



Legislation Text

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Solid Waste Collection Contract (B)

This item is a request for the City Commission to approve the renewal of a contract between the City and WCA (City's contract waste hauler) for residential and municipal solid waste, recycling and yard trash collection.

The current contract term ends September 30, 2016, with the option for two 5-year renewals. The City has negotiated with WCA to renew this contract for one 5-year period, effective immediately with the renewal ending on September 30, 2021. In return, WCA has agreed to convert their fleet to Compressed Natural Gas (CNG) and develop a publicly accessible fueling station, in addition to various reductions in certain rates from the original contract.

On July 18, 2013, the City Commission authorized the City Manager to negotiate the final terms of the contract extension. Staff has worked with Alachua County and WCA representatives to negotiate the following:

1. The City agrees to renew this agreement for one 5-year period, effective immediately and terminating September 30, 2021.
2. WCA has agreed to convert its residential collection vehicles from diesel to compressed natural gas (CNG) within five (5) months of the execution of the renewal; with the exception of its recycling trucks which will not be converted until the city and county have determined what future recycling collection needs are.
3. WCA has agreed to eliminate the diesel fuel surcharge upon execution of the contract renewal and replace it with a flat rate of \$0.10 per household per month to cover fluctuations in CNG prices.
4. In addition to constructing a slow fill CNG refueling station on their property for their fleet, WCA has also agreed to develop a fast fill station for public use. WCA will purchase its natural gas from GRU.
5. WCA has agreed to reduce the current scheduled and future contract rate increases in FY15 and FY19 from 8% to 6%.
6. WCA has agreed to terminate the use of their transfer station located on Bear Archery Road to process municipal solid waste (MSW) and to direct haul all MSW to the Leveda Brown Environmental Park (LBEP).
7. WCA has executed a voluntary annexation agreement which is being processed by staff.
8. In addition to improving various operational aspects of the collection contract, WCA has agreed to reduce rates for collecting public trash and recycling containers; and has agreed to pay a \$250,000 assignment fee to the City in the event the contract is ever sold or assigned.

The estimated savings over the remaining contract term is \$875,675. All expenses associated with this contract

will be funded through the Solid Waste Enterprise Fund.

The City Commission authorize the City Manager to execute the Renewal Agreement with WCA of Florida, LLC for residential and municipal solid waste, recycling and yard trash collection through September 30, 2021; subject to approval by the City Attorney as to form and legality.