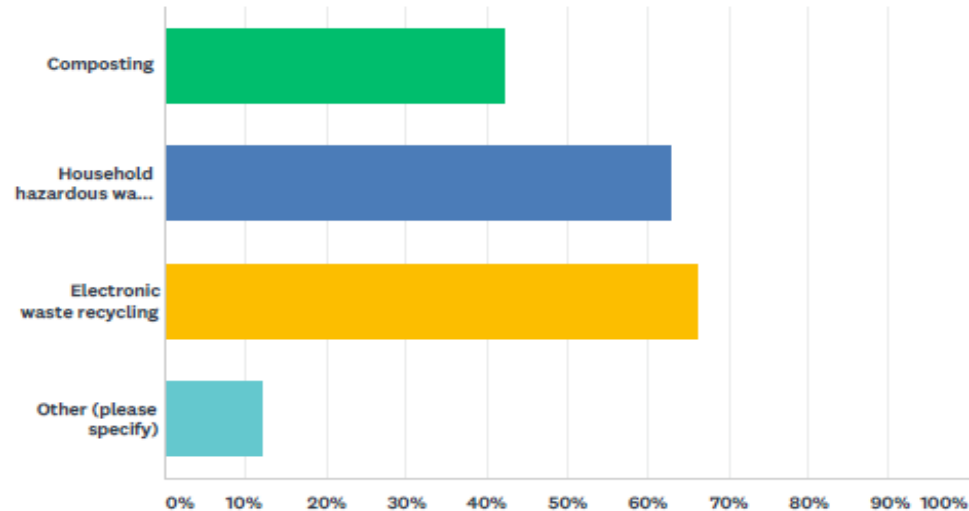
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Survey Results

Trash and Recycling Resident Survey

Q4 If the following disposal options were available curbside or on demand, which ones would you be likely to use?

Answered: 1,103 Skipped: 163



ANSWER CHOICES	RESPONSES	
Composting	42.16%	465
Household hazardous waste disposal	63.01%	695
Electronic waste recycling	66.18%	730
Other (please specify)	12.06%	133
Total Respondents: 1,103		

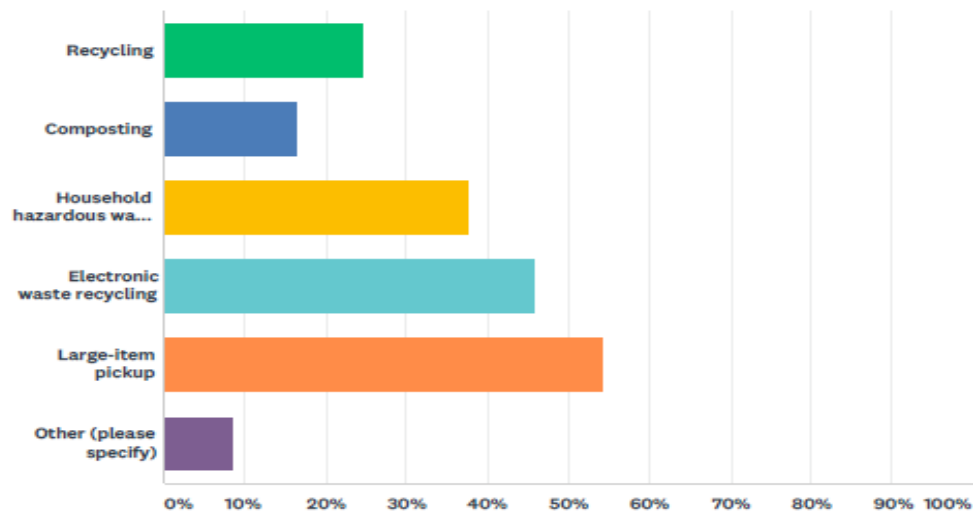


Survey Results

Trash and Recycling Resident Survey

Q5 If the following disposal options were available curbside, but required a small fee, which ones would you be likely to pay for?

Answered: 923 Skipped: 343



ANSWER CHOICES	RESPONSES	
Recycling	24.38%	225
Composting	16.25%	150
Household hazardous waste disposal	37.70%	348
Electronic waste recycling	45.72%	422
Large-item pickup	54.17%	500
Other (please specify)	8.56%	79
Total Respondents: 923		



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Survey Results

- Overall survey results reveal:
 - Residents are generally satisfied with current refuse collection programs (84%)
 - Majorities use curbside recycling (86%) and large item pickup (54%)
 - A majority of respondents are either aware of or participate in Free Landfill Day, Free Green Waste, Household Hazardous Waste and Electronics Recycling are popular with residents
 - Paying for additional services was generally not a popular option among respondents

Recycling Diversion Rates

- Diversion Rate in 2018 was 15.4%
- The Real Diversion Rate (Diversion Rate minus Contamination) equals 10.8%
- Historical Diversion Rates
 - 2015 13.65%
 - 2016 15.48%
 - 2017 15.7%

Changes to Recycling Market

- In 2018, China essentially stopped accepting American recycling
 - Resulting in significant increases in recycling costs
 - Comparatively, Commerce City pays
 - \$173 per ton to pick-up/process recycling
 - \$53 per ton to pick-up/process trash



Composting Costs

- Composting costs for comparable municipalities such as Golden, Lafayette, and Louisville
 - About \$10 - \$12 per unit per month
- Cost of add composting to all residences in Commerce City
 - As much as an additional \$2.1 million in the first year
 - Above and beyond the cost of recycling and refuse



Annual Program Cost

2016	2017	2018
\$1,614,357.25	\$1,695,630	\$1,817,238.50

- 2019 Projected Cost(s) - \$2,088,067
 - Based on current program elements
 - Includes annual contractual 2.7% CPI increase
 - Includes an estimated 50 additional units per month
 - Currently the projected monthly rate for each unit in Commerce City is \$10.77 for 2019
 - Including base price plus adjustment for recycling extraordinary cost

2019 Municipality Comparisons

Municipality	Service Level	Unit Cost Per Month
Commerce City	96 gallon trash w/weekly service 96 gallon recycling with every other week service.	\$10.77
Golden	96 gallon trash w/weekly service 96 gallon recycling with every other week service.	\$20.25
Lafayette	96 gallon trash w/weekly service 96 gallon recycling with every other week service.	\$27.38
Louisville	96 gallon trash w/weekly service 96 gallon recycling with every other week service.	\$30.77 \$12.32 (Monthly Composting) \$43.09 (Monthly Total)
*Northglenn	96 gallon trash w/weekly service 96 gallon recycling with every other week service.	\$16.00 *Done in house by City Staff (does not cover entire cost of services).

Projected Annual Program Costs

- Potential Cost Increase for 2020
 - Predicated on price increases (per unit/per month) and assuming the same level of service/program elements and with the continued growth of 50 units per month.
 - 2019 Commerce City unit cost per month - \$10.77

2020 Unit Cost/Per Month	Amount of Increase	2020 Projected Cost
\$13.74	27.5% increase	\$2,856,172
\$16.00	Lowest Comparable (Northglenn)	\$3,323,314
\$23.60	(Average)	\$4,894,234
\$30.77	Highest Comparable (Louisville)	\$6,376,273

- Additional variables that could impact cost
 - Number of Units, Length of Contract, Contract Terms

Program Eligibility

- 1972 Resolution authorizing the program only allows for providing “trash and garbage pick up and disposal at City expense from all properties within the City occupied by no more than two connected family living units...”
- The current program has multifamily units, including large condo complexes with dumpster service, in excess of the units originally authorized.
 - Apartment complexes, mobile home parks and some condo complexes have private service



Contract Term

- Longer terms normally result in lower bid prices
 - Current contract term is 5 years.
 - Procurement policy allows for up to a 5-year term for contracts of this type
 - Permits a waiver of this provision, for longer terms as approved by the City Manager
- Other considerations
 - Non-monetary costs such as service disruptions with a change in vendor

Scope of Service

- Current RFP Working Draft Includes;
 - Offering refuse services to all current city residents covered by the existing program
 - Dividing the RFP into three main service areas
 - 1) Core curbside tote program
 - 2) Residential dumpster services
 - 3) Municipal dumpster services
 - Modifying large item pickup to a programmatic schedule vs on-demand (monthly, quarterly, etc...)
 - Future contractors must
 - 1) Match existing service pickup days as best as possible
 - 2) Provide a detailed transition plan for switching totes and/or modifying service, if a different provider is chosen

Requested Council Input

- Program Eligibility
 - Does Council desire to formally modify the program to include residential properties with more than two connected living units?
 - If not, does Council desire staff to rectify the current program to be consistent with the original intent of the 1972 Resolution?
- Contract Term
 - Does Council desire to maintain the current contract term (5 years) or contemplate extending the term?
- Scope of Service
 - Does Council desire to maintain the same level of service or contemplate adding/deleting any services?

Next Steps

- Publication/Distribution of RFP July 2019
- Response Review Period August 2019
- Selection of Contractor September 2019
- Beginning of New Contract January 2020





Questions & Discussion



Questions & Discussion
