



# City of Huntington Park

## Special Meeting of City Council

### Evaluation of Solid Waste and Recycling Services Proposals

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# Overall Cost Competitiveness

Proposer	7.5-Year Rate Revenue (millions)
1. United Pacific Waste	\$40.4
2. Athens w/bin processing (1)	\$41.2
3. CR&R	\$44.0
4. Republic	\$44.4
5. Waste Management	\$45.0
6. Universal Waste	\$45.3
7. NASA	\$45.4
8. Waste & Recycling	\$46.5
9. Valley Vista	\$48.0
10. Waste Resources	\$55.3

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4. Universal Waste	\$45.3
5. NASA	\$45.4
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(1) Athens' proposal without processing was excluded from this chart as its proposed 14% recycling rate would reduce recycling below current levels.

# Customer Rate Revenue vs. Franchise Fees

Proposer	First-Year Customer Rate Revenue (sorted low to high)	First-Year Franchise Fee Payments
1. Athens w/processing	\$5,117,000	\$768,000
2. United Pacific Waste	\$5,125,000	\$769,000
3. CR&R	\$5,469,000	\$820,000
4. Universal Waste	\$5,633,000	\$845,000
5. NASA	\$5,639,000	\$846,000
6. Waste & Recycling	\$5,778,000	\$867,000
<i>Current</i>	<i>\$6,445,000</i>	<i>\$322,000</i>

# RFP Requirements – Key Services

## A. Residential Cart Services

1. One time per week, automated collection.
2. One automated 96, 64 or 35-gallon refuse cart. Additional carts may be requested for a monthly fee.
3. One automated 96, 64 or 35-gallon recycling cart. Additional carts may be requested at no charge.
4. One automated 96, 64 or 35-gallon green waste cart. Additional carts may be requested at no charge.
5. Backyard service for disabled residents at no additional charge. Other customers may request service for a monthly fee.
6. Senior rate reduction of 10% to customers at least 62 years of age and receiving supplemental social security benefits.
7. **Bulky item collection within three days of request, unlimited pickups, up to four items per pickup at no additional charge.**

## B. Bin and Commercial Cart Collection Services

1. Bin refuse collection for commercial customers, and residential customers not receiving cart service.
2. 96-gallon commercial cart service available to businesses that cannot accommodate a bin.
3. Contractor responsible for cleanup for five feet around District 1 containers.
4. Commercial and multi-family recycling program – Proposers to propose program options.
5. Temporary bin services.
6. Permanent and temporary roll-off box service.
7. Scout vehicle service to position hard-to-access bins for collection and bin push-out service to move bins into position for collection at no additional charge.
8. Locking lid service for a fee.
9. Bulky item pickup for a fee for commercial and multi-family customers.

# RFP Requirements – Key Services

## **C. City Services – provided at no additional charge**

1. Refuse, recyclables and green waste collection from City facilities.
2. Refuse and recyclables collection from City-sponsored events.
3. Illegal dumping remediation assistance.
4. Quarterly paper shredding for City facilities.

## **D. Special Services – provided at no additional charge**

1. Sharps collection for single and multi-family customers.
2. Two City-wide bulky item and solid waste drop-off events.
3. Holiday tree collection for two weeks after December 25<sup>th</sup>.

# RFP Requirements – Key Terms

- A. **Term of Contract** - Seven-and-a-half-year term, with an option to extend at City's sole discretion for up to three one-year extensions.
- B. **In-City Office** - Successful proposer shall open an in-City office.
- C. **Fees**
- Reimbursement of RFP and negotiation costs.
  - Franchise Fee – 15% of total gross receipts.
  - Administrative Fee - \$50,000 per year.
  - Bulky Item Cost Reimbursement - \$25,000 per year.
- D. **Audits** - Audit required after first year and every other year thereafter.
- E. **Faithful Performance Bond/ Letter of Credit** - Franchisee will provide a \$500,000 surety in the form of a performance bond or letter of credit.
- F. **Vehicles** - All route collection vehicles will use natural gas.
- G. **Rate Adjustment** - Annual rate adjustments each July 1 (beginning July 1, 2016) based upon the change in CPI.
- H. **Billing** - Hauler will perform all billing. (City currently bills residents directly.)
- I. **Routes** - Residential route days are not to change.

# Summary of Proposals

(sorted low to high on 7.5-year rate revenue)

Proposer	7.5-Year Rate Revenue (millions)	First-Year Rate Revenue % Decrease from Current Rates	Hauler-Recycling %		Huntington Park Contact as % of Company Revenue
			With Transformation	W/O Transformation	
1. United Pacific Waste	\$40.4	(20%)	31%	31%	30%
2. Athens w/bin processing (1)	\$41.2	(21%)	33%	33%	2%
3. CR&R	\$44.0	(15%)	30%	29%	2%
4. Universal Waste	\$45.3	(13%)	48%	30%	19%
5. NASA	\$45.4	(13%)	35%	25%	26%
6. Waste & Recycling	\$46.5	(10%)	61%	46%	178%
<i>Current</i>	<i>n/a</i>	<i>n/a</i>	<i>20%</i>	<i>6%</i>	<i>n/a</i>

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End