



Solid Waste Collection Contract Update

Parks & Public Works Council Committee

January 17, 2024

PURPOSE



Update the Committee and receive direction on the procurement process for the City's new ten-year solid waste collection contract.

SOLID WASTE CONTRACT BACKGROUND



•Solid waste is typically managed by a city or the Utilities and Transportation Commission (UTC).



Contracts cover residential garbage, recycling, and compostables, and commercial garbage. Commercial recycling and compostables are open market.



Contracts may be acquired through direct negotiation, request-for-proposal (RFP), request-for-bid (RFB), etc.

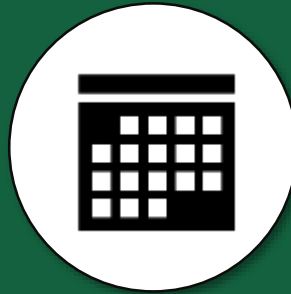


Procurement process typically takes one year, then another 1.5 years are needed for mobilization (and order new trucks).

SNOQUALMIE'S CURRENT CONTRACT



City currently contracts with WM for garbage, recyclables, and compostables collection.



Current contract is 7-years with three, two-year extensions, expiring May 31, 2025.



City does not allow any additional extensions to the existing contract, or direct negotiations for a new 7-year contract.

PROCUREMENT TIMING



It takes longer to get trucks since the pandemic, requiring procurement processes to start earlier.

<1.5 years before end of current contract.

Staff turnover can delay procurement process.

Non-incumbent haulers cannot be as competitive unless provided enough time to buy new trucks.

NEW CONTRACT OPTIONS



1 1-year "status quo" contract with WM + Request-for-Proposal for new 7-year contract

- Time for full RFP process.
- Opportunity for haulers' questions and comments on the new contract.
- Provides more time to acquire trucks.
- RFP considers both rates and hauler in selection process.
- 1-year contract increases rates in short term, but may save money long-term.

2 Request-for-Bid for new 7-year contract

- Quick process with less staff time.
- New hauler is selected based upon rates only.
- New contract features start earlier.
- Decreases number of rate increases.

TIMELINE



Option 1

1-year Contract
Council Process
Feb 2024

7-year Contract
RFP Process
Feb 2024–Jan 2025

1-year Contract
Jun 2025–May 2026

7-year Contract
Jun 2026–May 2033

2024

2025

2026

Option 2

7-year Contract
RFB Process
Feb–Jun 2024

7-year Contract
June 2025–May 2032

Proposed 1-yr Rate Comparison



City	32-Gallon Cart Rate	2-Yard Dumpster Rate	Embedded Services	Hauler
Current Snoqualmie	\$33.44	\$291.54	Weekly Recycling Weekly Compostables	WM
Proposed Snoqualmie	\$50.83 (52% incr.)	\$349.85 (20% incr.)	Weekly Recycling Weekly Compostables	WM
Sammamish	\$47.56	\$297.44	Weekly Recycling Weekly Compostables	Republic
North Bend	\$53.59	\$362.11	Weekly Recycling EOW Compostables	Recology
Unincorporated King County	\$43.97	\$269.45	EOW Recycling EOW Compostables	Republic
<i>Non-Snoqualmie Average</i>	<i>\$48.37</i>	<i>\$309.67</i>	-	-

Option 1 Pros & Cons



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Option 1 Pros

- Most competitive rates from haulers
- Time for full RFP Process
- Industry Review
- Plenty of time for Council to review and comment
- RFP considers both rates and hauler in selection
- Known 52% price increase for 1 year

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Option 1 Cons

- Known 52% Price Increase for 1 year
- Costs could rise by end of RFP process
- 5 Rate increases in 24 months
1/1/25; 6/1/25 (52%); 1/1/26;
6/1/26 (7 year contract); 1/1/27

Option 2 Pros & Cons



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Option 2 Pros

- Pricing is currently competitive based on other contracts
- 3 of 4 haulers are interested and are currently equipped to bid
- Fewer rate increases
- Less drawn-out process
- No single year contract extension

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Option 2 Cons

- New hauler selected strictly based on rates
- At least 1 of 4 haulers could not bid
- No industry review period
- Council will have 1 month to review contract and make changes

Where to go from here?



Option 1 **"Status Quo" Contract**

- 52% price increase
- Time for full RFP process.
- Opportunity for haulers' questions and comments on the new contract.
- Provides more time to acquire trucks. Highest number of bidders possible
- RFP considers both rates and hauler in selection process.

Option 2 **Bids this year**

- Quick process. Council will receive ~1 month of review and comments
- No single year contract
- New hauler is selected based upon rates only.
- 3 of 4 haulers are interested in bidding
- Decreases number of rate increases.

QUESTIONS?



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