AM NO. 13-013 (C11)

CityofRedmond
WASHINGTON

MEMO TO: City Council

FROM: John Marchione, Mayor

DATE: January 15, 2013

SUBJECT: **APPROVAL OF GARBAGE, RECYCLABLES AND YARD DEBRIS COLLECTION CONTRACT AMENDMENT NO. 4 WITH WASTE MANAGEMENT**

I. RECOMMENDED ACTION:

Authorize the Mayor to execute Contract Amendment No. 4 to the Comprehensive Garbage, Recyclables, and Yard Debris Collection Contract with Waste Management.

II. DEPARTMENT CONTACT PERSONS:

Tim Fuller, Director of Public Works	425-556-2733
Ron Grant, Assistant Public Works Director/City Engineer	425-556-2742
Jon Spangler, Natural Resources Manager	425-556-2823
Jerallyn Roetemeyer, Supervising Engineer	425-556-2824

III. DESCRIPTION:

As outlined in Contract Amendment No. 3 to the Comprehensive Garbage, Recyclables, and Yard Debris Collection contract, dated November 8, 2010, the City's collection contract with Waste Management of Washington, Inc. will expire on February 28, 2013. Under the terms of the contract, the City may execute up to two extensions of the contract, each of which shall not exceed two years in duration. Contract Amendment No. 3 exercised the first two-year extension option.

During a study session in October 2011, the City Council directed staff to pursue the second two-year extension of the contract in order to allow adequate time to negotiate a new contract using a competitive bid process. Attached is Amendment No. 4 to the Comprehensive Garbage, Recyclables, and Yard Debris Collection Contract between the City of Redmond and Waste Management of Washington, Inc. It extends the contract for a period from March 1, 2013, through February 28, 2015.

Staff presented this amendment to the Planning and Public Works Committee on January 8, 2013. The committee endorsed this recommendation and directed staff to bring the contract amendment to the full City Council for approval.

IV. IMPACT:

Service Delivery: There would be no service or delivery impacts if the City exercises this extension. This Amendment falls under the terms and conditions of the original contract. The Contract provides that the City and Contractor may negotiate in good faith for additional services which may be authorized by written amendment. In addition to extending the date of this contract, this Amendment also includes minor service and delivery changes. They include:

a. Adding a 10-gallon micro-can to the level of service for single-family residence garbage. The current contract sets the smallest garbage service cart at 20 gallons.

b. Adding plastic bags to existing recycling collection programs and increasing the limit of motor oil accepted to three gallons. The current contract limits collection of motor oil to two gallons.

Other minor changes proposed include updating City facilities that have been added or removed, updating contact information, and eliminating the charge to City Collection events.

Fiscal: If approved, garbage collection service and rates under this amendment will be the same as under the existing contract, except that a rate of $5.05 per month has been added for the 10-gallon micro-can.

V. ALTERNATIVES:

1) City Council could choose to not extend the current contract and begin a process to negotiate a new contract through a competitive proposal process.

2) City Council could choose to not extend the current contract and renegotiate a new contract with Waste Management.

Significant staff and consultant time will be required for these alternatives. There is not sufficient time to complete either alternative before the current contract expires.

VI. TIME CONSTRAINTS:

The current contract expires February 28, 2013. The proposed extension would be effective through February 2015.

VII. LIST OF ATTACHMENTS:

A. Contract Amendment No. 4

Timothy K. Fuller, Director of Public Works — 12/21/12 Date

Approved for Council Agenda — John Marchione, Mayor — 1/8/13 Date

ATTACHMENT A

City of Redmond and Waste Management of Washington, Inc.
Comprehensive Garbage, Recyclables and Yard Debris Collection Contract

Contract Amendment #4

In 2003, the City of Redmond, Washington, hereafter "the City" and Waste Management of Washington, Incorporated, hereafter "Contractor", entered into an agreement entitled "Comprehensive Garbage, Recyclables and Yard Debris Collection Contract," hereafter "Contract". The original term of that Contract expired February 28, 2011. Under the terms of the Contract, the City may extend the agreement for up to two (2) extensions, each of which shall not exceed two (2) years in duration. On November 8, 2010, the City and the Contractor executed Contract Amendment #3 exercising the first two-year extension option thereby extending the term of the contract through February 28th, 2013.

Section 6.15 of the Contract provides that the City and Contractor may negotiate in good faith the provision of additional services which may be authorized by written amendment. In accordance with Section 1, the City would like to extend the Contract for an additional, and final, two (2) year duration with various modifications as outlined below.

The parties hereby agree as follows:

1. The Contract is extended for a period from March 1, 2013 through February 28, 2015. Except as outlined in Amendments #1, #2, #3, and below, all terms and conditions of the Contract remain unchanged and in full force and effect.

2. The following sections of the Contract shall be added, replaced or modified as indicated:

   Definition: Garbage Cart: (Replace) The term "Garbage Cart" means a Contractor-provided 10-gallon micro-can, 20-, 35-, 64- or 96-gallon wheeled cart suitable for household collection, storage and Curbside placement of Garbage. Garbage Carts shall be rodent and insect proof and kept in sanitary condition at all times.

   2.1.15.2 Garbage, Recyclables and Yard Debris Carts

   (Modify first sentence) - The Contractor shall provide 10-gallon micro-cans, 20-, 35-, 64- and 96-gallon Garbage Carts for the respective level of Garbage collection; 35-, 64- or 96-gallon Recyclables Carts; and 35-, 64- or 96-gallon Yard Debris Carts.

   (Modify fourth sentence) - All wheeled carts shall be consistent colors approved in writing by the City prior to the Contractor ordering a cart inventory.

   2.2.1.3 Containers (Add) one 10-gallon micro-can.

   2.2.2.1 Subject Materials: (Modify) Revise the limit on motor oil to 3 gallons (rather than 2 gallons). **(Add)** "Plastic bags: All clean, dry plastic bags, (shopping, newspaper, and dry-cleaning bags) bagged together and placed in the Recycling cart".

   2.2.10 Service to City Facilities (Add) Fire Station 17 - 16917 NE 116th St. **(Modify)** Delete Technology Center – 15810 NE 85th St.

   2.2.11 City Special Drop-off Collection Events (Modify) Delete "and contract service charges shall be charged on all non-disposal charges"

5. Notices (Modify) Revise mailstop for City address to "4NPW". Revise Address for Contractor to "Ms. Mary S. Evans, Waste Management of Washington, Inc., Area Director Public Sector Services, 720 4th Avenue, Suite 400, Kirkland, WA 98033".

6. Attachment B (Modify) Add rate for 10-gallon micro-can to the Rate Schedule. This rate is subject to the annual CPI increase as outlined in Section 3.3.1 of the contract.

Dated this _____ day of _____, 2013.

WASTE MANAGEMENT OF WASHINGTON, INC.

By _____

Name_____

Title _____

CITY OF REDMOND

By _____
John Marchione, Mayor

ATTEST:

By _____
City Clerk

APPROVED AS TO FORM:

By _____
City Attorney