



**Purchasing Service Agreement  
CITY OF AUSTIN  
RECOMMENDATION FOR COUNCIL ACTION**

**AGENDA DATE:**

**Title:** 111810 SWS ALLIED

**Subject:** Authorize award and execution of a 36-month requirements supply contract with ALLIED WASTE SERVICES OF AUSTIN, Del Valle, TX, or one of the other qualified bidders for IFB-BV No. SDC0158 for refuse and recycling collection services for city departments in an estimated amount not to exceed \$3,022,770, with three 12-month extension options in an estimated amount not to exceed \$1,007,590 for each extension option, for a total estimated contract amount not to exceed \$6,045,540.

**Amount and Source of Funding:** Funding in the amount of \$839,658 is available in the Fiscal Year 2010-2011 Operating Budget of the of participating City departments. Funding for the remaining twenty-six months of the initial contract period and extension options is contingent upon available funding in future budgets.

**Fiscal Note:** There is no unanticipated fiscal impact. A fiscal note is not required

**Agenda Category:** Purchasing Office

**For More Information:** Steve Cocke, Buyer II, 974-2003

**Prior Council Action:**

**Boards and Commission Action:** To be reviewed by the Solid Waste Advisory Commission on October 20, 2010. To be reviewed by the Water Wastewater Commission on November 10, 2010. To be reviewed by the Electric Utility Commission on October 18, 2010.

**Purchasing Language:** Best evaluated bid of three bids received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore no goals were established for this solicitation.

This contract will provide trash dumpsters/roll-offs, compactors and balers for cardboard, of various sizes and collection frequencies, for City facilities including, but not limited to: Aviation Department, Convention Center, Palmer Events Center, Austin Energy, Financial Services Department, Library Department, Parks and Recreation Department, Police Department, Fire Department, Austin Water Utility, Public Works, Communications and Technology Management, and the Health Department.

The Solid Waste Services Department (SWS) does not provide these services since they do not have the type of equipment that is required to perform these services. SWS does manage this contract and is responsible for monitoring the Contractor's performance. The majority of all containers will be serviced on a weekly basis, with some sites utilizing roll-off containers, compactors, and balers that will be serviced on an as needed basis. A provision of this contract allows for containers to be added or removed as departmental requirements change.

This request allows for the execution of a contract with a bidder, who provides

the best value to the City, that Council selects. If this bidder does not execute a contract with the City, staff will return to Council so that Council may select another best value bidder and authorize a contract with this bidder.

MBE/WBE solicited: 73/18 MBE/WBE bid: 0/0

#### PRICE ANALYSIS

- a. Adequate competition.
- b. Five hundred twenty-four notices were sent, including 73 MBEs and 13 WBEs. Three bids were received, with no response from the MBE/WBEs.
- c. The pricing offered represents an 18% increase to the last contract award in December 2005. The increase is due to having additional facilities added for future growth and a provision for collecting recyclables that was not included in the previous contract.

#### APPROVAL JUSTIFICATION

- a. Best evaluated bid received. Allied Waste Services of Texas is not the current provider of these services.
- b. The Purchasing Office concurs with the Solid Waste Service's recommended award.
- c. Advertised in the Austin American-Statesman and on the Internet.

## Commercial/Multifamily Recycling Ordinance Cost Estimates

The purpose of this chart is to further explain SWS Staff cost estimates to the Commercial/Multi-Family Recycling Ordinance. The information is also part of the revised PowerPoint presentation. Please note all costs are estimates.

### Multifamily

Estimated Units	Generation Rate	Annual Tonnage	Properties	Properties	Generation Rate	Annual Tonnage	Est. Sq. Footage
17,745	0.14	2,484.30	2,280	3,127	0.0016	28,137.10	17,585,685

### Commercial

Properties per day	228			Properties per day	312.7		
Units per day	1774.5			Employees/weight	17.32		
Tonnage per day	10			Tonnage per day	108		
Total Number of FTE's	5.00			Total Number of FTE's	21.00		
Total Number of Routes per day	2.0			Total Number of Routes per day	8.0		
Personnel Total:	\$308,783			Personnel Total:	\$1,267,208		
Contractual Total:	\$163,546			Contractual Total:	\$646,634.32		
Total Processing Cost:	\$198,744			Total Processing Cost	\$2,250,967.68		
Commodities Total:	\$1,825			Commodities Total:	\$7,350		
Non-CIP Capital:	\$1,263			Non-CIP Capital	\$5,050		
Outreach, Education and Enforcement:	\$312,500			Outreach, Education and Enforcement:	\$312,500		
Operational Total:	\$986,600			Operational Total:	\$4,489,710		
Truck and Cart Debt Payment/Yr:	\$152,409			Truck and Cart Debt Payment/Yr:	\$609,254		
Total Annual Cost for Program:	\$1,139,069			Total Annual Cost for Program:	\$5,098,964		
Total Monthly Fee Per Unit:	\$5.35			Total Monthly Fee per Property	\$135.89		
				Total Monthly Fee per Sq. Foot	\$0.02		

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# Commercial/Multi-Family Recycling Ordinance

## Section 15-6, Article 5

City of Austin Solid Waste Services Department



October 20, 2010

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## Agenda

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- ❑ Background
- ❑ Purpose
- ❑ Current Ordinance Overview
- ❑ Recommendations
- ❑ Staff Analysis
  - Staff Recommendations
  - Next Steps
- ❑ Question and Answer



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## Background

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- ❑ Comprehensive Recycling Resolution (19900111-48)
  - Passed January 11, 1990
  - Analysis of variable rate price structure for garbage collection
  - Recycling for multi-family housing and non-sludge composting
  - Develop a recycling plan that identifies and considers financial and economic impacts
- ❑ Commercial Multi-family Recycling Ordinance (19981022-P)
  - Passed October 22, 1998
  - Effective April 15, 1999
  - Applied to multi-family properties with 100+ units and businesses with 100+ employees



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## Background

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- ❑ City adopted Zero Waste Plan
  - Council identified amending the CMFRO as a priority (Resolution 20090115-50)
  - Council directed the Solid Waste Advisory Commission (SWAC) and staff to make recommendations to amend the CMFRO (Resolution 20090820-041)
- ❑ SWAC Subcommittee Review
  - September 2009 – May 2010
  - 14 meetings open to the public
  - 175 stakeholders invited
  - Developed two phase approach



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## Purpose

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- ❑ City of Austin set a Zero Waste goal
  - Approximately 68% of waste is generated and managed by private sector
  - Approximately 10% of commercial properties are required to comply with the current recycling ordinance
  - To achieve Zero Waste, all properties must play an active role in waste reduction and providing diversion services for their patrons



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## Phased Recommendations

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- ❑ Implementation challenges prompted a phased approach
- ❑ Phase 1 Recommendations:
  - Multi-family properties, including condos and dormitories
  - Commercial Non-residential Office Use,
  - Institutions, such as non-profits, religious buildings, medical facilities, private educational facilities and day cares
- ❑ Phase 2 Recommendations:
  - Food Service, including restaurants, caterers, grocers, mobile food vendors, event facilities, etc
  - Retail
  - Hotel/Motel
  - Industrial and Manufacturing



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# CURRENT ORDINANCE

## City Code Chapter 15-6



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## Current Recycling Ordinance (Section 15-6)

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- Applies to properties in Austin city limits that are:
  - Multi-family properties with 100 or more units
  - Businesses with 100 or more employees onsite
  - Multi-tenant (M/T) properties:
    - 100 or more employees or tenants onsite
    - Centralized garbage service



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## Current Recycling Ordinance (Section 15-6)

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### ***Multi-family***

#### ***Basic Requirements***

- ❑ Set up onsite recycling of 4 materials
- ❑ File recycling plan form with Solid Waste Services
- ❑ Educate tenants about program
- ❑ Quarterly volume reports to Solid Waste Services

### ***Commercial and M/T***

#### ***Basic Requirements***

- ❑ Set up onsite recycling of 2 materials
- ❑ File recycling plan form with Solid Waste Services
- ❑ Educate employees and tenants about program
- ❑ Quarterly volume reports to Solid Waste Services



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## SWAC PROPOSED AMENDMENTS & RECOMMENDATIONS



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## Multi-family Recommendations: Summary

### **Current Requirements**

- ❑ Properties w/100 units or more
- ❑ Set up onsite recycling of 4 materials, identified by rules and chosen by property manager
- ❑ File recycling plan form
- ❑ Educate tenants
- ❑ Quarterly volume reports

### **Proposed Requirements**

- ❑ Properties w/75 units or more
- ❑ Provide onsite recycling of:
  - Plastic containers 1 & 2
  - Mixed Paper
  - Cardboard
  - Aluminum
  - Glass
- ❑ File recycling plan form
- ❑ Educate tenants
- ❑ Semi-annual volume reports\*  
*\*if self hauling*



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## Multi-family Recommendations

- ❑ Multi-family properties, including dorms & condominiums
  - 100 units and more: October 1, 2012
  - 75 units and more: October 1, 2012
  - 50 units and more: October 1, 2013
  - 25 units and more: October 1, 2014
  - Less than 25 units required upon COA ability to provide single stream recycling service to property
  - Charge tenants \$2 on utility bills and reimburse property owners for providing recycling service
- ❑ Minimum materials required:
  - Plastic containers (#1 PETE and #2 HDPE)
  - Aluminum
  - Mixed Paper
  - Cardboard
  - Glass



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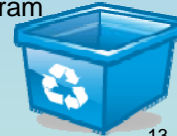
## Commercial Recommendations: Summary

### ***Current Requirements***

- ❑ Offices only with 100 or more employees/tenants
- ❑ Set up onsite recycling of 2 materials, identified by rules and chosen by property
- ❑ File recycling plan form
- ❑ Educate employees and tenants about program
- ❑ Quarterly volume reports

### ***Proposed Requirements***

- ❑ All properties, based on square footage
- ❑ Provide onsite recycling of:
  - Plastic containers 1 & 2
  - Mixed Paper
  - Cardboard
  - Aluminum
- ❑ File recycling plan form
- ❑ Educate employees and tenants about program
- ❑ Semi-annual volume reports\*  
*\*if self-hauling*



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## Commercial Recommendations

- ❑ Commercial non-residential properties
  - Office buildings
  - Non-profits, including religious buildings
  - Medical facilities
  - Private educational facilities and day cares



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## Commercial Recommendations

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### □ Timeline

- 100,000 sf and more: October 1, 2012
- 75,000 sf and more: October 1, 2013
- 50,000 sf and more: October 1, 2014
- 26,000 sf and more: October 1, 2015
- Less than 26,000 sf required upon COA ability to provide single stream recycling service to property

### □ Minimum materials required:

- Plastic containers (#1 PETE and #2 HDPE)
- Aluminum
- Mixed Paper
- Cardboard



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## Recommendations: All Properties

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### □ Proper/Universal Signage

- Posted in English and Spanish
- Recycling receptacles:
  - Clearly labeled as “Recycling”
  - Identify the materials that are accepted
  - Marked with the universal recycling “chasing arrows” symbol
- Garbage receptacles, clearly labeled “Landfill Trash”
- Designed, produced, made available by SWS at no cost to businesses



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## Recommendations: Service Providers

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- ❑ Applies to recycling and composting haulers and processors that provide service in Austin
- ❑ Annual registration of haulers
  - Physical Address of Operation
  - Proof of Insurance – annual commercial fleet policy
  - Driver's licenses for drivers, CDL if applicable
  - Proof that they are using the correct vehicle to transport materials, consistent with standards established by Chapter 15-6, Article 3
  - No associated registration fee
  - Listed on COA web site
- ❑ Reporting Requirement
  - Current requirement of property owner to submit quarterly
  - Recommendation shifts responsibility to service providers to submit reports on behalf of property owner, semi-annually
  - Rules will be modified with stakeholder input



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## Recommendations: Service Providers

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- ❑ Free annual registration of processors
  - Submit to a random site inspection of property to ensure compliance with the City Code, especially with regards to development and nuisance issues
  - Listed on COA website
- ❑ Material Recovery Facility reporting requirement
  - Applies to MRFs located within the City of Austin
  - Annually report tonnage received by material, tonnage disposed, and diversion rate
  - Data is currently required by State of Texas



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## Recommendations: Land Development

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- ❑ Provide administrative approval to:
  - Increase impervious cover by 100 sf, and
  - Decrease parking requirement by 1 space, if
  - Space is dedicated to recycling containers
- ❑ Require recycling planning at site plan/permit stage to include:
  - Waste and recycling containers on-site and located close to each other
  - Waste and recycling areas on each floor



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## Additional Recommendations

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- ❑ Rename to Universal Recycling Ordinance
- ❑ Provide adequate funding and resources
- ❑ Provide online report submission
- ❑ Evaluate parking enforcement on haulers
- ❑ Containers in the Right of Way
- ❑ Recycling market development in EGRSO
- ❑ Design standards for enclosures
- ❑ Maintain existing partnerships
- ❑ Review ordinance every 2 years



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## STAFF ANALYSIS & RECOMMENDATION



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### Staff Analysis

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- ❑ Glass
  - Collection and transportation challenges
  - Limited to no market for sale
  - Could increase cost of recycling program
- ❑ COA Recycling Service
  - Does not require properties to utilize COA service
  - May require SWS to evaluate dumpster service and create a new commercial recycling service fee
- ❑ \$2 tenant fee
  - Not a legal option
  - COA must provide service to collect fee



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## Staff Analysis

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- ❑ LDC Amendments
  - Requires Planning Commission review
  - Space allotment may not be enough
- ❑ Containers in the ROW
  - Health and safety concerns
  - Inconsistent with current efforts to remove containers from ROW
- ❑ Hauler and Processor Registration
  - Properties are required to use registered haulers and processors
  - Free hauler/processor registration



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## Staff Analysis

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- ❑ Reporting Requirements
  - Transferred from property owner to hauler
  - Reflects current practice
  - Haulers concerned about confidentiality of client list
- ❑ Consistency in signage
  - Haulers and businesses concerned about losing brand identity
  - Cost to implement is significant



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## Staff Analysis

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- ❑ Private business costs
  - Costs uncertain
  - Not a pay-as-you-throw structure, nor are services bundled necessarily
  - May increase costs for overall waste management
- ❑ COA Costs
  - Increased costs for education, outreach, enforcement and data monitoring
  - Will require new commercial fee or increase to commercial anti-litter fee



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## Staff Analysis: Cost Estimates

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- ❑ Based on every other week single stream cart collection service
- ❑ Focused on properties with:
  - 25 units and less
  - 25,000 square feet and less
- ❑ Preliminary cost estimates:
  - Approximately **\$5.35**/month per dwelling unit
  - Approximately **\$0.02**/per sf or **\$135.89** per month



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## Staff Analysis: Cost Estimates

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- ❑ Education and Outreach
  - Four additional FTEs dedicated to Waste Reduction Assistance Program (\$300,000)
  - Door to door education (\$50,000)
  - Free signage for all internal and external containers (\$65,000)
- ❑ Data monitoring and online submittal
  - Initial website design (\$110,000)
  - Third party monitoring (\$100,000)



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## Staff Recommendation

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- ❑ Approve the proposed recommendations with the following clarifications:
  - Discontinue pursuing \$2 tenant fee and find alternative solution amenable to Apartment Association
  - Work with haulers and property owners to identify alternatives to placing containers in the right of way
  - Delay requiring glass due to challenges with collection and low market demand



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## Staff Recommendations

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- ❑ Approve the proposed recommendations with the following clarifications (continued):
  - Rather than providing free signage, evaluate providing low cost signage and containers based off of COA purchasing power
  - Use a third party accounting firm to monitor reporting
  - Continue working with HDR to include cost analysis of implementation in Master Plan



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## Options and Next Steps

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- ❑ SWAC may:
  - Adopt staff's recommendation
  - Take no action
- ❑ Council consideration: November 4, 2010
- ❑ Phase 2 discussions expected to reconvene in November



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## Question and Answer

[www.austinrecycles.com](http://www.austinrecycles.com)



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