



400 South Federal Hwy
Hallandale Beach, FL 33009

City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	Item Type:		1 st Reading	2 nd Reading
4/7/2021	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Other	Ordinance Reading	N/A	N/A
		Public Hearing	<input type="checkbox"/>	<input type="checkbox"/>
		Advertising Required	<input type="checkbox"/>	<input type="checkbox"/>
		Quasi-Judicial:	<input type="checkbox"/>	<input type="checkbox"/>
File No.:				
21-056				
Fiscal Impact (\$):	Account Balance (\$):	Funding Source:	Project Number:	
\$1,351,500	\$1,351,500	3420-543040	N/A	
Contract/P.O. Required	RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	N/A	Jeffrey Odoms, Interim Director	Public Works	
Strategic Plan Focus Areas:				
<input checked="" type="checkbox"/> Finance & Budget		<input type="checkbox"/> Organizational Capacity		<input type="checkbox"/> Infrastructure/Projects
Implementation Timeline:				
Estimated Start Date: 10/1/2020 Estimated End Date: 9/30/2023				

SHORT TITLE:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING PURCHASE ORDER INCREASE FOR SERVICES OF PROGRESSIVE WASTE SOLUTIONS OF FLORIDA, INC. D/B/A WASTE CONNECTIONS OF FLORIDA, FOR SOLID WASTE TRANSFER AND DISPOSAL AND RECYCLING SERVICES FOR THE FISCAL YEAR 2020-21; AUTHORIZING CITY MANAGER TO EXECUTE RELATING DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Summary:

The purpose of this agenda item is to authorize the City Manager to increase the annual allowable expenditure from \$1,125,000 to a not-to-exceed amount of \$1,500,000 - for the services of Progressive Waste Solutions of Florida, Inc. D/B/A Waste Connections of Florida for the current fiscal year, and for the next two fiscal years, until Fiscal Year 2022-2023.

Background:

On October 10, 2010, the City Commission authorized staff to enter into a short-term agreement for solid Waste Service (Attachment 2 - meeting minutes page 3). This agreement resulted from a response to RFI # 2009-2001-010. Although this agreement (Exhibit 3) was a short-term agreement which expired December 31, 2011, it allowed for the option to renew for a successive five (5) year term.

On January 12, 2012, the City agreed to exercise the renewal option mentioned above and renewed the contract for a 5 year period, which expired December 31, 2016 (Exhibit 4).

On July 27, 2012, the City executed the 1st Amendment to the renewal agreement and was amended to incorporate the Okeechobee Landfill, Inc. as an additional disposal site (Exhibit 5).

On January 8, 2014, the City Commission adopted Reso. 2014-06 (Exhibit 6) executing the 2nd Amendment to the contract, which sets an expenditure threshold to \$1,125,000. This amendment (Exhibit 7) also changed the term of the agreement to start 1/1/2014 for a 5-year period until 12/31/2018. In addition, the amendment allowed for the agreement to automatically renew for three (3) successive five (5) year periods (until 12/31/2033) provided neither party has provided the other party with written notice of its intent not to renew.

Choice Broward was a wholly owned subsidiary of Choice Environmental Services, Inc. (CES) at the time the city and Choice Broward entered into the Contract and the 1st Amendment. CES was purchased by Waste Services of Florida, Inc. (WSI) in November of 2012. WSI changed its name to Progressive Waste Solutions of FL, Inc. on June 4, 2012. On June 1, 2016, Waste Connections, Inc. acquired and combined with Progressive Waste Solutions Ltd., the parent company of Progressive Waste Solutions of Florida. Since then, Progressive Waste Solutions of Florida, Inc. has operated under the fictitious business name of "Waste Connections of Florida."

For the past 3 fiscal years staff has been submitting an agenda item to spend over the amount of \$1,125,000, approved in Resolution # 2014-06. Below is the solid waste disposal expenditure history for the past three (3) fiscal years.

Fiscal Year	Amount Spent
2017-2018	\$1,170,260
2018-2019	\$1,199,643
2019-2020	\$1,338,986

Current Situation:

The expenditure for solid waste disposal has been steadily increasing for the past three years. This increase results from new accounts being serviced, increase in solid waste volume from existing accounts and the annual rate increase. Staff anticipates the expenditure to exceed the \$1,125,000 threshold; therefore, staff has budgeted \$1,351,000 for FY 2020-2021. In anticipation of this increase and future increases, and to avoid having to come back to City Commission for the next two fiscal years (FY 2021-2022 and FY 2022-2023), staff recommends increasing the annual allowable expenditure to a not-to-exceed amount of \$1,500,000.

Staff will revisit the terms of the existing agreement prior to the end of the current five (5) year renewal period, which ends December 31, 2023. The plan is to give the company notice at the end of FY 2021-2022 of the City's intent not to renew for another five (5) period, and to go out for an RFP to start a new contract effective January 1, 2024, following the County's effort to create a countywide disposal district.

Why Action is Necessary:

City Commission authorization is required for expenditures over the City Manager Delegated threshold of \$50,000.

Cost Benefit:

The City currently pays \$52.28 per ton to dispose of solid waste with Waste Connections. According to the agreement the per ton rate should not increase by more than 3% per year. The table below shows the percentage increase for the past four (4) years. The hauler's rates are negotiated based on volume.

Year	Rate (Per Ton)	% Increase
2016	\$ 48.25	
2017	\$ 48.75	1%
2018	\$ 50.29	3%
2019	\$ 51.45	2%
2020	\$ 52.10	1%
2021	\$ 52.28	0.34%

The table below shows a comparison of the tipping fee paid by neighboring Cities. The City's rate is higher than the other three (3) cities that are utilizing Waste Connections. However, the rate is based on volume/population. The City of Hallandale Beach's population is less than the other three (3) Cities.

City	Population	Sq Miles	Vendor	Tipping Fee
Hollywood	154,823.00	30.81	Waste Connections	\$42.45/Ton
Oakland Park	45,339.00	8.2	Waste Connections	\$42.99/Ton
Deerfield Beach	80,863.00	16.22	Waste Connections	\$42.99/Ton
Hallandale Beach	39,940.00	4.61	Waste Connections	\$52.28/Ton *
Miramar	140,843.00	31.08	Broward County ILA	\$46.57/Ton
Dania Beach	32,271.00	8.33	Waste Management	\$85.05/Ton

* The city receives a \$7/ton rebate for the solid waste dispose by the Haulers registered to conduct business in the City (\$45.28 /ton)

PROPOSED ACTION

Staff recommends the City Commission adopt the attached resolution authorizing the City Manager to increase the annual allowable expenditure from \$1,125,000 to a not-to exceed amount \$1,500,000 - for the services of Progressive Waste Solutions of Florida, Inc. D/B/A Waste Connections of Florida for the current fiscal year and for the next two fiscal years, until Fiscal Year 2022-2023.

ATTACHMENT(S)

Exhibit 1 - Resolution
Exhibit 2 - City Commission Meeting Minutes of October 10, 2010
Exhibit 3 - Agreement for Transfer and Disposal of Solid Waste and Processing of Single Stream Recycling
Exhibit 4 - Renewal of Agreement
Exhibit 5 - Amendment No. 1 to Agreement
Exhibit 6 - Resolution 2014-06
Exhibit 7 - Second Amendment to Agreement

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Interim Director of Public Works

Approved By: Keven Klopp
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Assistant City Manager