Solid Waste Franchise Collection Contract

Presented by
Dane Pedersen
Solid Waste Department
Scope of Services

• Residential waste and recycling collections in unincorporated Buncombe
• Subscriber based system where citizens have option to use franchise collectors services
• Currently there are 32,000 subscribers to this service
Request for Proposals

• A request for proposals was advertised on January 18, 2019
• 7 firms were represented at the mandatory pre-bid
• Deadline for proposals was March 1, 2019
• 2 proposals were submitted
• Waste Pro was the one responsive bidder
Evaluation Committee

- Evaluation and scoring performed by a 6 person committee
- Represented different professions with citizen and employee participation
- Members completed scoring sheet
- References were checked:
  - Tallahassee, FL
  - Port St. Lucie, FL
  - Jacksonville, FL
  - Concord, NC
- Incorporated ‘Lets Talk Trash’ survey results
Evaluation Committee

• Committee recommended moving forward in negotiations with Waste Pro
• Consulted BOC with committee findings and recommendation in April 2, 2019 pre-meeting
Committee interviewed Waste Pro to discuss questions regarding proposals and to negotiate critical contract points.

Key discussion points included:
- Customer service
- Communication
- Proposed operations
- Lessons learned
- Service verification
- Technology
## Contract Changes

<table>
<thead>
<tr>
<th>Current Contract</th>
<th>Proposed Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-year contract – Expires December 31, 2019</td>
<td>5-year contract with two 2-year extension options</td>
</tr>
<tr>
<td>Weekly waste collection:</td>
<td>Weekly waste collection:</td>
</tr>
<tr>
<td>• Subscriber-provided container</td>
<td>• Waste Pro provided rollout container with different size options</td>
</tr>
<tr>
<td>OR</td>
<td></td>
</tr>
<tr>
<td>• Waste Pro provided container for an additional cost</td>
<td></td>
</tr>
<tr>
<td>Weekly commingled recycling collection using a blue bag system</td>
<td>Every other week commingled recycling collection using rollout carts</td>
</tr>
<tr>
<td></td>
<td>Expansion in automated collections and alternate fuel vehicles</td>
</tr>
<tr>
<td>$1 Million Performance bond requirement for the first two years of the contract</td>
<td>$1 Million Performance bond requirement for the duration of the contract</td>
</tr>
<tr>
<td>No damages built in to contract</td>
<td>Liquidated damages schedule built into contract</td>
</tr>
</tbody>
</table>
## Liquidated Damages

<table>
<thead>
<tr>
<th>Violation</th>
<th>Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 10 valid misses during any one calendar month</td>
<td>$200/valid miss</td>
</tr>
<tr>
<td>11 to 20 valid misses during any one calendar month</td>
<td>$300/valid miss</td>
</tr>
<tr>
<td>21 or more valid misses during any one calendar month</td>
<td>$500/valid miss</td>
</tr>
<tr>
<td>200 or more valid misses during any one calendar month</td>
<td>In addition to penalties above, $5,000/month in which there are more than 200 valid misses</td>
</tr>
<tr>
<td>Second or third repeat missed collection at any one location during a 30 day period</td>
<td>$500/repeat miss</td>
</tr>
<tr>
<td>Fourth or more repeat missed collection at any one location during a 30 day period</td>
<td>$1,000/repeat miss</td>
</tr>
<tr>
<td>Area miss of 100 locations</td>
<td>$2,000/area miss</td>
</tr>
<tr>
<td>Each additional location missed over 100 locations in an area miss</td>
<td>$20/location (in addition to $2,000)</td>
</tr>
<tr>
<td>Recyclable materials report not sent to Buncombe County Solid Waste by the 10th of each month for the previous month’s collections</td>
<td>$100 for 1st missed month, increases $200 for each missed month after.</td>
</tr>
<tr>
<td>Failure to deliver recycling materials on an annual basis as described in Section 11.3.3</td>
<td>$100</td>
</tr>
<tr>
<td>Leaking truck or debris leaving the truck while hauling</td>
<td>$1,000/violation</td>
</tr>
<tr>
<td>Termination of Contract due to breach of Contract</td>
<td>Transfer of ownership of rollout carts to Buncombe County as described in section 16</td>
</tr>
</tbody>
</table>
## Subscriber Cost Breakdown

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$16.08 $3.80 – Cart rental</td>
<td>$19.21 – CNG (Recommended) $19.01 – Diesel</td>
<td>$20.56 – CNG $20.36 – Diesel $2.95 – Cart Rental</td>
<td>$25.00</td>
<td>$35.00</td>
<td>$300 purchase</td>
</tr>
</tbody>
</table>
Buncombe County, NC
Exclusive Franchise for the Collection and Disposal of Solid Waste and Collection of Recyclables in Unincorporated areas of Buncombe County.

Chip Gingles – Divisional Vice President
Johnny Lea – Division Manager
The Southeast's Fastest Growing Solid Waste and Recycling Company

- Waste Pro has invested over $19 million dollars in capital in the Buncombe County Market. We expect to spend at least another $7 million dollars in.

- Waste Pro is an active member of the Buncombe County Community. We sponsor organizations and programs like:
  - Leadership Asheville – Sustaining Partner
  - United Way
  - Manna Food Bank
  - Chamber of Commerce
  - AB Tech
EMPLOYEE RETENTION

✓ Waste Pro provides excellent benefits. Health and wellness benefits include medical, dental, vision, preventative care, free access to a physician with 24-hour access, a medical expense reimbursement program, employee assistance program, short and long term disability insurance, accident/illness insurance, and more.

✓ Waste Pro provides regular bonus and incentive programs. Employees have the potential to receive a bonus of $250 per each year of service, along with our $10k Driver Award and $5k Helper award designed for drivers and helpers who meet specific criteria over a 3 year period. Technicians are eligible for a tool reimbursement and pay increases following the completion of certain training programs.

✓ Career path and development are important, we believe people make the difference.

✓ Co-Heart program – Has led more than 150 helpers and other employees to obtain their CDL.
Benefits of Compressed Natural Gas (CNG) vs Diesel

Carbon Footprint
✓ CNG engines reduce greenhouse gas (GHG) emissions by up to 20% compared to diesel engines.

Maintenance Intervals
✓ CNG burns clearer, oil or air filters are not changed as often.

Engine Noise
✓ On average, CNG engines are up to 10 decibels quieter than a comparable diesel engine.
New Vehicle Descriptions

(2) 2019 Mack TE64 28 yard RL McNeilus Body – Diesel
(6) 2019 Autocar ACX64 28 yard ASL Newway Body – CNG
(3) 2019 International 7400 16 yard Viper Body – Diesel
(2) 2018 Chevy 3500 Silverado 4 yard Perkins Body – Diesel

Automation

It’s SAFER. By keeping the driver inside the truck, it lessens the risk of getting hit by another vehicle. Operating the mechanical arm is less strenuous on the driver’s body. 70% fewer injuries occur on an ASL truck.

It’s’ more efficient. The ASL truck is simply faster than a helper, we can pick up approximately 30% more stops with only one employee.
Technology GPS

3rd Eye Cam: 5 Step Safety Cycle

**HOW IT WORKS**

1. Vehicle Monitoring System

2. Wireless upload Cellular as Events Happen

3. Event review and scoring by dedicated Observation Center in Dallas Texas

4. Events Evaluated by Supervisor for Driver coaching needs, sales leads, accidents and operational issues

5. Drivers coached, safety increased, risk costs lowered

**3rd Eye Cam 5 Step Safety Cycle**
Carts

96-GALLON EVR-II (UNIVERSAL / NESTABLE)

Part Number
79296

Size (L x W x H)
35-1/2” X 29-3/4” X 43-1/2”

Load Rating
335 lbs/151.9 kg

Wheel Diameter
10”

64-GALLON EVR-II (UNIVERSAL / NESTABLE)

Part Number
79264

Size (L x W x H)
31-1/2” X 24-1/4” X 41-3/4”

Load Rating
224 lbs/101.6 kg

Wheel Diameter
10”

48-GALLON EVR-II (UNIVERSAL / NESTABLE)

Part Number
79248

Size (L x W x H)
28-3/4” X 23-1/2” X 37-1/2”

Load Rating
168 lbs/76.3 kg

Wheel Diameter
10”
## Transition Plan

<table>
<thead>
<tr>
<th>Date Range</th>
<th>Task Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/10/19 – 6/28/19</td>
<td>Order Trucks and Carts</td>
</tr>
<tr>
<td>7/1/19</td>
<td>Evaluate and implement Long Lane and Premium Service</td>
</tr>
<tr>
<td>8/1/19 – 9/30/19</td>
<td>Begin marketing through HOA and community meetings</td>
</tr>
<tr>
<td></td>
<td>Social Media Updates</td>
</tr>
<tr>
<td></td>
<td>Billboard Ad</td>
</tr>
<tr>
<td>10/1/19 – 12/1/19</td>
<td>All carts delivered</td>
</tr>
<tr>
<td></td>
<td>Welcome packet with each cart. Instructions on how to purchase the “Bag Tag”.</td>
</tr>
</tbody>
</table>
Improvements

• Gains in collection efficiencies
• Remains a cost effective option for collection and disposal of waste and recycling materials for residents
• Improves environmental impacts with increasing number of CNG powered collection vehicles
• Provides safer collection practices for workers
• All subscribers will be provided roll-out carts
• Incorporates contractor accountability measures
Staff Recommendation

• Execute Franchise agreement with Waste Pro for a 5 year base term with effective date of January 1, 2020

• Per Solid Waste Ordinance Sec. 62-45, a franchise collections contract must be approved in 2 consecutive meetings (First meeting in June)