

Excerpts from the
ALACHUA COUNTY SOLID WASTE MANAGEMENT ISSUES
Alachua County Public Works
7/29/2010

3.2.2.3. Contractual Flow Control

Contractual flow control can be achieved through the use of four types of contracts, as explained below:

Exclusive Franchise: Exclusive franchise agreements for the collection of solid waste are common in Florida. At least 42 counties have exclusive agreements for residential waste collection, and 26 of these agreements also include commercial waste collection. Provisions that allow local governments to designate facilities for the delivery of solid waste are common in such agreements. Obtaining political and public support to establish an exclusive franchise where one does not currently exist requires the ability to convey the purpose and potential benefits of a franchise to the county and community. Establishing an exclusive franchise has the potential to displace one or more existing collection service providers. Such displacement requires compliance with Section 403.70605 F.S. As mentioned previously, Alachua County 7/22/2010 Alachua County Solid Waste Management Issues 17 meets one of the exemptions of this law, and also has given the required notice of its possible intent to establish an exclusive commercial franchise.

Interlocal Agreement: Interlocal agreements (ILAs) between a county and municipalities within the county are also utilized to commit the municipality to direct all solid waste over which it has control to a designated facility. The municipalities would in turn need to designate the same facility in their collection contracts. Pursuing an ILA can be warranted for municipalities that generate a significant portion of waste within the county. Alachua County currently has an ILA with the City of Gainesville, but not with other municipalities within the county. Six of the other municipalities have exclusive collection contracts for both residential and commercial waste, and the other two contracts only for residential waste collection.

4.3. CONTRACTUAL FLOW CONTROL

4.3.1. Exclusive Franchise

Legal Implications: This is the option currently exercised by the City and County in the residential solid waste market. Local government has the legal right to enter into agreements with a limited number of haulers to provide commercial collection services. In Florida, these agreements often contain flow control provisions through which the haulers and the local government agree to the disposal locations of commercial solid waste. Alachua County and the City of Gainesville have met the legal requirements to establish exclusive franchises that may displace haulers.

Fiscal Implications: Implementing this option would have fiscal impacts on the City and County, the solid waste haulers and the commercial businesses. The City and County would be able to negotiate the rates charged to the commercial businesses with the haulers during the bid phase of the contract award. The City and County would be able to collect franchise fees to administer the contracts. The rates charged by commercial haulers would be set in the contracts with the County and City, not in the contracts between the haulers and the commercial customers.

Policy Implications:

Pros: The exclusive franchise option would allow the City and County to institute flow control, which would allow our communities to ensure adequate waste flow for the Resource Recovery Park and organics recycling facility. It would also allow our communities to properly track the recycling rates to comply with 75% recycling goals in the Florida Statutes and the Alachua County Comprehensive Plan. Commercial haulers would compete for the contracts with the City and County during the bid phases, ensuring competitive rates. The City/County and the hauler who is awarded the contracts will agree to terms of the contract, including frequency of collection, type of collection vehicles, customer services responses, etc.