



## THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

MEMORANDUM

### EXECUTIVE SUMMARY

**TO:** Bob Vitas, City Manager  
E. David Fernandez – Asst. City Manager - Operations

**FROM:** Jay Gewin, Utilities Manager

**DATE:** February 11, 2013

**RE:** **Approval of an Amendment to the City's Solid Waste and Recycling Collection Contract with Waste Management, Inc.**

#### ACTION STATEMENT:

This resolution will approve an amendment to the City's solid waste and recycling Collection contract with Waste Management, Inc. over the two years remaining in the contract. The City Commission directed City Staff to draft these amendments based on Resolution 12-360 from its December 4, 2012 meeting.

#### BACKGROUND:

At a special City Commission meeting to discuss the final recommendations of the City's Solid Waste Master Plan on August 29, 2012, the City Commission passed Resolution 12-253 that included the following points:

- The Solid Waste Policy Statement from the Solid Waste Master Plan was adopted.
- City Staff was directed to implement the Phase I Recommendations contained in the Master Plan.
- City Staff, with the assistance of Kessler Consulting, Inc was directed to negotiate with Waste Management regarding proposed revisions for the remainder of the term of the City's existing contract which are necessary to implement the Phase I Recommendations contained in the Solid Waste Master Plan.
- That by October 29, 2012, City staff is directed to recommend to the City Commission whether to accept or reject the proposed negotiated revisions to the City's existing contract with Waste Management necessary to implement the Phase I Recommendations contained in

*Key to the Caribbean – Average yearly temperature 77° F.*

the Solid Waste Master Plan.

- In the event the City Commission and Waste Management have not reached an agreement by October 29, 2012, City Staff is directed to generate a Request for Proposals pertaining to the collection of solid waste and recycling.

City Staff and representatives from Waste Management met several times prior to the October 29, 2012 deadline. The negotiated agreement for the two year remainder of the contract was as follows:

- 1) The City would receive no revenue share for recycled materials
- 2) The City would receive an 80% share of revenue from the recycling of white goods and metals after Waste Management's transportation costs are deducted. The current \$21.60 fee for white goods and metals would be removed.
- 3) When recycle carts are purchased for our residents, Waste Management will provide space to store them temporarily, and will deliver new or replacement carts after initial citywide distribution. Waste Management will provide cart maintenance to all recycle carts under the City's program, similar to the existing policy with the trash carts.
- 4) Waste Management will partner with the City to shift to a one trash/one recycling/one yard waste pickup per week program at no additional cost. The yard waste would be used as landfill cover material, which City Staff believes is a temporary solution.
- 5) Waste Management will add residential e-waste to its household hazardous waste collection at no additional charge, and increase frequency of these events to once a month.
- 6) For commercial customers, the collection charges for recycling and trash containers will be the same.
- 7) Waste Management will provide single-stream recycling in containers sizes ranging from carts to dumpsters to roll-offs for all businesses wishing to participate.
- 8) Waste Management will provide all required monthly reports to the City in an Excel spreadsheet format.
- 9) Waste Management will promote an educational program designed for Key West.
- 10) Waste Management will work with the City on the implementation of Phase II Recommendations from the City's Solid Waste Master Plan.

At its December 4, 2012 City Commission meeting, the City Commission approved these contract amendments via Resolution 12-360.

## **PURPOSE AND JUSTIFICATION**

It is unreasonable to expect any improvement to the City's current 8% recycling rate without implementing changes to the City's current solid waste collection contract and by continuing the same collection program for residents and businesses.

The amendments approved by the Commission for the two year contract are consistent with what the City seeks to achieve through the Phase I Recommendations of the Solid Waste Master Plan. City Staff has taken the ten points approved through Resolution 12-360 and drafted an official contract amendment document. Waste Management has reviewed and approved the amendment.

**OPTIONS / ADVANTAGES / DISADVANTAGES:**

1. The City Commission can approve the proposed amendments for the remaining two years of the Waste Management contract that will help increase the City's recycling rate.
2. The City Commission can choose to continue the existing solid waste and recycling collection contract as it presently exists.

**FINANCIAL IMPACT:**

The amendments proposed for the remaining two years would offer some new revenue for white goods/metals. The other points of the amendment will not result in additional cost to the City.

**RECOMMENDATION:**

Staff recommendation is for the City Commission to approve the amendment.