



THE CITY OF KEY WEST

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TO: James Scholl, City Manager

FROM: John Paul Castro, Utilities Director

CC: Greg Veliz, Assistant City Manager
Sarah Spurlock, Assistant City Manager

DATE: December 22, 2015

SUBJECT: **Amending the City's Contract with Waste Management Inc., Resolution 14-134, and Adding Exhibit 4(A) to Improve Reporting, Allow for Cart Delivery, and Update Cart Specifications.**

ACTION STATEMENT:

Staff requests amendment 2 to the contract with Waste Management Inc. (WMI), resolution 14-134, and addition of exhibit 4(A), to improve reporting to the City, agree on WMI delivery of city carts, and update cart specifications to allow multiple vendors.

BACKGROUND:

In 2014 the city advertised an Invitation to Bid (ITB) for solid waste and recycling collection and hauling services. The commission approved WMI's proposal for those services via resolution 14-134. Amendment 1 was approved September 3rd, 2014.

PURPOSE & JUSTIFICATION:

City staff requests a 2nd amendment to the contract resolution 14-134 to improve on reporting and change cart delivery and specifications.

The city would like to remove the requirement for RFID technology. This is an added cost to each cart but also carries a \$10k per year software maintenance and equipment charge. The carts come with serial numbers and are registered to an address when delivered. Also, WMI maintains a GPS mapping system that tracks all trucks at all times. The history of those tracks can be replayed as they are recorded.

The original contract required cart specifications of extreme detail that eliminated multiple vendors and dictated construction methods. Most importantly the contract called for injection molding, leaving the city unable to purchase carts from a vendor with roto-molding technology.

Added to the contract in agreement with WMI is the trickle out delivery of trash carts. If the city were to order the full load of residential waste carts there would be an immediate delivery of 11,000 carts on the streets (added to the 22,000 in trash/recycle currently). WMI has agreed to accept, assemble, and replace carts throughout the city as needed over a 2 year span (if necessary). The old carts will be taken and disposed of. WMI has also agreed to deliver the carts at no cost to the city, saving approximately \$33,000 on the purchase.

MEMORANDUM

Other changes include the addition of weekly reporting. This helps the solid waste coordinator follow up in a timely manner and stay aware of missed pick-ups, special requests, broken carts, etc.

OPTIONS:

1. The City Commission can elect to approve staff's recommendation for amending the WMI contract as put forth in its entirety.
2. The City Commission can elect to approve portions of the recommended amendment of the WMI contract as they see fit.
3. The City Commission may elect to keep the WMI contract as is with no further changes.

FINANCIAL IMPACT:

There will be no increased cost's due to any of the amendments. The city could realize a savings of approximately \$33,000 with the approval of WMI delivery of the city's new trash carts.

RECOMMENDATION:

City Staff recommends the City Commission select Option 1; The City Commission approve staff's recommendation for amending the WMI contract as put forth in its entirety.