

Solid Waste Contract

RESIDENTIAL CUSTOMER IMPACTS



Timeline

June 22, 2021 – Work Study Session

June 23 – August 16, 2021 – Individual meetings with Council as needed.

July 20, 2021 – Hold a public hearing and adopt a Resolution of Intent to grant solid waste franchise to any one of four proposers.

August 17, 2021 – Hold a public hearing and adopt a resolution to grant solid waste franchise and agreement to one of the four proposers, and authorize staff to proceed with the Proposition 218 process.

July 1, 2022 – Services under new contract begin.



Container Sizes included in the RFP

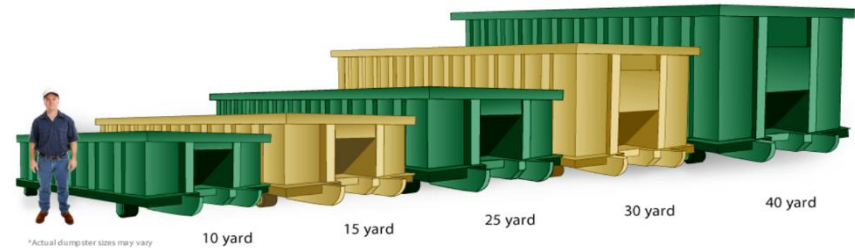
Cart (35, 64, 96 gallons)



Bin (1, 2, 3, 4 & 6 Cubic Yards)



Roll-off Boxes – any size



RFP Key Services - Residential

- Three-cart automated residential collection service (refuse, recycling & organics)
- Senior and mobile home low generator discount
- Walk-out service for disabled residents at no charge
- Holiday tree collection
- On-call bulky item collection, up to four pickups per year, up to four items each pickup
- On-call universal waste collection
- Residential used oil and oil filter collection program
- Temporary refuse bin service
- Sharps mail-back collection program



RFP Key Services for Multi-Family Units

- Bin collection service
- Source-separated recyclables and organics collection service
- Temporary bin service
- Permanent and temporary roll-off box service
- On-call bulky item collection for multi-family (varies by proposer)
- Multi-family bin-customer holiday tree collection



RFP Key Services – Community Services

- 300 roll-off boxes per year for neighborhood clean ups
- Annual household hazardous waste drop-off event
- Annual shredding event
- Annual compost giveaway event
- Environmental Ambassador Program
- One full-time recycling coordinator
- Santa Ana Green Quarterly Newsletter partial funding



Key Contract Terms

- Ten-year term beginning July 1, 2022, with mutual option to extend the agreement for up to five years, and with an additional option to extend for up to thirty-six months at the City’s sole discretion
- Minimum recycling requirements (Minimum diversion rate)
- All carts shall be new at the start of service and SB 1383 compliant
- All route collection vehicles shall be model year 2021 or later at start of agreement
- Education, outreach and implementation program



Rate Adjustment Components

Residential and multifamily service

- Service component (Consumer Price index) ¹
- Fuel component (Producer Price Index) ²
- Disposal Component (Actual change in per ton gate rate at the Orange County Landfill System)

CPI & PPI Series ID

- 1 - CUUR0000A0L1E
- 2 - WPU05522101

Other services

- Average annual percentage change in Consumer Price Index for All Urban Consumers, all items less food and energy¹

CPI & PPI Series ID

- 1 - CUUR0000A0L1E
- 2 - WPU05522101
- 3 - CUUR00000SA0



Rate Adjustment Components (cont.)

Roll-off box service

- Service component (Consumer Price index) ¹
- Fuel component (Producer Price Index) ²
- Tonnage charge (Consumer Price Index) ³

Other services

- Average annual percentage change in Consumer Price Index for All Urban Consumers, all items less food and energy ¹

CPI & PPI Series ID

- 1 - CUUR0000A0L1E
- 2 - WPU05522101
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Proposed Residential Monthly Cart Rate

Proposer	Residential Rate (per month) Effective July 1, 2022
Athens Services	\$17.55
Republic	\$22.94
Waste Management	\$22.95
CR&R	\$23.71

Data is ranked from low to high.

Existing Customer Rate for FY 21-22 is **\$22.57**.

Service Level

- 1 refuse cart once per week
- 1 recycling cart once per week
- 1 organics cart once per week



Projected Residential Rates for First Five Years

Proposer	Year 1	Year 2	Year 3	Year 4	Year 5
	2022/23	2023/24	2024/25	2025/26	2026/27
Athens	\$17.55	\$18.72	\$19.37	\$19.85	\$20.35
CR&R	\$23.71	\$24.79	\$25.92	\$26.57	\$27.23
Republic	\$22.94	\$23.74	\$24.87	\$26.05	\$26.70
Waste Management	\$22.95	\$23.98	\$25.59	\$26.23	\$26.89

Data is in alphabetical order by firm name.

*Assumes an annual increase (estimated at 2.5%) per Section 6.4.2 of the franchise agreement and special rate adjustments for Clean City Initiatives per Section 6.4.7 as shown on the following two slides.



Projected Residential Rates (cont.)

Rate Adjustment for Clean City Initiatives					
Proposer	Year 1	Year 2	Year 3	Year 4	Year 5
	2022/23	2023/24	2024/25	2025/26	2026/27
Athens	N/A	4.14%	0.99%	0.00%	0.00%
CR&R	N/A	2.05%	2.05%	0.00%	0.00%
Republic	N/A	1.00%	2.25%	2.25%	0.00%
Waste Management	N/A	2.00%	4.20%	0.00%	0.00%

Data is in alphabetical order by firm name.



Projected Residential Rates (cont.)

Rate Adjustment for Clean City Initiatives and Estimated 2.5% Annual Rate Adjustment					
Proposer	Year 1	Year 2	Year 3	Year 4	Year 5
	2022/23	2023/24	2024/25	2025/26	2026/27
Athens	N/A	6.64%	3.49%	2.50%	2.50%
CR&R	N/A	4.55%	4.55%	2.50%	2.50%
Republic	N/A	3.50%	4.75%	4.75%	2.50%
Waste Management	N/A	4.50%	6.70%	2.50%	2.50%

Data is in alphabetical order by firm name.



Three Cubic Yard Temporary Bin

Proposer	3 Cubic Yard Temp Bin Effective July 1, 2022
Athens Services	\$95.00
CR&R	\$101.42
Waste Management	\$131.23
Republic Services	\$151.76

Data is ranked from low to high.

Existing Customer Rate for FY 21-22 is **\$97.50***.

*Does not include disposal cost.



Example: Multi-Family Residential Service

Proposer	Proposed Monthly Cost to Customer Effective July 1, 2022
Republic Services	\$562.31
CR&R	\$575.62
Athens Services	\$597.21
Waste Management	\$630.69

Data is ranked from low to high.

Equivalent service rate for FY 21-22 is **\$448.64**.

Service Level

- 3 yard refuse bin twice per week
- 3 yard recycling bin once per week
- 1 organics cart once per week



Roll-off Box Rate Comparison

Proposer	Roll-Off Box Any Size – Refuse Rates Effective July 1, 2022		
	Per Pickup Rate	Tonnage Charge (4 Tons)	Total
CR&R	\$321.02	\$175.60	\$496.62
Waste Management	\$336.00	\$216.00	\$552.00
Athens Services	\$275.00	\$300.00	\$575.00
Republic Services	\$336.00	\$331.88	\$667.88

Data is ranked from low to high based on the Total amount.

Existing Customer Rate for FY 21-22 is **\$584.31**.



Three Cubic Yard Temp Bin (Mixed C&D)

Proposer	3 Cubic Yard Temp Bin (Mixed C&D) Effective July 1, 2022
Athens Services	\$95.00
Waste Management	\$125.00
CR&R	\$175.00
Republic Services	\$175.00

Data is ranked from low to high.

Existing Customer Rate for FY 21-22 is **\$145.21**.



First-Year Rate Revenue to Proposer

Proposer	Proposed First-Year Rate Revenue*
Athens Services	\$57,818,000
Republic Services	\$59,375,000
CR&R	\$59,581,000
Waste Management	\$59,611,000

Data is ranked from low to high.

*Assumes exclusive construction and demolition services.



Proposed Rate Revenue Over 10 Years

Proposer	Total 10-Year Rate Revenue*	% Increase from Lowest
Athens Services	\$676,917,000	N/A
CR&R	\$690,823,000	2.1%
Republic	\$694,122,000	2.5%
Waste Management	\$702,569,000	3.8%

Data is ranked from low to high.

*This includes the proposed rate increases for years 2-4 and an estimated annual CPI increase of 2.5% assuming exclusive construction and demolition services.



Equipment Specifications

Equipment Specifications				
Proposer	Fuel Type	Model Year	Carts	Bins
Athens Services	CNG	2022	New	New
CR&R	RNG	2022	New	New
Republic Services	CNG	2022	New	New
Waste Management	CNG	2022	New	Used

Listed alphabetically.



Reference Check

Proposer	Number of Entities	Average Overall Rating Out of 5.0 ⁽¹⁾
Athens Services	8	4.1
CR&R	9	3.8
Waste Management	7	3.6
Republic Services	7	2.9

Data is ranked from high to low.

(1) Average overall rating based on a 5-point scale:

- 1 = Unsatisfactory
- 2 = Below expectations
- 3 = Satisfactory
- 4 – Above expectations
- 5 = Exceptional performance



Bulky Item Pick-up

Athens Services

- Ten free bulky items picked up per quarter per dwelling unit for multi-family residents and \$48/item for items exceeding 10 per quarter.

CR&R Environmental Services Inc.

- Four bulky item pickups per year per multi-family unit of up to four items per pick up. Property managers will have the option of on-call scheduling, dedicated collection days, or move-in/move-out coordination.

Republic Services

- Ten free bulky items picked up per quarter per dwelling unit for multi-family residents.

Waste Management

- Unlimited bulky item pick up to multi-family properties through on-call scheduling or designated collection days (service by request). Will utilize the same truck used for servicing illegal dumping.



Clean City Initiative - Background

- Requested by Mayor, Mayor Pro Tem and Councilmembers.
- Directed and guided by City Manager and Executive Management Team.
- Supported by all proposers.
- Provides comprehensive right-of-way cleaning.
- Developed by City staff and refined by HF&H Consultants, LLC.
- Targets heavily traveled locations, industrial and business districts, and hot spots.
- Service locations can and will vary based on City right-of-way cleaning needs.
- Mostly six-days per week service.
- All proposers responded and will be able to provide the services.
- Services to be phased-in over 24 months.



Clean City Initiative - Service Enhancements

1. Site-specific litter cleaning and bulky item removal (proactive and on-call) as indicated by area supervisor, drivers, and /or City
2. Right-of-way trash container service and cleaning (250 city wide)
3. Work order app integration
4. Sidewalk litter and debris cleaning service (hardscape)
5. Sidewalk power washing
6. Porter service
7. Washing and sanitizing of all bins once per year upon customer request
8. Clean business initiative



Council Actions

June 23 – August 16, 2021 – Individual meetings with Council as needed.

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