



MEMORANDUM

OCEAT Agenda
Item No. OCEAT.B.
8/2/2016

The City of OKLAHOMA CITY

TO: Chairman and Trustees of the Oklahoma City Environmental Assistance Trust

FROM: James D. Couch, City Manager/General Manager, OCEAT

Resolution approving phased improvements to solid waste collection services, authorizing preparation of solicitations for purchase and delivery of 96 gallon recycling carts, negotiate revised services with SCS Engineers to perform associated solid waste collection route redesign, direct Waste Management of Oklahoma to purchase the alternative trucks to collect the 96 gallon recycling carts, initiate a one-year pilot rural recycling program, prepare a public information campaign to inform customers of routing and recycling changes, prepare ordinance amendments for Council consideration adjusting collection services fees by 3.5 percent annually from October 2016 through 2019, and reducing the residential extra cart fee from \$3.49 to \$2.25 each. Wards 1, 2, 3, 4, 5, 6, 7 and 8.

Location Citywide

Background On March 22, 2016, the Oklahoma City Environmental Assistance Trust (OCEAT) approved an agreement with Waste Management of Oklahoma, Inc. for residential solid waste collection. The agreement provides for the continuation of existing services commencing September 1, 2016 and pricing for potential service alternatives.

On May 31, 2016, City Council received a City Manager Report and presentation by SCS Engineers, OCEAT's solid waste consultant, describing current services, customer desires as indicated from focus groups and surveys, alternative services that could address evolving customer preferences, anticipated costs and fee changes. At the meeting, Council considerations included strong customer support for larger 96-gallon urban recycling service, eliminating bagged collection over time, improved code enforcement of monthly bulky waste set-out time limits, development of rural recycling options, and transition planning required to implement service changes.

Staff worked with SCS Engineers and Waste Management of Oklahoma to formulate approaches to address Council considerations into the revised service plan and identify a reasonable preliminary schedule for implementation. This schedule may adjust based on availability of equipment and carts as procurement proceeds. It is recommended that OCEAT pursue this revised service plan in three (3) phases as follows:

Phase I – Preparation Period (Now through January 31, 2018)

SCS Engineers, City and Waste Management will jointly analyze and design the most efficient collection routes for the new 96-gallon urban recycling service. OCEAT will design and build pilot rural recycling stations, and Waste Management will obtain new recycling collection trucks. As collection routes are analyzed and planned, advance notification will be distributed to customers whose Big Blue set-out days will change. Information explaining all service changes will be distributed to every customer, urban and rural. Customers with online utility accounts can sign up for text or email reminders. Current weekly solid waste and recycling collection and monthly bulky waste collection will continue through Jan. 31, 2018, with one exception: the Little Blue 18-gallon recycling program will end Dec. 31, 2017, so Waste Management can convert its recycling program to the new trucks and routes by the end of January. Amendments to the Waste Management of Oklahoma Agreement are needed for containers and collection service to establish the pilot rural drop-off sites.

Phase II – New Recycling Program (February 1, 2018)

Weekly solid waste collection and monthly bulky waste collection will begin on the new, more efficient routes, along with the new every-other-week 96-gallon recycling program for urban customers. At the same time, the pilot recycling stations will open for rural customers to drop off the same recyclable materials that are collected in urban areas. Rural customers will continue to receive information about the program to raise awareness and encourage them to use it. After a year, staff will present a report on the pilot rural recycling program so OCEAT trustees can consider possible next steps.

Phase III – Pursuit of 100% Containerization (January 2019)

A gradual move to a “pay-as-you-throw” program begins. Incremental steps over 3 to 5 years will eventually require all solid waste to be in carts, and charges will be based on collection. Most customers rarely set out bags and will still be able to meet their needs with the two Big Blue carts already included in the base monthly service fee. Most of the rest can meet their needs with an additional one or two Big Blue carts or by taking advantage of the larger 96-gallon recycling carts to free more space for solid waste in the Big Blues.

Some customers with exceptionally large lawns use commercial landscape firms that generate 30 to 90 bags of lawn waste during mowing season. OCEAT could require these firms to include waste removal for landscape customers who don't have enough room in their Big Blue carts for their yard waste. A staff evaluation shows reducing the monthly fee for additional Big Blue carts from \$3.49 to \$2.25 could help encourage these unique customers and others to more quickly embrace the use of carts for all solid waste.

Continuous public education efforts will help teach residents ways to reduce yard waste and how to order extra Big Blue carts to comply with requirements for all waste to be containerized. Staff will monitor the use of bagged waste and continue to make adjustments until bagged waste is substantially eliminated. When the community has largely embraced the requirements, staff will notify Waste Management to convert its service to the containerized collection pricing model and OCEAT can begin paying the lower cost for containerized collection.

With acceptance of this phased-in approach, staff recommends service fees be adjusted by 3.5 percent annually from October 2016 through 2019 to fund associated expenses, and the residential extra cart fee be lowered to \$2.25 each.

Previous Action

Professional Services Agreement with Waste Management of Oklahoma, Inc. for solid waste collection services approved by OCEAT on March 22, 2016 (Item No. OCEAT.A.).

Resolution authorizing negotiation of an agreement with Waste Management of Oklahoma, Inc. adopted by OCEAT on December 22, 2015 (Item No. OCEAT.A.).

Resolution ratifying and approving addenda and approving Best and Final Offer approved by OCEAT on September 15, 2015 (Item No. OCEAT.C.).

Request for Proposals to be advertised, OCEAT 34-15, was approved and authorized by OCEAT on June 2, 2015 (Item No. OCEAT.A.).

Survey results from Stearns, Conrad, and Schmidt Consulting Engineers, Inc. dba SCS Aquaterra concerning solid waste management service alternatives for consideration in the upcoming solid waste collection contractor selection process received by OCEAT on May 5, 2015 (Item No. OCEAT.B.).

Professional Services Agreement with Stearns, Conrad, and Schmidt Consulting Engineers, Inc. dba SCS Aquaterra to provide solid waste management consultant services (C159019) and performance bond approved by OCEAT on December 30, 2014 (Item No. OCEAT.A.).

Resolution authorizing negotiation of a professional services contract with Stearns, Conrad, and Schmidt Consulting Engineers, Inc. dba SCS Aquaterra adopted by OCEAT on November 4, 2014 (Item No. OCEAT.C.).

Addendum No. 1 ratified and approved; resolution authorizing negotiation of a contract adopted by OCEAT on September 9, 2014 (Item No. OCEAT.B.).

Request for Proposals to be advertised for consultant services were approved and authorized by OCEAT on July 15, 2014 (Item No. OCEAT.A.).

Estimated Cost	Current service plan \$21,690,000 annually Revised service plan \$23,770,000 annually
Source of Funds	OCEAT-OCEAT Operation-OCEAT Trust Operations-Variou Program Codes-Other Services & Charges (335-0375-3701100-08XXX-52000001)
Review	Utilities Department

Recommendation: Resolution be adopted.