

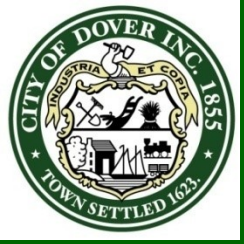
FY21 Solid Waste & Recycling Contracts

Dover City Council Workshop

February 26, 2020

**By: John B. Storer
Director of Community Services**

**Mike Moore
Supervisor of Solid Waste & Recycling**



- Current SW & Rec contract essentially dates back 10-years
- Contract expires June 30, 2020

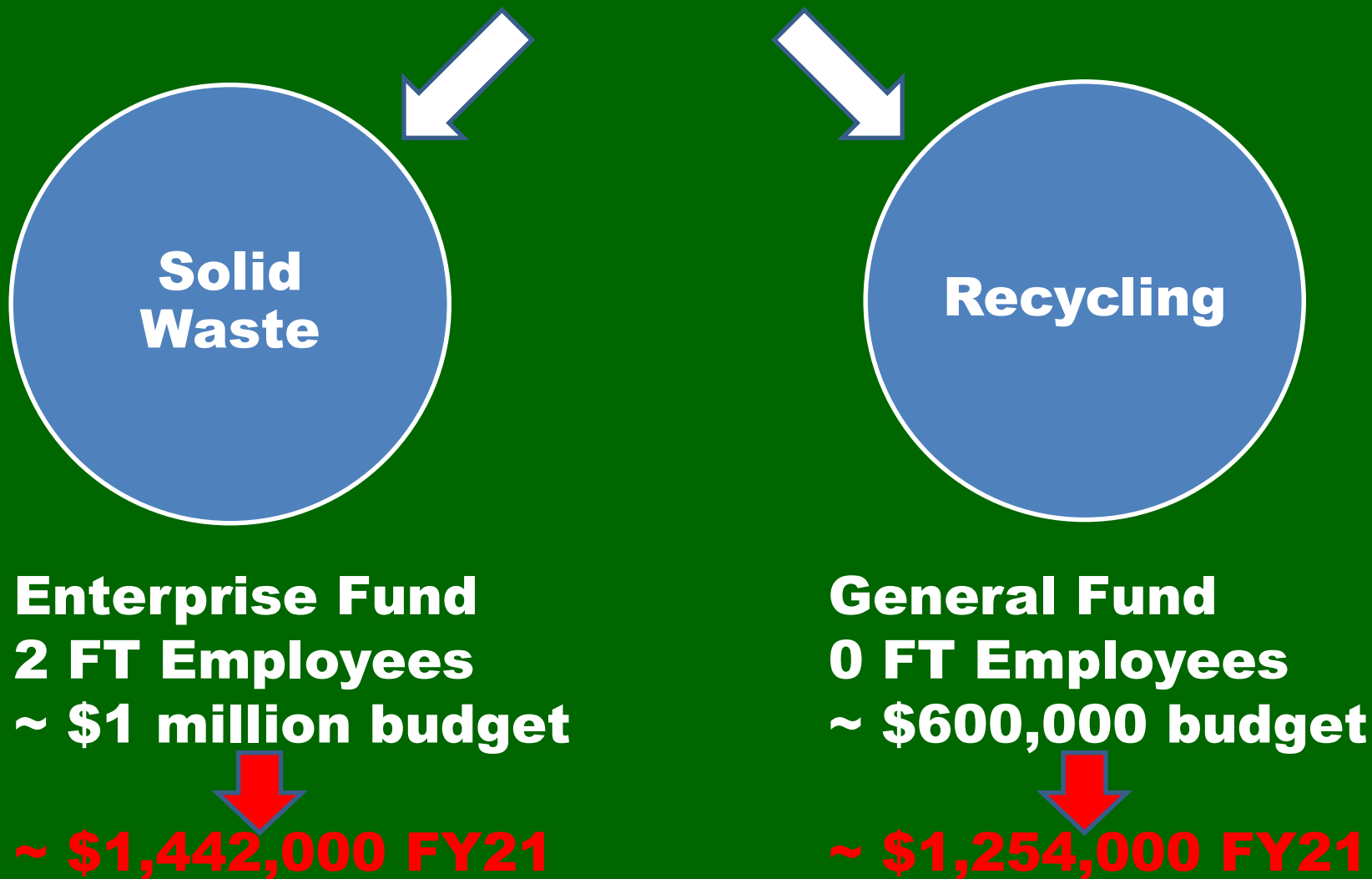
Prior discussion:

- August 14, 2019 – City Council Workshop
- December 12, 2019 – SWAC Meeting
- January 8, 2020 – City Council Workshop



Solid Waste & Recycling

2 separate budgets





Solid Waste Budget Impacts

Current Solid Waste

Collection - \$363,000

Tipping - \$290,250

Staff, City - \$394,332

WM Bids

Collection - \$704,840

Tipping - \$315,000

Staff, City - \$422,160

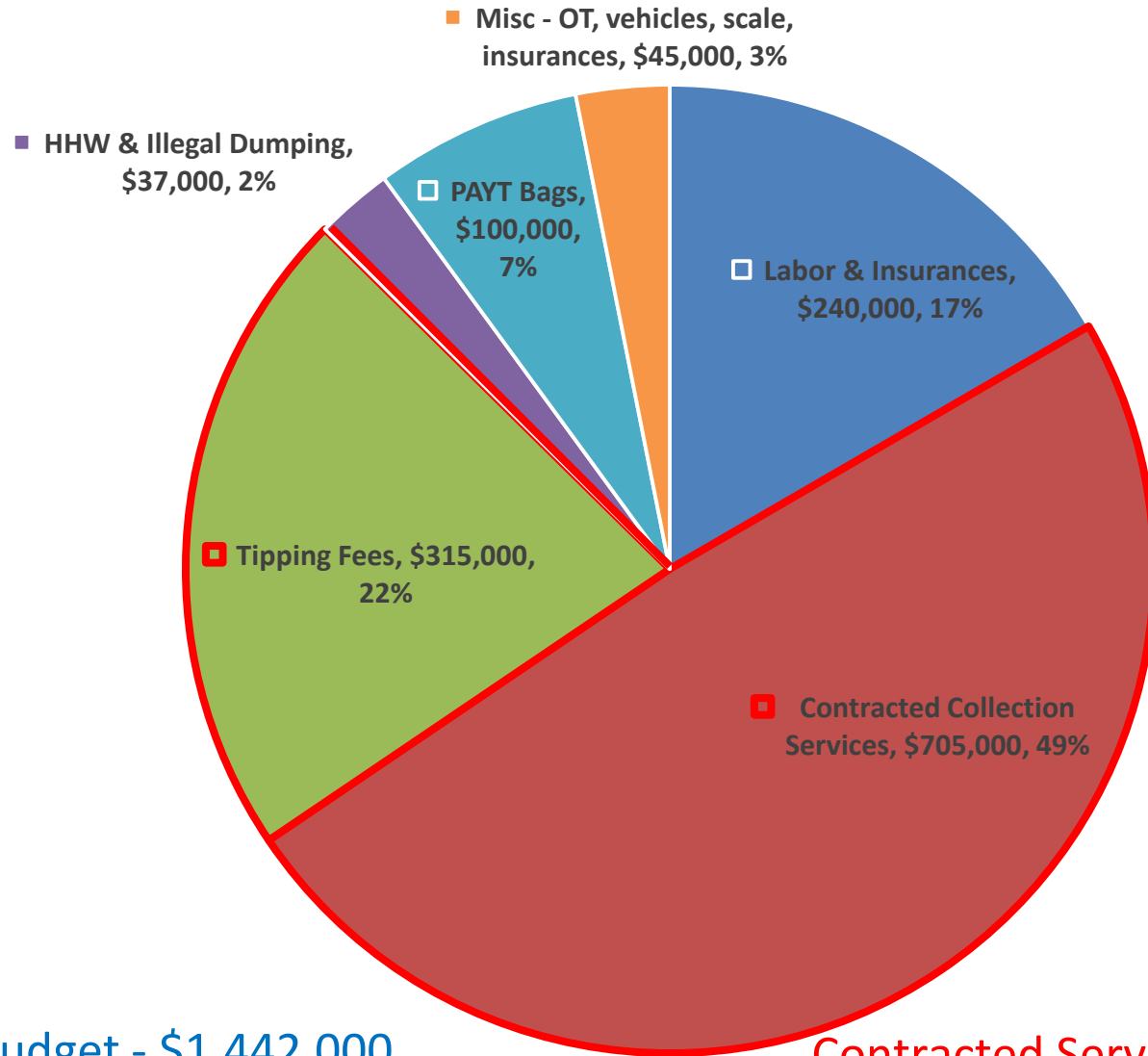
Budget Totals

FY2020 - \$1,047,582

Budget Impacts

FY2021 - \$1,442,000

Solid Waste Expenses



FY21 Budget - \$1,442,000

Contracted Services - \$1,020,000
71%

Solid Waste – Summary of Services

- 1) Curbside Collection – 7,800 stops, residential – 4 units or less, businesses in downtown Commercial Zone – which is bounded by Central, 4th to Kirkland; and Washington, Belknap to Main Street. Can adjust \$63.60/stop annually
- 2) Tipping fees – fairly consistent 4,300 to 4,500 tons
- 3) Downtown Receptacles – 52 receptacles throughout downtown and other City properties. Summertime 3x per week, otherwise either 2x or 1x week
- 4) Municipal Dumpsters – 21 total, some 2x weekly, others 1x weekly
- 5) Collection of Yard Waste – 6-week period, late-October thru early-December, residents can put compostable yard-waste bags curbside, estimate 100 tons +/-
- 6) 30 yd dumpster – provide enclosed, lined dumpster, specific for storage of old asbestos-cement water pipe that might be encountered during City construction
- 7) 30 yd dumpster – Provide for HHW Day, includes hauling & disposal
- 8) 30 yd dumpster – Provide for Apple Harvest Fest, includes hauling & disposal
- 9) 15 yard dumpster – Provide for Police Horse Stables, City handles hauling as necessary
- 10) GPS Tracking – City requested option to track daily collection routes and progress
- 11) Initial Truck Rental – unique to first 7-months, as proposed by WM to cover expected truck rentals to start contract period until new trucks can be ordered.

Solid Waste - Contracted Services

Year 1 Summary

	Solid Waste Description	RFP #	Solid Waste
1	Curbside Collection of Solid Waste	1	\$496,080
2	Tipping Fees - assume 4,500 tons		\$315,000
3	Collection from Downtown Receptacles	6	\$22,000
4	Collection of Municipal Dumpsters	7	\$80,650
5	Curbside collection & disposal of Yard Waste	9	\$54,000
6	Provide 30 yard dumpster for AC Pipe Storage	10a	\$1,080
7	Provide 30 yard dumpster for HHW Day	10b	\$1,300
8	Provide 30 yard dumpster for Apple Harvest Day	10c	\$650
9	Provide 15 yard dumpster for Police Horse Stables	10d	\$1,080
10	Provide access to real-Time GPS Monitoring	11	\$750
11	Initial Truck Rental	extra	\$47,250
		Contract Total =	\$1,019,840

	Current	Proposed
Solid Waste Description	Vendor	WM
All Solid Waste Collection Services	\$363,000	\$704,840
Tipping Fees - assume 4,500 tons	\$290,250	\$315,000
	\$653,250	\$1,019,840

Solid Waste - Contracted Services

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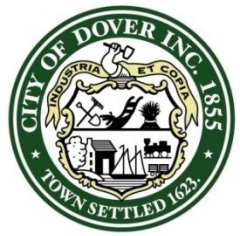
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	\$653,250	\$1,019,840



Solid Waste Tipping Fees

Bid 20012 Disposal Fees of Solid Waste

Based on Bids Received 11/6/19 - for disposal only

Disposal Fees for Curbside Collection of Solid Waste	Year 1	Year 2	Year 3	Year 4	Year 5
Waste Management (\$/ton)	\$70.00	\$74.00	\$77.50	\$81.00	\$85.00
Casella	No bid	No bid	No bid	No bid	No bid
Eco Maine	No bid	No bid	No bid	No bid	No bid
Existing Tipping Fees (\$/ton)	\$67.50				
Annual Tipping Fees	\$315,000	\$333,000	\$348,750	\$364,500	\$382,500
Net annual impact assuming 4,500 tons	\$11,250	\$29,250	\$45,000	\$60,750	\$78,750

Minimal SW tipping fee impact - \$67.50 now to \$70.00 per ton

Solid Waste - Contracted Services

5-Year Expenses

	Solid Waste Description	Year 1	Year 2	Year 3	Year 4	Year 5
1	Curbside Collection of Solid Waste	\$496,080	\$510,978	\$526,344	\$542,100	\$558,402
2	Tipping Fees - assume 4,500 tons	\$315,000	\$333,000	\$348,750	\$364,500	\$382,500
3	Collection from Downtown Receptacles	\$22,000	\$22,660	\$23,340	\$24,040	\$24,761
4	Collection of Municipal Dumpsters	\$80,650	\$83,070	\$85,562	\$88,128	\$90,772
5	Curbside collection & disposal of Yard Waste	\$54,000	\$55,620	\$57,289	\$59,007	\$60,777
6	Provide 30 cy dumpst. for AC Pipe Storage	\$1,080	\$1,112	\$1,146	\$1,180	\$1,216
7	Provide 30 cy dumpst. for HHW Day	\$1,300	\$1,339	\$1,379	\$1,421	\$1,463
8	Provide 30 cy dumpst. for Apple Harvest Day	\$650	\$670	\$690	\$710	\$732
9	Provide 15 cy dumpst. for Police Stables	\$1,080	\$1,112	\$1,146	\$1,180	\$1,216
10	Provide access to real-Time GPS Monitoring	\$750	\$773	\$796	\$820	\$844
11	Initial Truck Rental	\$47,250	\$0	\$0	\$0	\$0
	Totals =	\$1,019,840	\$1,010,334	\$1,046,441	\$1,083,086	\$1,122,682



Solid Waste Revenue PAYT Bag Pricing

- **Projected FY20 SW Fund Balance = \$246,000**
- **Finance suggested following 1-time increases**
 - **\$1.45 to \$1.95 for 15 gallon bags**
 - **\$2.15 to \$3.15 for 30 gallon bags**
 - **\$5.00 to \$10.00 Bulky Waste tags**
- **This maintains FB around \$250K +/- by FY25**
- **FY21 Draft Budget includes this suggested pricing**



Alternative PAYT Bag Pricing

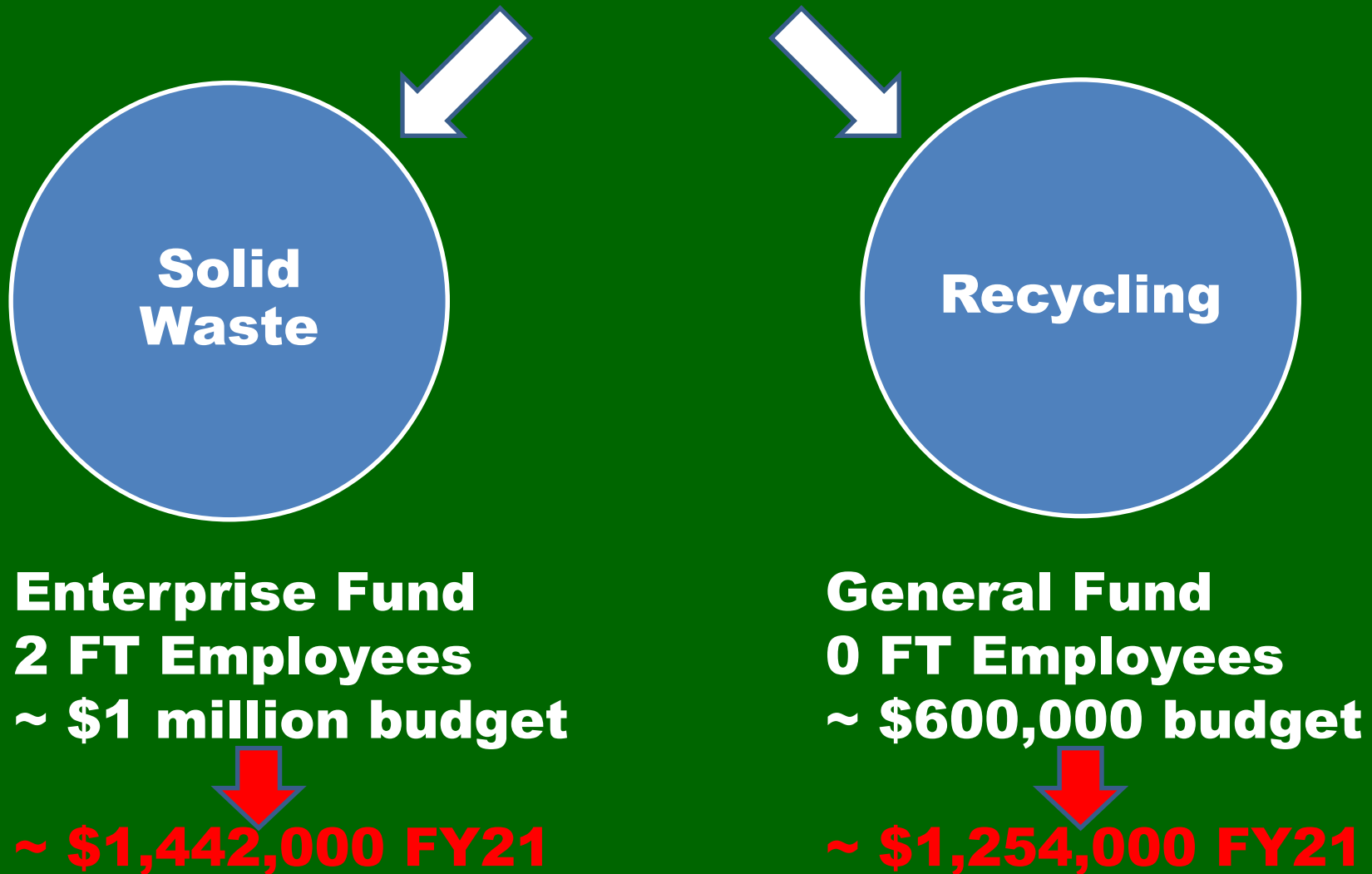
- Could dip into FB to offset immediate price impact
- Scenario below allows existing FB = \$246,000 (16.9%) to drop to 5% by FY23, then added price increases to build back up
- This sustains FB of around \$215K +/- by FY25

Item	FY21	FY 22	FY 23	FY 24	FY 25
15 gall	\$1.80	\$1.80	\$1.90	\$2.00	\$2.25
30 gall	\$2.90	\$2.90	\$3.05	\$3.25	\$3.55
tags	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
FB %	13.00%	9.00%	5.00%	9.00%	13.00%



Solid Waste & Recycling

2 separate budgets





Recycling Budget Impacts

Current Recycling

Collection - \$430,000

Tipping - \$0

Staff, City - \$188,159

WM Bids

Collection - \$729,686

Tipping - \$325,000

Staff, City - \$199,314

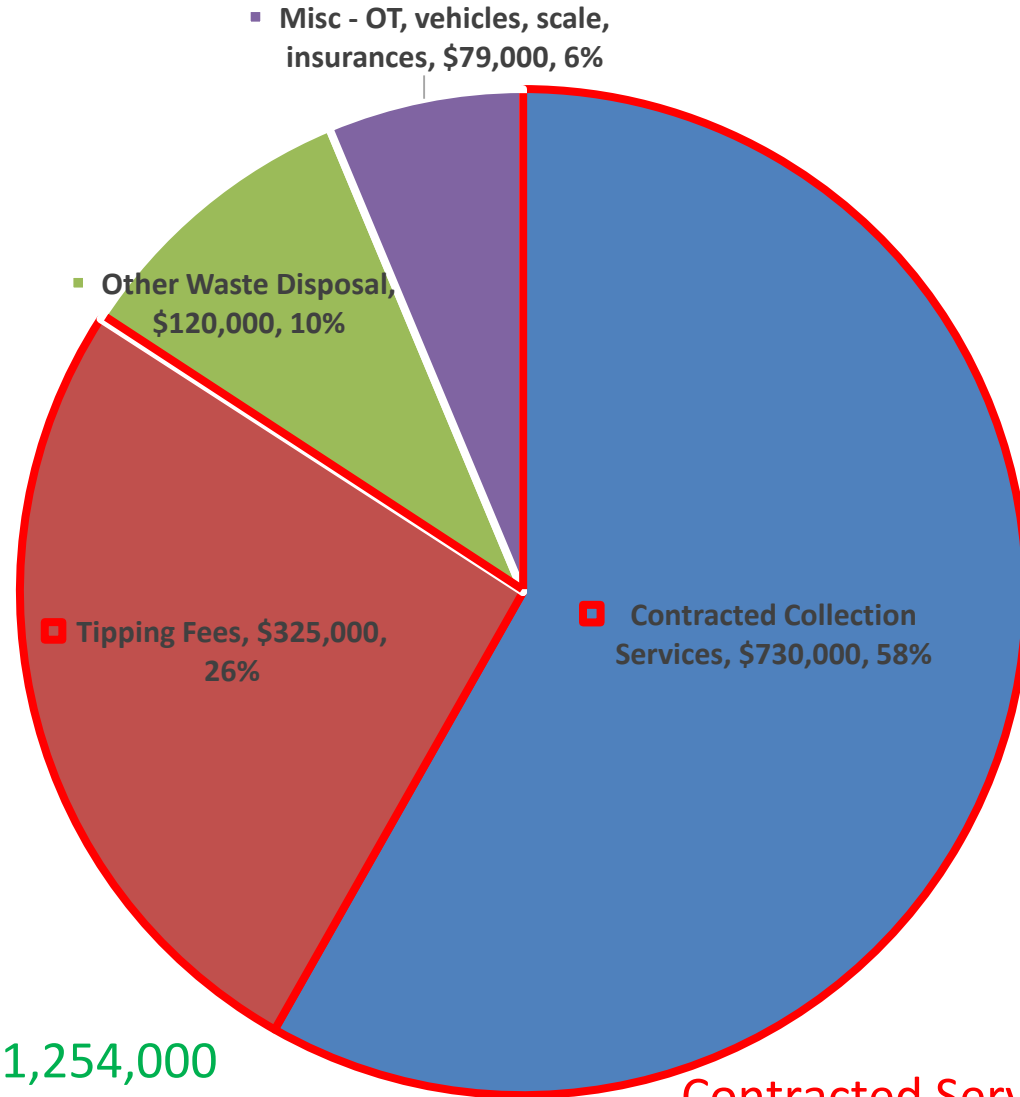
Budget Totals

FY2020 - \$618,159

Budget Impacts

FY2021 - \$1,254,000

Recycling Expenses



FY21 Budget - \$1,254,000

Contracted Services - \$1,055,000
84%

Recycling – Summary of Services

- 1) Curbside Collection – 7,800 stops, residential – 4 units or less, businesses in downtown Commercial Zone – which is bounded by Central, 4th to Kirkland; and Washington, Belknap to Main Street. Can adjust \$76.92/stop annually.
- 2) Tipping Fees – fairly consistent 2,400 to 2,600 tons – projecting \$125/ton disposal.
- 3) Provide containers and compactor at Recycling Center – provide 5 dumpsters & 1 enclosed compactor. Have 3 dedicated for OCC, 1 mixed-paper, and 1 comingled recyclables.
- 4) Hauling from Recycling Center – Project 300 hauls annually, based on 150 tons of mixed paper, 250 corrugated cardboard, and 50 tons co-mingled minus fiber.
- 5) Collection of Recycling Toters – 172 Toters, collection & disposal of Recycling at City properties, parks & multi-family residential properties.
- 6) WWTP Screenings – Haul & dispose debris from pump stations. City-owned dumpsters – assume 4 trips annually with 4 to 6 tons per dump.
- 7) GPS Tracking – City requested option to track daily collection routes and progress
- 8) Initial Truck Rental – unique to first 7-months, as proposed by WM to cover expected truck rentals to start contract period until new trucks can be ordered.

Recycling - Contracted Services Year 1 Summary

	Recycling Description	RFP #	Recycling
1	Curbside Collection of Recycling	2	\$600,000
2	Tipping Fees - assume 2,600 tons		\$325,000
3	Provide containers and compactors at Recycling Center	5	\$10,800
4	Hauling from Recycling Center		\$57,000
5	Collection of Various Recycling Toters	8	\$13,236
6	WWTP Screenings	10e	\$650
7	Provide access to real-Time GPS Monitoring	11	\$750
8	Initial Truck Rental		\$47,250
	Contract Total =		\$1,054,686

	Current	Proposed
Recycling Description	Vendor	WM
All Solid Waste Collection Services	\$429,000	\$729,686
Tipping Fees - assume 2,600 tons	\$0	\$325,000
	\$429,000	\$1,054,686

Recycling - Contracted Services Year 1 Summary

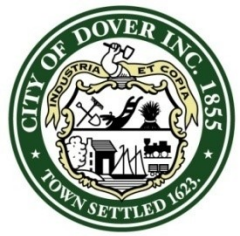
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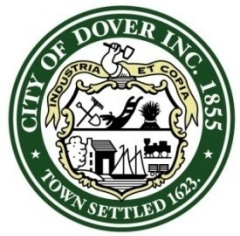
Recycling Tipping Fees

Bid 20012 Disposal Fees of Recycling

Based on Bids Received 11/6/19 - for disposal only

Disposal Fees for Curbside Recycling	Year 1	Year 2	Year 3	Year 4	Year 5
Eco Maine - FIXED	\$145.00	\$145.00	\$145.00	\$145.00	\$145.00
Casella - FIXED	\$190.00	\$197.60	\$205.50	\$213.72	\$222.27
Waste Management - FIXED	\$140.00	\$150.00	\$160.00	\$170.00	\$180.00
Existing Tipping Fees = \$0	\$0.00				
Net annual impact assuming 2,600 tons	\$364,000	\$390,000	\$416,000	\$442,000	\$468,000

Major impact, as no current tipping fee = \$0 per ton

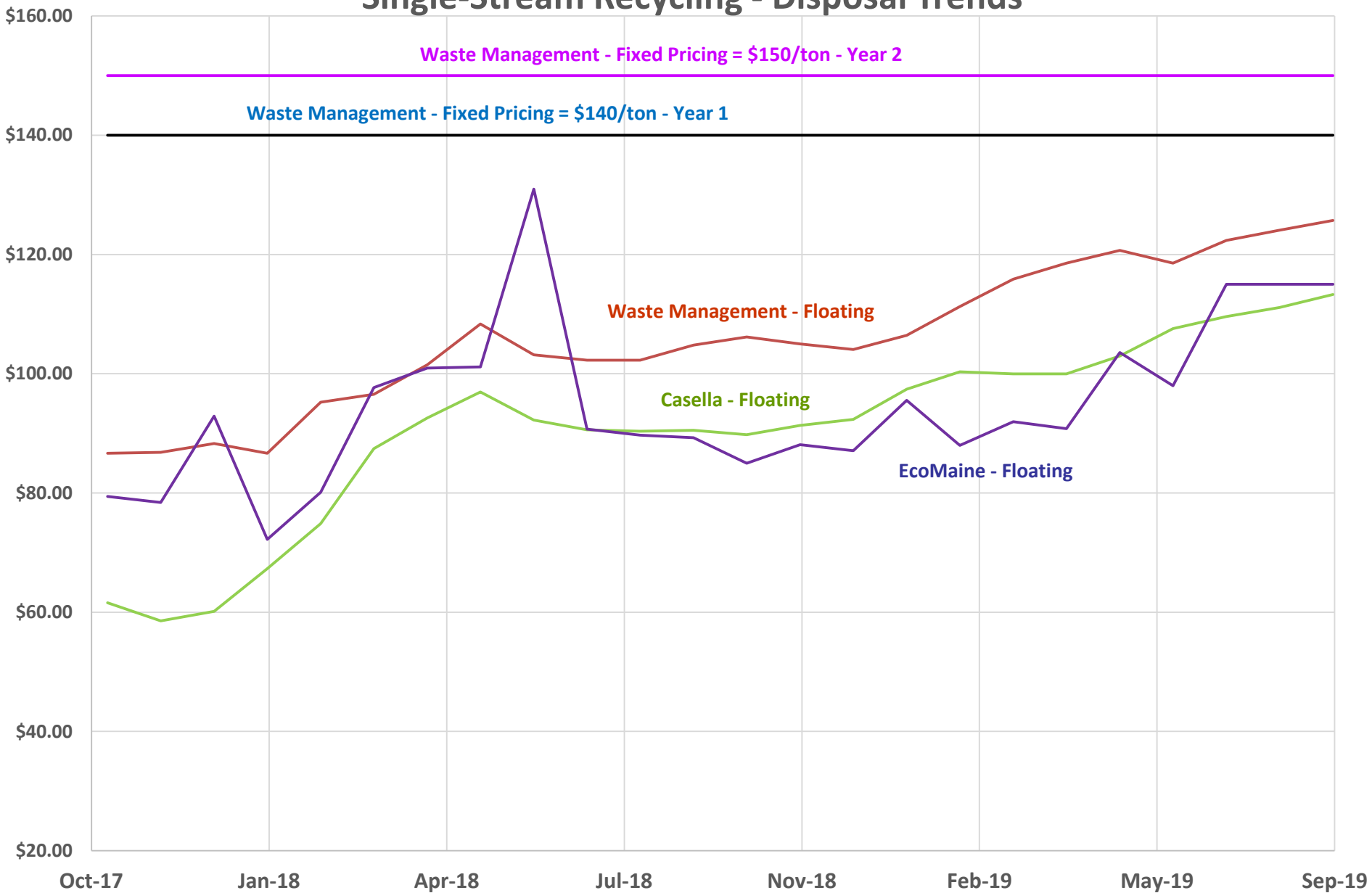


Recommend “floating” Fees

Bid 20012 Disposal Fees of Recycling					
Based on Bids Received 11/6/19 - for disposal only					
Disposal Fees for Curbside Recycling	Year 1	Year 2	Year 3	Year 4	Year 5
Waste Management - FIXED	\$140.00	\$150.00	\$160.00	\$170.00	\$180.00
Net annual impact assuming 2,600 tons	\$364,000	\$390,000	\$416,000	\$442,000	\$468,000
Floating Pricing - Market Driven	Sep-19	Aug-19	Jul-19	Jun-19	May-19
Waste Management - FY19 Avg Annual Cost	109.66				
Variable Price - Blended Value	\$125.71	\$124.09	\$122.36	\$118.54	\$120.70
Net annual impact assuming 2,600 tons	\$285,116				
Potential Savings =	\$78,884	\$104,884	\$130,884	\$156,884	\$182,884

Waste has base price of \$145 for transportation & handling. Assumes less than 10% contamination. They have \$225/ton penalty for anything over 10% contamination. Also have own BV commodity.

Single-Stream Recycling - Disposal Trends



Recycling - Contracted Services

5-Year Expenses

	Recycling Description	Year 1	Year 2	Year 3	Year 4	Year 5
1	Curbside Collection of Recycling	\$600,000	\$617,994	\$636,558	\$655,668	\$675,324
2	Tipping Fees - assume 2,600 tons	\$325,000	\$325,000	\$325,000	\$325,000	\$325,000
3	Provide cont. & comp. at Recycling Center	\$10,800	\$11,124	\$11,458	\$11,801	\$12,155
4	Hauling from Recycling Center	\$57,000	\$58,710	\$60,471	\$62,286	\$64,155
5	Collection of Various Recycling Toters	\$13,236	\$13,633	\$14,042	\$14,463	\$14,897
6	WWTP Screenings	\$650	\$670	\$690	\$710	\$732
7	Provide access to real-Time GPS Monitoring	\$750	\$773	\$796	\$820	\$844
8	Initial Truck Rental	\$47,250	\$0	\$0	\$0	\$0
	Totals =	\$1,054,686	\$1,027,903	\$1,049,014	\$1,070,748	\$1,093,107