

REVISED AGENDA BRIEFING MEMORANDUM

COMMITTEE: Public Works & Services Committee

LEGISLATION ITEM: 0372-18

AGENDA DATE: ~~April 24, 2018~~ May 8, 2018

DEPARTMENT: Public Works

Prepared By: Mark Yehlen

Reviewed By: Jim Palenick

SUBJECT: Discussion of bulky waste handling system

EXECUTIVE SUMMARY: The established current bulky waste collection program allows City Households to receive (4) free, on-demand call-in collections of bulky waste per-year. (Bulky waste consisting of those large, items that cannot fit into the standard 95-gallon curb-cart and which do not constitute excess bagged or boxed standard household waste). Beyond the four pick-ups, there is then no limit to the number of additional pick-ups that are available at a fee (\$50 per 5-cubic yards). Further, if any household believes they are creating quantities of general trash and solid waste greater than that which can be contained weekly in the standard-issue 95-gallon curb-cart, they can purchase one or more additional carts at the one-time cost of \$55/cart and those carts will then get picked-up weekly at no additional charge. Finally, City residents have the additional option to transport any bulky waste or excess general trash and household solid waste to any 1 of 3 established City drop-off sites at no charge. While City staff will be the first to acknowledge that the City has been less than optimal in its initial communication efforts to explain the transition to the containerized pick-up service and how "bulky-waste" (outside the carts) are both defined and to be collected, the combined opportunities for collection and disposal have been meeting service demands in virtually all cases. The source for nearly all the remaining complaints seems to be from land-lords who, in effect, want to see the system subsidize their clean-outs of trash and debris left by departing tenants. We don't believe it would be appropriate to create costly exceptions to the current system simply to satisfy such complaints. We are, nonetheless looking seriously at the potential for both efficiency and possible service upgrades which might be achieved by privatizing the bulky-waste portion of the City's solid waste collection and disposal program. Due to recent complaints, mainly from landlords, about limiting "call-in" bulky waste collections to items too large to fit into 95-gallon solid waste carts, DPW crews have resumed picking up relatively small items that can be disposed of as regular solid waste during these collections. Collecting these items during bulky waste pick-ups exposes our workers to unnecessary hazards and increases our landfilling expenses. At least 40% of the "call-in" bulky waste collections our crews perform are at rental properties, which comprise less than 10% of the properties we serve.

To improve worker safety and reduce landfilling expenses, I recommend limiting bulky waste collections to items too large to fit into a 95-gallon cart.

BACKGROUND & ANALYSIS: Resolution 0249-17 (attached) established the DPW Bulky Waste Handling System in conjunction with the implementation of the city's semi-automated solid waste collection system. Our residential customers have the option of bringing their excess household waste and bulky wastes to three drop-off sites at no charge, or scheduling pick-ups of bulky wastes at the curb-line through a "call-in" system.

To eliminate manual handling of bulky wastes and take advantage of DPW's existing equipment, our crews are using wheel-loaders with "clam-shell" buckets and 5-yard dump trucks to remove wastes from the curb-line for all "call-in" bulky waste collections. Bags of trash, boxes of junk and uncontained small items placed on the curb-line with bulky items create significant handling difficulties and frequently require manual handling and loading of items that can typically fit into a 95-gallon cart. Additionally, the Kestral Hawk Landfill charges the city \$88.30 per ton to dispose of bulky wastes, as opposed to the \$46.89 per ton charged to dispose of compacted wastes from our rear-loading trucks.

From the September 2017 through April 18, 2018, the DPW Field Office received 1807 requests for bulky waste collections. This equates to about 60 collections per week, or an average 15 scheduled collections per day for our regularly scheduled Tuesday through Friday collections. These collections typically require three workers, one operating a wheel-loader, and two driving dump trucks transporting waste to the Pearl Street Facility. This level of demand has been manageable, and our customers can typically schedule a collection within seven to ten days of their initial contact with the Field Office.

I reviewed the 1007 "call-in" bulky waste collection requests that were submitted to the DPW Field Office during the first three and one-half months of 2018. I identified about 400 of these requests that were easily recognizable as being from rental properties (i.e. calls for two to four family dwellings, calls from property management firms, calls for multiple addresses from one person, etc.) to make a rough distinction between the level of service being provided to rental properties (businesses) verses private residences. Information about the bulky waste collection services being provided to these two categories of property is as follows:

Locations that are clearly rental properties (four dwelling units or less):

| | |
|--|-------------|
| Number of requests | 398 of 1007 |
| Percentage of total requests | 39.5% |
| Number of house/apartment "clean-outs" | 17 |
| Number of requests including "bags, boxes & misc." | 122 |
| Percentage of requests with "bags, boxes, misc." | 30.5% |

Private residences (most likely)

| | |
|--|-------------|
| Number of requests | 609 of 1007 |
| Percentage of total requests | 60.5% |
| Number of house "clean-outs" | 0 |
| Number of requests including "bags, boxes & misc." | 104 |
| Percentage of requests with "bags, boxes, misc." | 17.1% |

Undoubtedly some fraction of the bulky waste pick-up requests listed under "private residences" are for single-family rental properties, so the quantities and percentages listed above under "rental properties" are most probably low. Based on the 2012-2016 U.S. Census Bureau American Community Survey data, approximately 9,000 city residents live in one to four unit rental housing. Assuming an average of three occupants per unit and two rental units per property, I estimate that 1,500 of the 27,000 properties we serve are rental properties, or about 5.5%. Given that a minimum of 40% of the "call-in" bulky waste collections are going to less than 10% of the properties served by DPW, it can be argued that an inordinate amount of the bulky waste collections are being provided to landlords, and that their business operations are being subsidized by city tax payers. Per municipal code, we don't provide solid waste collection services to properties with five or more living units, giving the landlords we do serve a

cost advantage over the owners of rental properties paying commercial waste haulers to handle their solid waste and recycling.

Additionally, our customers can purchase additional 95-gallon carts for \$55.00 each, and the Pearl Street Facility and satellite collection sites accept bulky items and regular solid wastes at no charge.

On April 24, 2018, the Public Works and Services Committee directed me to explore the feasibility of performing bulky waste collections via contract. I conferred with various members of city staff, contacted other municipalities, and consulted with several commercial waste haulers to identify two bulky waste contracting models: indefinite quantity/unit price contracting; and fixed price contracting. I've attached brief synopses of these options as: "Indefinite Quantity/Unit Price Bulky Waste Collection Contract Features"; and "Fixed Price Bulky Waste Collection Contract Features".

BUDGETARY IMPACT: We are paying an additional \$41.41 per ton to landfill regular solid wastes that are being disposed as a portion of our "call-in" bulky waste collections.

Manually handling small items during bulky waste collections exposes our workers to unnecessary hazards and will most likely increase the city's workers compensation costs.

A detailed cost-benefit and operational analysis of bulky waste collection options will be required to estimate the financial impact of performing bulky waste collections via contract.

RECOMMENDED ACTION: To reduce our bulky waste disposal costs and eliminate the hazards associated with manually handling bags of trash, boxes of junk and small uncontained wastes, limit "call-in" bulky waste collections to non-regulated waste items that are too large to fit into a 95-gallon solid waste cart.

Perform a detailed cost-benefit and operational analysis of performing bulky waste collections by contract.

ATTACHMENTS: Resolution 0249-17 Bulky Waste Handling System
Indefinite Quantity/Unit Price Bulky Waste Collection Contract Features
Fixed Price Bulky Waste Collection Contract Features



Legislation Details (With Text)

File #: Res.0249-17 **Version:** A **Name:** Bulky Yard Waste Handling Systems
Type: Resolution **Status:** Passed
File created: 9/20/2017 **In control:** City Attorney's Office
On agenda: 9/20/2017 **Final action:** 9/20/2017
Title: Bulky Yard Waste Handling Systems

Resolved, that the Department of Public Works is approved to establish a bulky waste handling system to provide Solid Waste System customers means of disposing of large items of non-regulated wastes, and excess volumes of household wastes that can't be fit into solid waste cart(s). This system shall provide pick-ups of bulky wastes to individual residential customers through a "call in" system requiring the property owner to call the DPW Field Office at (262) 636-9126 to schedule a pick-up. Each residential unit, as determined by the City Assessor, will be allowed four "no charge" bulky waste collections annually. If a residential unit uses more than four bulky waste pickups, the property owner will be charged a \$50 fee per 5-Yard Truck collection. Residential customers shall also have the option of disposing of non-regulated household bulky wastes, at no charge, at three drop-off sites. Proof of residency shall be required when items are dropped off at these sites. The three drop-off sites shall be available as follows:

1. Pearl Street Facility (830 Racine Street) - Main Site - open Tuesday through Saturday, except holidays and Saturdays following a holiday, 52 weeks per year, from 10:00 a.m. to 6:00 p.m.
2. Yout Street and Edgewood Avenue (1936 Edgewood Avenue) - open Mondays and Wednesdays, except holidays, April through November, 10:00 a.m. to 6:00 p.m.
3. 19th Street and West Boulevard (1955 Grove Avenue) - open Tuesdays and Thursdays, except holidays, April through November, 10:00 a.m. to 6:00 p.m.

Further resolved, that the revisions to the bulky and yard waste handling systems is approved, with the addition of 1 additional pickup date to the 4 pickup dates, with the 1 additional pickup date to be after the Independence Day holiday, and that the program be reviewed on or around June 30, 2018.

Fiscal Note: Implementing these changes will reduce the City's Workers Compensation (Org 11201 Object 51500) expenditures by an estimated average of \$100,000 per year. These changes will allow four workers to be reassigned from the Solid Waste Division (Org 14006) to the Street Maintenance Division (Org 14010). This reassignment will be budget neutral but will result in more street maintenance being accomplished annually.

Sponsors: Q.A. Shakoor II

Indexes:

Code sections:

Attachments:

| Date | Ver. | Action By | Action | Result |
|-----------|------|----------------|----------|--------|
| 9/20/2017 | A | Common Council | Adopted | Pass |
| 7/18/2017 | A | Common Council | Referred | Pass |

Alderman Shakoor

Bulky Yard Waste Handling Systems

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Indefinite Quantity/Unit Price Bulky Waste Collection Contract Features

Similar to the Building Department's existing *Nuisance Abatement and Property Clean-Up* contract:

- Solicited via open bid with unit prices for various order items: "stop charge", cubic yards collected, tons disposed, etc.
- Awarded to lowest responsible bidder based on total of estimated quantities (stops, cubic yards, etc.) multiplied by unit prices.
- City receives collection requests directly from property owners, schedules by geographic zones and orders collections from contractor.
 - City monitors number of collections from each customer and invoices for extra collections.
- City verifies/monitors contractor performance through close scrutiny.
 - Contractor submits date/time stamped before and after photographic proof of collections and proof of disposals for periodic payments.
 - Contract may include monetary penalties for missed/late collections, incomplete/untidy collections, substantiated customer complaints, etc.

Pros:

- City only pays for services rendered

Cons:

- City assumes financial impact for bulky waste collection and disposal costs:
 - Annual bulky waste collection and disposal costs would be variable and difficult to budget/control
 - Contractor has no incentive to promote waste minimization/diversion or use of drop-off centers
- City assumes contractor oversight administrative burden
- City retains all of the customer service request processing, service scheduling and billing responsibilities.

Fixed Price Bulky Waste Collection Contract Features

Similar to the bulky waste collection portions of other municipalities' solid waste collection performance contracts:

- Solicited via open bid with annual fixed price based on number of customers, number of “no-charge” collections per customer and historic work load data.
- Awarded to lowest responsible bidder based on “lump sum” price or price per customer.
- Contractor receives collection requests directly from property owners, schedules collections within stated response time requirements.
 - Contractor monitors number of collections for each customer and bills customer directly for extra collections.
- City verifies/monitors contractor performance by exception:
 - Contract penalties driven by substantiated customer complaints.
 - Contractor paid monthly fee for satisfactory service within contract performance metrics

Pros:

- City assumes limited risk for variations in bulky waste collection and disposal costs:
 - Annual bulky waste collection and disposal costs established at time of contract award
 - Contractor has an incentive to promote waste minimization/diversion programs and use of drop-off centers
- City assumes minimal contractor oversight administrative burdens while shifting all customer service request processing and scheduling responsibilities to the contractor.
- Customers could potentially benefit from contractor's operational economies of scale, i.e. web-based collection request/scheduling/status reporting systems, credit card payment options, etc.

Cons:

- Any program features that create uncertainty for the contractor (i.e. lack of quantity and item weight limits) will most likely increase contract costs.
- City doesn't financially benefit from bulky waste minimization/diversion programs.