

City Council Waste Management Policy Working Group

April 25, 2017



Overview

- **Austin Resource Recovery (ARR) Services**
- **City waste management contracts**
- **Waste management policy questions**
 - Solicitation process
 - Solicitation details
 - Service questions
- **Other policy issues?**
 - Solicitation Types

ARR Services

ARR Residential Curbside Services (City Code § 15-6-11):

- Curbside services for single family, duplex, tri-plex, and four-plexes
 - Weekly trash cart service
 - Weekly yard trimmings via kraft paper bags; organics via cart service
 - Every other week recycling cart service
 - Twice per year brush and bulk collection

** Commercial properties/apartments are serviced by private haulers (§ 15-6-13)*

- Clean Community Services
 - Street Sweeping, including at special events
 - Litter Control, including at special events
 - Dead Animal Collection
 - Recycle and Reuse Drop-Off Center, including household hazardous waste

City waste management contracts

ARR managed contracts include:

- **Processing curbside material (for single family, duplex, tri-plex, and four-plexes)**
 - Landfill trash: Texas Disposal Systems (TDS)
 - Recycle Processing: Balcones Resources and TDS
 - *Composting (Pilot Program): Organics by Gosh*
 - *Composting (Program Expansion): to be determined*
 - *FY17: 38,000 households*
 - *FY18-FY20: 52,000 households per year*

City waste management contracts

- **Residential Dumpster contract** – Waste Management
 - Utilized at tri-plexes and four-plexes
 - Service challenges could include high volumes of trash, frequent bulk set outs, and high instances of illegal dumping
- **City Facility Dumpsters** – *to be determined*
 - Utilized for city buildings such as City Hall, One Texas Center, Recreation Centers, Libraries, and other department facilities
- **Downtown Service Contract District** – TDS
 - Established by City Council Ordinance 20051020-063
 - City contracts with a private hauler for dumpster service within the district boundaries
 - Contract is procured through competitive solicitation process

City waste management contracts

Other City Waste Management Contracts, such as:

- Convention Center – trash, recycling, organics collection/processing
- Aviation – trash, recycling, organics collection/processing
- Austin Energy – Special Waste, Class 2 non-hazardous

For this conversation, waste management contracts apply to:

- Material generated by the City in the course of its regular and emergency business (e.g. office discards, materials collected by ARR service trucks, etc.)
- Processing contracts to manage trash, recyclables, compostables, household hazardous waste, biosolids, other special wastes

Waste Management Policy Questions

Solicitation Process (Agenda Item 4):

- Should the City competitively solicit waste management contracts?
- For City waste management contracts, should Council waive the Anti-Lobbying Ordinance for future solicitations?

Solicitation Details (Agenda Item 5):

- Should materials be directed to, or away from, certain landfills in future solicitations?
- Should some contract or services be consolidated?
- Should the city set diversion requirements for City waste management contractors?
- Is there a preferred way to manage used utility poles?
- Is there a preferred policy for biosolids management?

Waste Management Policy Questions

Service Questions (Agenda Item 6)

- Should Austin Resource Recovery provide special event services?

Solicitation Types

- Invitation for Bid (IFB)
- Request for Proposal (RFP)

4a) Should the City competitively solicit waste management contracts?

Currently:

- All contracts are currently competitively solicited per Charter requirements

City Charter (Article VII, § 15):

“Before the City makes any purchase or contract for supplies, materials, equipment, or contractual services, opportunity shall be given for competition unless exempted by state statute.”

4a) Should the City competitively solicit waste management contracts?

Over the last few solicitations, one vendor has suggested that the City could use their existing contract for waste management to provide these services (Dumpsters, Biosolids, Composting, etc.) instead of seeking bids.

In order to seek these services directly instead of competitively seeking bids, the City would have to apply the “public health and safety exemption”.

Such an exemption normally involves urgency or emergency situations such as storm events or other unexpected instances.

4a) Should the City competitively solicit waste management contracts?

Policy Considerations:

- *Should the City competitively solicit waste management contracts?*
- **Pros:**
 - Could shorten the process to procure services
 - Would likely reduce the controversy (after the initial discussions surrounding this decision) on future solicitations
 - Would dramatically reduce Council/staff time devoted to these issues
- **Cons:**
 - Eliminating the competitive solicitation process could limit options
 - Negotiating with only one or two service providers could impact partnerships between haulers and processors
 - There are cost considerations if a contract is not competitively bid

4b) Should Council waive the Anti-Lobbying Ordinance for future solicitations?

Currently:

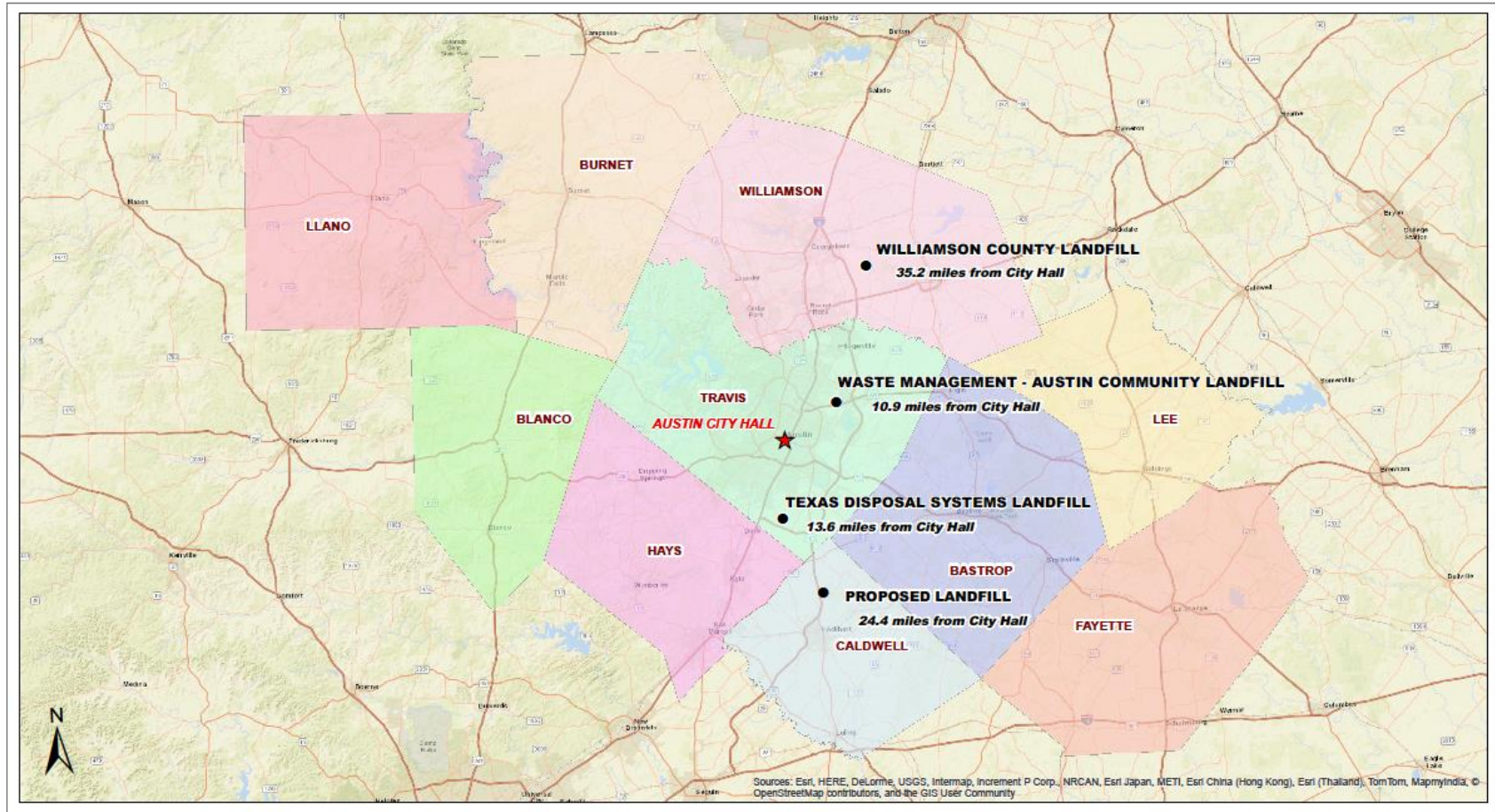
- Vendors who have submitted proposals cannot speak with Council or staff about the bid unless they do so at a posted public meeting, or other exemption
- Vendors can submit limited complaints regarding a solicitation process [2-7-104(B)]
- A competitor who has not submitted a proposal is able to speak freely with Council publicly or privately

4b) Should Council waive the Anti-Lobbying Ordinance for future solicitations?

Policy Considerations:

- ***IF Council decided to continue to competitively solicit waste management contracts, should Council waive the Anti-Lobbying Ordinance (City Code Chapter 2-7, Article 6)?***
- Pros:
 - All vendors would be able to speak directly with Council, Council staff, and City staff publicly or privately which could level the playing field for vendors
 - Would eliminate a stated obstacle by one vendor and could result in that vendor submitting a proposal
- Cons:
 - Could increase vendor lobbying efforts of Council and staff
 - Could favor vendors that employ lobby teams

5a) Should materials be directed to or away from certain landfills in future solicitations?



5a) Should materials be directed to or away from certain landfills in future solicitations?

Currently:

- There is no policy direction from City Council that directs materials to or away from any specific landfill.
- For curbside service, City collection trucks haul the material to the Texas Disposal Systems landfill per the current landfill contract.
- For other City contracts, the City solicits bids and the respondents are only limited to landfills with valid operating permits.
- Using our contracts, the City can control the flow of material it generates or is responsible for managing. The City cannot regulate where private haulers take material managed under a private contract.
- As generators of the waste, the City may choose where its materials are managed/processed.

5a) Should materials be directed to, or away from, certain landfills in future solicitations?

Policy Considerations:

- *Should material be directed to, or away from, certain landfills?*
- Pros to direct materials to, or away from, certain landfills:
 - Could clarify Council environmental goals
- Cons:
 - Would benefit some vendors and thus affect “competition” regarding collection/disposal service bids

5b) Should some contracts or services be consolidated?

Currently:

Based on conversations with Council and the Zero Waste Advisory Commission (ZWAC), four specific areas of service were consolidated under one solicitation:

1. Trash, recycling, and composting from City buildings
2. Trash, recycling and composting from emergency situations such as storm or flood events
3. Trash, recycling, and composting from eligible (City-Sponsored) special events
4. Class 2 non-hazardous waste (ex: utility poles, contaminated soils, air filters, pipe insulation, etc)

5b) Should some contracts or services be consolidated?

Policy Considerations:

- *Should some contracts or services be consolidated?*
- Pros for consolidation:
 - Consolidating services under one solicitation can assist with sustainability reporting and ensure consistent service levels across City departments
 - Will ensure the “zero waste” goal is applied consistently across City departments
- Cons for consolidation:
 - Independent contracts for waste management services could result in inconsistent rates, service standards, data reporting, and contract compliance
 - There may be niche materials (ex: utility poles, etc.) that require special collection and monitoring

5c) Should the City set diversion requirements for City waste management contractors?

Currently:

- City departments are required to separate recycling and composting from landfill trash.
- Contractors must process materials as they are separated – recyclables shall be recycled, compostables shall be composted, etc.
- Diversion rates are placed upon the generator (the entity that creates the waste). Haulers are only expected to move and process material.
- This is consistent with the Universal Recycling Ordinance.

5c) Should the City set diversion requirements for City waste management contractors?

Policy Consideration:

- *Should the City set diversion requirements for City waste management contractors?*
- Pros:
 - Could increase diversion rates
 - Places the burden of diversion on vendor instead of generator
- Cons:
 - Could increase costs

5d) Does Council have a preferred method to manage used utility poles?

Currently:

- Utility poles are a Class 2 non-hazardous waste
- By weight, utility poles constitute approximately 2% of Austin Energy's entire waste stream
- Utility poles specifically have been landfilled or beneficially reused under previous contracts
- Currently, all of Austin Energy's Class 2 non-hazardous waste is being sent via contractor to Texas Disposal Systems

5d) Does Council have a preferred method to manage used utility poles?

- **Policy Consideration:**
- *Does Council have a preferred method to manage used utility poles?*
- There are limited options to handle this material:
 - Beneficial Reuse
 - Incineration/Waste to Energy
 - Landfill Disposal

5e) Is there a preferred policy for biosolids management?

Currently:

- Biosolids are managed via land application of Class B and composting
- Immediate need for removal of curing piles (unscreened compost produced by Hornsby staff)
 - 16 Curing piles on site at Hornsby – each pile is 5,000 cubic yards (It would take 560 dumps truck to remove one pile.)
 - Piles must be sold – AW cannot give away piles or utilize the Synagro contract
 - Sale of piles – Immediate need for space on the pad – AW could sell two through a bid process with the requirement the material be screened by the buyer before final use
 - Additional Sales - If there are enough bidders, two more piles could be sold

5e) Is there a preferred policy for biosolids management?

Joint Zero Waste Advisory Commission (ZWAC) & Water/Wastewater Commission (W/WW) Working Group

- 11 guiding principles to managing biosolids
- Approved by W/WW Commission
- Approved with additional edits by ZWAC to clarify:
 - #1 – Class A compost defined by Composting Council
 - #2 – sample collection process
 - #5 – details in the corrective action memo
 - #6 – that contracts include odor/pest provisions
 - #8 – that AW define Dillo Dirt processing standards
 - #12 – (added by ZWAC) contract consideration process

5e) Is there a preferred policy for biosolids management?

Policy Consideration(s):

- *Is there a preferred policy for biosolids management?*
- *Should AW require a particular quality (maturity) of compost, or should AW allow a range of compost materials?*
- *Should “Dillo Dirt” continue to be produced?*

5e) Is there a preferred policy for biosolids management?



6a) Should ARR continue to provide waste management services for special events?

Currently:

- Events that are not official City co-sponsored events contract for trash/recycling service with their preferred vendor
- ARR offers (but does not require) service to events that are co-sponsored by the City of Austin
- ARR Special Event services include coordinating dumpster service and providing litter abatement services such as managing trash/diversion containers and street sweeping
- Providing these services enables the city to waive fees for these services
- Reference Resolution 20091022-40 for background.

6a) Should ARR continue to provide waste management services for special events?

Policy Consideration:

- *Should ARR continue to provide waste management services for special events?*
- **Pros:**
 - Allows private vendors to compete to provide services for special events and removes the City from this type of “competition.”
- **Cons:**
 - If ARR is no longer directed to offer service to City co-sponsored events, this would eliminate the ability to waive fees for the events.

Other Policy Issues?

Solicitation Types

- **Invitation for Bid (IFB)**
 - Most objective formal competitive process
 - Award is based on 1) compliance with specifications and 2) lowest price
 - City must have detailed specifications
 - Offerors have no/little ability to vary from specifications
 - Typically used when purchasing goods and very standardized services
 - Least flexible process, no negotiations
- **Request for Proposal (RFP)**
 - Less objective formal competitive process (competition of unlike things)
 - Award is based on 1) evaluation criteria, including 2) price
 - City's requirements are more general
 - Offerors may propose different approaches to meet City's needs
 - Typically used when purchasing services
 - More flexible process, including negotiations

Question & Answer