

# **City of Scottsbluff, Nebraska**

**Monday, January 7, 2019**

**Regular Meeting**

## **Item Reports2**

**Council to receive an update on bid proposals for the sanitation department.**

**Staff Contact: Nathan Johnson, City Manager**

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## MEMORANDUM

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**TO:** CITY COUNCIL

**FROM:** NATHAN JOHNSON, CITY MANAGER

**SUBJECT:** SANITATION SERVICES RFP

**DATE:** JANUARY 7, 2019

**CC:** MARK BOHL, PUBLIC WORKS DIRECTOR  
JORDAN DIEDRICH, DEPUTY PUBLIC WORKS DIRECTOR

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On November 5, 2018 the City of Scottsbluff received three bids from two companies in response to the Request for Proposal (RFP) for Sanitation Services. The RFP was approved by City Council on September 4, 2018 and advertised on September 7, 2018; September 14, 2018; September 21, 2018. Bids submittals were due by 10:00am on November 5, 2018 in the City Clerk's Office. The RFP allowed for interested companies to bid on two scopes (Scope A and/or Scope B).

### Scope A

One bid was received from Waste Connections in response to Scope A. Scope A allowed for bidders to submit a price on privatizing the entire sanitation services. The bidding entity would be responsible for collection from the individual residence or commercial entity for trash, recycling and yard waste. Below is a breakdown of the bid received as compared to the City's current charges.

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#### SCOPE A: WASTE CONNECTIONS

RESIDENTIAL COLLECTION	Current	Proposed	Difference
Weekly Trash, Recycling & Yard Waste	21.90	19.95	(1.95)
Two Trash Containers per household	50.08	26.45	(23.63)
SPECIAL COLLECTIONS	Current	Proposed	Difference
90 Gallon Trash or Recycle	11.00	15.00	4.00
1.5 CY Trash or Recycle	14.66	20.00	5.34
2.0 CY Trash or Recycle	14.66	25.00	10.34
3.0 CY Trash or Recycle	27.89	30.00	2.11
Bulk-Item (first item)	11.00	15.00	4.00
Bulk Items (additional items after 1st)	31.00	7.50 each	(8.50)
Extra Large Items	varies	varies	varies
MULTI-FAMILY COLLECTION	Current	Proposed	Difference
2 to 4 units	21.90	19.95	(1.95)
5 to 6 units	19.69	17.94	(1.75)
7 to 10 units	18.60	16.95	(1.65)
11 to 16 units	17.51	15.95	(1.56)

17 to 39 units	16.38	14.92	(1.46)
40 to 59 units	15.29	13.93	(1.36)
60 or more units	14.24	12.97	(1.27)

<b>COMMERCIAL COLLECTION</b>	<b>Current</b>	<b>Proposed</b>	<b>Difference</b>
90 Gallon 1X/week	45.28	45.06	(0.22)
90 Gallon 2X/week	NA	90.12	NA
90 Gallon 3X/week	NA	135.18	NA
90 Gallon 4X/week	NA	180.24	NA
90 Gallon 5X/week	NA	225.3	NA
1.5 CY 1X/week	60.39	60.11	(0.28)
1.5 CY 2X/week	120.78	120.22	(0.56)
1.5 CY 3X/week	181.17	180.33	(0.84)
1.5 CY 4X/week	241.56	240.44	(1.12)
1.5 CY 5X/week	301.95	300.55	(1.40)
2.0 CY 1X/week	60.39	76.26	15.87
2.0 CY 2X/week	120.78	152.52	31.74
2.0 CY 3X/week	181.17	228.78	47.61
2.0 CY 4X/week	241.56	305.04	63.48
2.0 CY 5X/week	301.95	381.3	79.35
3.0 CY 1X/week	114.92	114.35	(0.57)
3.0 CY 2X/week	229.84	228.7	(1.14)
3.0 CY 3X/week	344.76	343.05	(1.71)
3.0 CY 4X/week	459.68	457.4	(2.28)
3.0 CY 5X/week	574.60	571.75	(2.85)

<b>COMMERCIAL CARDBOARD</b>	<b>Current</b>	<b>Proposed</b>	<b>Difference</b>
2.0 CY 1X/week	20	30	10.00
2.0 CY 2X/week	40	60	20.00
2.0 CY 3X/week	60	90	30.00
2.0 CY 4X/week	80	120	40.00
2.0 CY 5X/week	100	150	50.00

<b>COMMERCIAL SINGLE STREAM</b>	<b>Current</b>	<b>Proposed</b>	<b>Difference</b>
90 gallon 1X/week	0.00	40.00	40.00
90 gallon 2X/week	NA	80.00	NA
90 gallon 3X/week	NA	120.00	NA
90 gallon 4X/week	NA	160.00	NA
90 gallon 5X/week	NA	200.00	NA

<b>DROP OFF RECYCLING</b>	<b>Current</b>	<b>Proposed</b>	<b>Difference</b>
Residents	0.0	0.0	0.00

<b>ELECTRONIC RECYCLING DROP OFF</b>	<b>Current</b>	<b>Proposed</b>	<b>Difference</b>
Residential (per lbs)	0.0	0.5	0.50
Commercial (per lbs)	0.5	0.5	0.00

Scope A would mean that all City Departments would need to pay for sanitation services provided by Waste Connections. The City would be responsible for the billing of these services. Below is a breakdown of the approximate costs associated with each Department in how much they would be charged for services at a 25% discount that has been offered by Waste Connections.

SANITATION EXPENSES						
25% discount on Commercial Rates						
Annual Cost	Location					Single Stream Recycling
1029.12	Transportation- 3.0cy (1C 1P)					360
1082.04	Parks Department- 1.5cy (1C 2P)					
1029.12	City Hall- 3.0cy (1C 1P)					360
6519.36	Water/Waste Water- 3.0cy (2C 1P) & 90 gal (11C 1P)					360
2111.16	Compost Facility- 1.5cy (2C 1P) & 3.0cy (1C 1P)					
4461	Frank Park- 90 gal (9C 1P)					
1622.16	Pioneer Park- 90 gal (4C 1P)					
541	Westmoor Pool- 1.5cy (1C 3P) (Summer only)					
1081.98	Lacy Park- 1.5cy (2C 2P) (Summer only)					
4070.66	23 Club- 3.0cy (1C 2P) & 90 gal (5C 1P)(Summer only)					
3649.92	Northwood Park- 90 gal (9C 1P)					
3867.96	Landers Soccer Complex- 3.0cy (1C 1P) & 90 gal (7C 1P)					
540.96	Shooting Range- 1.5cy (1C 1P)					
1029.12	Cemetery- 3.0cy (1C 1P)					
2058.3	Riverside Campground- 3.0cy (2C 2P) (Summer only)					
1029.12	Riverside Park- 3.0cy (1C 1P)					
405.6	Skating Rink- 90 gal (1C 1P)					
1216.68	Dog Park- 90 gal (2C 1P)					
1029.12	Cleveland Field- 3.0cy (1C 1P)					
405.6	Mini Park Plaza- 90 gal (1C 1P)					
1082.04	Public Safety					
1082.04	Library					1800
40,944.06	TOTAL ANNUAL COST AT DISCOUNTED RATE					2,880.00
DEPARTMENT	ANNUAL COST					
Admin	1389.12					
Parks	26521.14					
Transportation	1389.12					
Water	3619.68					
Wastewater	3259.68					
Compost Facility	2111.16					
Police	1081.98					
Fire	541.02					
Cemetery	1029.12					
Library	2882.04					
TOTAL	43,824.06					

TOTAL ADDED EXPENSES			
Recycling:	2,880.00		
Trash:	40,944.06		
Street Sweepings:	30,000.00		*estimate
TOTAL:	73,824.06		

Scope A also does not include any revenue for the Compost Facility operations which is currently split between the Environmental Services and Wastewater funds.

It should also be noted that Waste Connections is willing to purchase existing equipment, materials and lease the existing building. Waste Connections is also interested in hiring all of the current Environmental Services employees.

### **Scope B**

Two Bids were received from Waste Connections and TDS Collection Service, Inc in response to Scope B. Scope B allowed for the City to keep the current collection process and then take the trash to a transfer point (i.e. landfill, transfer station, etc.). Neither of these bids included a price for recycling.

<b>SCOPE B: WASTE CONNECTIONS</b>			
<b>TIPPING FEE</b>	<b>Current</b>	<b>Proposed</b>	<b>Difference</b>
Trash per ton	48.87	43.00	(5.87)
Recycling per ton	32.00	NA	NA
ESTIMATED TOTAL ANNUAL COST:	10,481.49 tons		
Current at Gering	512,230.42		
Proposed at Waste Connections	450,704.07		
Difference	(61526.35)		

Waste Connections would use their existing transfer station located at 710 Country Club Road, Gering, NE 69341.

<b>SCOPE B: TDS</b>			
<b>TIPPING FEE</b>	<b>Current</b>	<b>Proposed</b>	<b>Difference</b>
Trash per ton	48.87	32.00	(16.87)
Transfer per ton	0.00	4.00	4.00
Freight Charge per load	0.00	250.00	250.00
Recycling per ton	32.00	NA	NA
Total Trash Fee	48.87	45.75	(3.12)
ESTIMATED TOTAL ANNUAL COST:	10,481.49 tons		
Current at Gering	512,230.42		
Proposed at Waste Connections	479,528.17		
Difference	(32702.25)		

TDS would need to construct a transfer station to handle the City's trash. TDS has offered that a transfer station be built on approximately 65 acres at the Compost facility in exchange for the City being a 10% partner on the facility. This opportunity is subject to negotiation.

TDS is also willing to share revenue on the 30 cubic yard roll off boxes that is equivalent to \$35.00 per roll off container. There is approximately 120 roll offs per year currently being serviced in the City by the City of Gering. This equates to approximately \$4,200 in additional revenue per year.

## **Recycling Disposal**

### **Current (City of Gering):**

\$24.65 per ton tipping fee x 210 tons = **\$5,176.50 per year**

### **Proposed (Waste Connections):**

\$32.00 per ton tipping and transportation to Cheyenne, WY x 210 tons = \$6,720

Plus \$40 to \$45 tipping fee at Wyco x 210 tons = \$8,400 to \$9,450

**Total: \$15,120 to \$16,170 per year**

The approximate cost to Wyco is if they are willing to accept the single stream recycling. There is a chance that they will decide not to take it and we will have to look elsewhere for recycling disposal.

## **Conclusion**

The information provided is for information only. City staff will give a recommendation after further discussions with Waste Connections and also the completion of Tri-Hydro's Phase 1 Site Assessment/Investigation.