CITY OF MIAMI BEACH
COMMISSION ITEM SUMMARY

Condensed Title:

A Resolution Of The Mayor And City Commission Of The City Of Miami Beach, Florida, Accepting The Recommendation Of The City Manager Pertaining To The Ranking Of Firms Pursuant To Request For Proposals (RFP) No. 48-03/04 For The Collection And Disposal Of Residential Solid Waste, Yard Trash, And Bulk Waste, And Operation Of The City's Green Waste Facility; Authorizing The Administration To Enter Into Negotiations. Authorizing The Mayor And City Clerk To Execute An Agreement Upon The Completion Of Successful Negotiations By The Administration; And In The Event That Negotiations Are Not Finalized By December 13, 2004, Further Authorizing The Waiver Of The Competitive Bidding Process By 5/7ths Vote, And Authorizing The City Manager Or Designee To Select, Negotiate And Award A Short Term Contract Until Such Time That A Contract Is Entered Into Pursuant To RFP No. 48-03/04.

Issue:

Shall the City Commission adopt the Resolution?

Item Summary/Recommendation:

A residential solid waste collection contract was awarded to Browning Ferris Industries Waste Systems of North America (BFI) on October 18, 2000, and expiring on October 31, 2002. Under the terms of the contract, the City has the option, at its sole discretion, to renew the contract for up to three (3) consecutive one-year terms by giving the contractor written notice of renewal at least sixty (60) days prior to renewal of the term. BFI notified the City on March 11, 2004, that they were not interested in renewing the contract for the last one-year term under the current terms and conditions. The current contract does not allow the City to negotiate different terms and conditions; it only allows adjustments to price due to increases in Consumer Price Index and increases in disposal costs.

On October 11, 2004, RFP No. 48/03-04 was issued and notices sent to 45 individuals or firms, which resulted in the receipt of four proposal packages from the following firms: 1) All Services Miami-Dade; 2) BFI Waste Systems of North America, Inc.; 3) Waste Management Inc. of Florida; and 4) World Waste Services, Inc. The Evaluation Committee (the Committee) unanimously ranked Waste Management Inc. of Florida number one (1), BFI number two (2), and World Waste Services as number three (3). The Committee recommended that the Administration negotiate lower costs relative to the operation of the Green Waste Facility.

The City Manager was briefed on the Committee's recommendation and based on the following cost comparison, concurs with the committee's recommendation that Waste Management is the top ranked firm. However, since the difference (5%) in the overall percentage between BFI (76.6%) and World Waste (71.2%) is minimal and with BFI's inability to provide consistent high quality service to the City's residents based on past performance, the City Manager is recommending World Waste as the second ranked firm and BFI as the third ranked firm.

Advisory Board Recommendation:

N/A

Financial Information:

Source of Funds:		Amount	Account	Approved
	1			
	2			
	3			
	4			
Finance Dept.	Total			

City Clerk's Office Legislative Tracking:

Fred Beckmann

Sign-Offs:

Department Director	Assistant City Manager	City Manager
GL FB	RCM	JMG

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AGENDA ITEM R7M

DATE 12-8-04

CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139
www.miamibeachfl.gov

COMMISSION MEMORANDUM

To: Mayor David Dermer and Members of the City Commission

Date: December 8, 2004

From: Jorge M. Gonzalez
City Manager

Subject: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE CITY MANAGER PERTAINING TO THE RANKING OF FIRMS PURSUANT TO REQUEST FOR PROPOSALS (RFP) NO. 48-03/04 FOR THE COLLECTION AND DISPOSAL OF RESIDENTIAL SOLID WASTE, YARD TRASH, AND BULK WASTE, AND OPERATION OF THE CITY'S GREEN WASTE FACILITY (THE RFP); AUTHORIZING THE ADMINISTRATION TO ENTER INTO NEGOTIATIONS WITH THE TOP-RANKED FIRM OF WASTE MANAGEMENT, INC. OF FLORIDA; SHOULD THE ADMINISTRATION NOT BE ABLE TO NEGOTIATE AN AGREEMENT WITH THE TOP-RANKED FIRM, AUTHORIZING THE ADMINISTRATION TO NEGOTIATE WITH THE SECOND-RANKED FIRM OF WORLD WASTE; SHOULD THE ADMINSTRATION NOT BE ABLE TO NEGOTIATE AN AGREEMENT WITH THE SECOND-RANKED FIRM, AUTHORIZING THE ADMINSTRATION TO NEGOTIATE WITH THE THIRD RANKED FIRM OF BFI; FURTHER AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AN AGREEMENT UPON CONCLUSION OF SUCCESSFUL NEGOTIATIONS WITH ONE OF THE AFORESTATED FIRMS, SAID AGREEMENT BASED UPON THE MINIMUM TERMS AND CONDITIONS AS SET FORTH IN THE RFP AND THE SUCCESSFUL FIRM'S PROPOSAL IN RESPONSE THERETO; IN THE EVENT THAT NEGOTIATIONS CANNOT BE CONCLUDED BY DECEMBER 13, 2004, AUTHORIZING THE WAIVER BY 5/7THS VOTE, OF THE COMPETITIVE BIDDING REQUIREMENT, FINDING SUCH WAIVER TO BE IN THE BEST INTEREST OF THE CITY, AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO NEGOTIATE A SHORT TERM AGREEMENT FOR THE PURPOSE OF ENSURING THAT THERE IS NO INTERRUPTION IN SERVICE RELATIVE TO THE COLLECTION AND DISPOSAL OF RESIDENTIAL SOLID WASTE, YARD TRASH, AND BULK WASTE, UNTIL SUCH TIME THAT THE ADMINISTRATION IS ABLE TO CONCLUDE NEGOTIATIONS WITH ONE OF THE AFORESTATED FIRMS AND A CONTRACT IS EXECUTED.**

ADMINISTRATIVE RECOMMENDATION

Adopt the Resolution.

ANALYSIS

A residential solid waste collection contract was awarded to Browning Ferris Industries Waste Systems of North America (BFI) on October 18, 2000, expiring on October 31, 2002. Under the terms of the contract, the City has the option, at its sole discretion, to renew the contract for up to three (3) consecutive one-year terms by giving the contractor written notice of renewal at least sixty (60) days prior to renewal of the term.

On September 26, 2002, the Mayor and Commission authorized the first one-year term renewal, expiring October 31, 2003. On October 15, 2003, the Mayor and Commission authorized the second one-year term renewal, expiring October 31, 2004.

Under the terms of the contract, one-year term renewals shall be at the same cost to the City as the previous terms, except for any rate adjustments authorized in accordance with increase in Disposal Costs and Consumer Price Index.

After the second one-year term renewal, in early 2004, the local BFI Senior Management Team was replaced. Since the management change, the City has experienced a decrease in quality of service including timeliness in responding to complaints.

BFI notified the City on March 11, 2004, that they were not interested in renewing the contract for the last one-year term under the current terms and conditions. Their contract does not allow the City to negotiate different terms and conditions; it only allows adjustments to price due to increases in Consumer Price Index (CPI) and increases in disposal costs. BFI was interested in a significant price adjustment above and beyond CPI and disposal costs. BFI management and the City Sanitation Director spoke on several occasions regarding BFI's letter of March 11, 2004, and service quality concerns. Based on the discussions with BFI, and believing that BFI had agreed to extend the contract month-to-month if needed in order to make the transition, the Administration concluded that it would not be in the City's best interest to force BFI to renew the agreement under the current terms and conditions of the contract. Forcing a renewal created the potential of further service degradation and would put the City in a position of having to default the existing contractor. At that time, a recommendation to issue a RFP was made.

On July 28, 2004, the City Commission approved a Resolution authorizing the City Manager to issue a Request for Proposals to secure a new provider for the collection and disposal of residential solid waste, yard trash and bulk waste, and the operation of the green waste facility.

On August 4, 2004, the Administration met with BFI's senior management to discuss the necessity of a month-to-month extension of the contract and to address quality concerns. After the meeting the Administration was certain that BFI had agreed to extend the contract on a month-to-month basis in order to facilitate an orderly transition.

On August 27, 2004 the Administration met with BFI's senior management to discuss the terms of the month-to-month contract extension and was informed by BFI that a 40% increase in monthly fees would be needed in order to agree to the contract extension. The administration rejected the proposal.

On September 23, 2004, another meeting was held between the Administration and BFI senior management to discuss the terms for a month-to-month extension of the agreement. During the discussion BFI agreed to extend the contract until December 31, 2004, at a ten percent (10%) increase in price per residential unit.

RFP PROCESS

After the Commission authorized the issuance of a RFP, the Administration took the following actions in order to develop a Scope of Work and the RFP documents.

- Obtained residential solid waste collection contracts from other municipalities to compare Scope of Services and prices against the current City of Miami Beach contract.
- Developed improved Scope of Work based on information obtained from other municipalities and our own experience in administering the solid waste collection contract over the last four years.
- Defined additional service requirements such as monthly bulk waste pick up.
- Adjusted Scope of Work to reduce the number of holidays where services were not being provided from four days a year to only one day.
- Defined equipment requirements at the start of the contract.
- Required two days per week of yard waste pick up.

When completed the RFP required continuation of the following services:

- Collect residential garbage at least two (2) times per week at the house backyard or side yard.
- Collect yard trash at the house curbside two (2) times per week on the same days scheduled for garbage pick up
- Provide bulk waste pick-up a maximum of four (4) times per calendar year. Residents must call in to schedule this service.

As an option, the RFP required the bidders to bid a price for a monthly bulk waste pick-up on a fixed schedule in lieu of the four (4) times per week.

The bulky waste collection option was requested as a means to help address a noticeable increase in illegal bulky dumping in the community. The increase in illegal dumping occurred shortly after the closure of the Community Materials Recovery Facility (MRF) located in Middle Beach as directed by the Commission on October 15, 2003. The illegal dumping was the subject of a November 19, 2004 LTC, which is attached.

When the MRF stopped accepting bulky materials effective January 2, 2004, an average of 132 tons of bulk waste per month, 87 tons of construction and demolition debris, and 89 tons of green waste was being handled at the facility. In the first 10 months of 2004 since the closure of the MRF. Sanitation has collected on the average around 217 tons of illegally dumped bulk waste per month at a cost of $21,450 per month. This represents an increase of about 85 tons per month of illegally dumped bulk waste, representing an increase of $9,090 per month or projected to be an increase in cost to the Sanitation fund of over $109,067 per year.

In addition to other mitigating measures taken by the Administration, the RFP included an add alternate bid item to provide a monthly bulk pick up versus the four pick ups a year provided under the current contract. The Administration believes that providing a monthly

bulk pick up that will be scheduled for the same day every month would reduce the amount of illegal dumping that occurs through the City, since residents will have more opportunities to discard on the same day of every month remodeling and home repairs trash, household furniture, and white goods. In addition to the potential reduction on illegal dumping, a monthly bulk waste pick up would also improve the City appearance and therefore quality-of-life, since the bulk waste will stay curbside for less time. Compliance will be much easier to enforce since any bulk waste outside the area of the City scheduled for bulk waste pick up on that day will be easily spotted by City inspectors and residents.

On October 11, 2004, RFP No. 48/03-04 was issued and notices sent to 45 individuals or firms, which resulted in the receipt of four proposal packages from the following firms:

1) All Services Miami-Dade
2) BFI Waste Systems of North America, Inc.
3) Waste Management Inc. of Florida
4) World Waste Services, Inc.

On October 19, 2004, the City Manager via Letter to Commission No. 276-2004 appointed an Evaluation Committee (the "Committee"), consisting of the following individuals:

- Kathie Brooks, Director, Office of Budget and Performance Improvement, City of Miami Beach, Committee Chair
- Daniel Cabrera, Mid-Beach Resident
- Mark Butcher, Director of Food and Beverage for the Eden Roc Hotel, and Mid-Beach Resident
- Rhonda McPherson, Sanitation Assistant Director, City of Miami Beach
- Andrew Terpak, City of Miami Beach Fleet Management Director and a North Beach resident.
- Mike Thompson, North Beach resident.
- Dimas Dominguez, North Beach resident.

The Committee convened on November 16, 2004, and was provided with an overview of the project, information relative to the City's Cone of Silence Ordinance, and the Government in the Sunshine Law. Committee members Cabrera and Dominguez were not in attendance. After evaluating the proposals, the Committee engaged in discussions relative to the proposals submitted. The Committee agreed that sufficient information was submitted in the proposals, therefore presentations were not needed.

The Committee ranked and scored each proposal pursuant to the evaluation criteria established in the RFP, which was as follows (total possible 100%):

Evaluation Criteria/Factors:	Weight
1) Cost to the City:	40%
2) Ability to provide high-quality service to the City's residents, as evidenced by type and amount of equipment, personnel and procedures.	30%

3) Prior experience in the industry, and prior service to City or to other groups of residents in a high-quality manner: 30%

Total: **100%**

In assessing the cost implications of the bid proposals the committee was able to evaluate and consider the following information. The table illustrates the annualized cost for the services bid.

ANNUAL SERVICE COST PER PROPOSER				
PROPOSER	RESIDENTIAL GARBAGE SERVICE	OPERATION OF CITY'S GREEN WASTE FACILITY	ADD ALTERNATE-BULK COLLECTION MONTHLY IN LIEU OF FOUR TIMES PER YEAR	YEARLY GRAND TOTAL
ALL SERVICE MIAMI-DADE	**$1,937,137.08**	**$300,000.00**	**$96,000.00**	**$2,333,137.08**
BFI WASTE SYSTEM	**$1,993,729.32**	**$53,640.00**	**$229,380.00**	**$2,276,749.32**
WORLD WASTE SREVICES	**$1,583,052.00**	**$175,884.00**	**$504,732.00**	**$2,263,668.00**
WASTE MANAGEMENT	**$1,667,176.80**	**$76,476.00**	**$225,000.00**	**$1,968,652.80**

The Committee scored and ranked the firms as follows:

COMMITTEE MEMBERS	**ALL SERVICES**	**BFI**	**WASTE MANAGEMENT**	**WORLD WASTE SERVICES**
Brooks, Kathie	55% (4)	78% (3)	96% (1)	83% (2)
Butcher, Mark	20% (4)	70% (2)	90% (1)	50% (3)
McPherson, Rhonda	58% (4)	80%(2)	100% (1)	73% (3)
Terpak, Andrew	40% (4)	60% (3)	100% (1)	70% (2)
Thompson, Mike	75% (4)	95% (2)	100% (1)	80% (3)
AVERAGE	49.6%	76.6%	97.2%	71.2%

The Committee unanimously ranked Waste Management Inc. of Florida number one (1). The Committee ranked BFI number two (2) and World Waste Services as number three (3). The Committee also recommended that the Administration negotiate lower costs relative to the operation of the Green Waste Facility.

Waste Management is considered the lowest and best bidder based on the following factors:

1. **Cost.** Waste Management's total cost was significantly lower (by more than $295,000) than the next lowest bidder. The impact of the proposal to our residents is as follows (cost comparison to other cities attached):
   - Current cost of services per month, $34.09
   - Cost of proposed service per month at current service level, $38.53
   - Cost of proposed service per month at expanded service level, $41.47
   - Cost per month of monthly bulk pick up that is included in the expanded service level, $2.94

2. **Operations and equipment**. Waste Management proposed four (4) brand new rear load packer-type collection vehicles, while all other bidders offered three (3) brand new trucks. By providing four (4) rear loaders, service areas are reduced, routes shortened and service improved. Trips to the disposal sites are also minimized thus providing for a more efficient and effective operation.

3. **Waste Management's Management Team.** The Route Supervisor, Mr. Jonathon Wyche has over 18 years experience in the solid waste industry, all with Waste Management. Mr. Wyche has previously served as Route Supervisor in Miami Beach for more than two (2) years and is familiar with the unique operating requirements in Miami Beach. Attached is a complete listing of Waste Management's proposed management team and their respective experience and qualifications.

4. **Experience and Resources.** Waste Management has more than 20 million residential and commercial customers, 289 active landfills, 366 transfer stations, 17 waste-to-energy facilities,138 material recovery facilities, 25,000 collection and transfer vehicles, and more than 51,000 employees.

   In South Florida, Waste Management has more than 800 employees and more than 500 dispatched trucks that service more than 200,000 residents, many of which are "backdoor" service, similar to the services needed in Miami Beach.

5. **Favorable References**. Reference checks were conducted by Procurement Division staff which resulted in the following favorable responses:

   City of Florida City
   Sylvester Jackson

   Their business professionalism has been very impressive during the 15 year contract relationship with them. Outstanding business expertise.

   City of Lauderdale Lakes
   Melissa Smith – Public Works
   No overall comments provided, however all positive responses to all questions asked.

   City of Hialeah
   Maria Joffee
   Good rates, Good Service.

   City of Coral Gables
   Dan Keys
   Very responsive company, well run.

The City Manager was briefed on the Committee's recommendation and concurs with the Committee's recommendation relative to Waste Management being the top ranked firm. However, since the difference (5%) in the overall percentage between BFI (76.6%) and World Waste (71.2%) is minimal, with BFI's inability to provide consistent high-quality service to the City's residents based on past performance, the City Manager is

recommending World Waste as the second ranked firm and BFI as the third ranked firm.

CONCLUSION

The Administration recommends that the Mayor and City Commission approve the attached resolution, which accepts the recommendation of the City Manager pertaining to the ranking of firms pursuant to Request for Proposals (RFP) No. 48-03/04 for the Collection and Disposal of Residential Solid Waste, Yard Trash, and Bulk Waste, and Operation of the City's Green Waste Facility (the RFP); authorizes the Administration to enter into negotiations with the top-ranked firm of Waste Management, Inc. of Florida.

The resolution recommends that the contract for services be negotiated to include the bulky waste monthly collection option. This option should assist in addressing a community problem with illegal dumping, while providing for an expanded service to our residents. The incremental cost of the option to the resident at $2.94 per month is reasonable. The option may also provide cost savings in the sanitation fund. A report will be made to the City Commission after a 6 month and 1 year period to enable the Commission to determine if future resident collection rates can or should be adjusted in light of any savings that may materialize.

In the event that negotiations with the first ranked bidder are not successful the resolution authorizes negotiation with the second and third ranked bidders in succession.

The resolution further authorizes the Mayor and City Clerk to execute an agreement upon conclusion of successful negotiations with one of the aforestated firms, said agreement based upon the minimum terms and conditions set forth in the resolution.

In the event that negotiations cannot be concluded by December 13, 2004, the resolution authorizes the waiver by 5/7ths vote, of the competitive bidding requirement, finding such waiver to be in the best interest of the city, and authorizes the City Manager or his designee to negotiate a short term agreement for the purpose of ensuring that there is no interruption in service to the residents relative to the collection and disposal of residential solid waste, yard trash, and bulk waste. This provision is intended to recognize that without a contract by the December 13 date, it will not be possible for a vendor to begin service as anticipated at the beginning of the year. In the event this short term contract were necessary, it would last only until such time that the Administration is able to conclude negotiations with one of the aforestated firms pursuant to the RFP, and a contract is executed.

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CITY OF MIAMI BEACH
Office of the City Manager
Letter to Commission No. 295-2004

To: Mayor David Dermer and Members of the City Commission

Date: November 19, 2004

From: Jorge M. Gonzalez City Manager

Subject: **ILLEGAL WASTE DUMPING**

As directed by the Commission on October 15, 2003 the Community Materials Recovery Facility (MRF) located in Middle Beach stopped accepting effective January 2, 2004, construction and demolition debris and bulk waste defined as: household furniture, household trash, remodeling and home repair trash, and white goods. The MRF was collecting an average of 132 tons of bulk waste per month, 87 tons of construction and demolition debris, and 89 ton of green waste. As I committed at the October 15, 2003, Commission meeting this letter provides information regarding the amounts of increased illegal dumping we have experienced in our City, especially in North Beach since the closure of the MRF.

In 2003, the Public Works Department Sanitation Division collected from City streets and alleys on the average around 140 tons of illegally dumped bulk waste per month at a cost of $12,200 per month. In the first 10 months of 2004, Sanitation has collected on the average around 217 tons of illegally dumped bulk waste per month at a cost of $21,450 per month. This represents an increase of about 85 tons per month of illegally dumped bulk waste, representing an increase of $9,090 per month or projected to be an increase in cost to the Sanitation fund of over $109,067 per year. In addition 4,100 cubic yards of hurricane debris was collected during the month of September.

As a way of mitigating the impact of closing the MRF the City partnered with Browning Ferris International (BFI) the City's residential solid waste collection contractor, and established a program called Neighborhood Pride Weekend. Under this program BFI and Waste Management of Dade provide 20 cubic yard containers in North Beach and South Beach, where bulk waste can be disposed free of charge on the first weekend of every month. The program started with one container at both location but the need of North Beach recently forced the program to expand from one to five 20 cubic yard containers at the 75th Street collection point. The South Beach location at 6th Street has remained fairly constant and only demands one 20 cubic yard container. The current total volume of bulk waste being collected on the first weekend of every month is around 120 cubic yards, equivalent to around 20 tons of waste by weight.

Other mitigating measures taken by the Administration include:

- Enhanced Code Compliance efforts;
- Increased Police enforcement;

- Partnership with Teen Job Corp; and
- Include in the current Request for Proposals for Residential Solid Waste Collection an add alternate bid item to provide a monthly bulk pick up vice the four pick ups a year provided under the current contract

For your information, in order to obtain a permit for the facility, as part of a consent agreement with DERM, the City just completed the screening of the existing berm soil at a cost of $161,000. In addition to the berm screening costs, the total estimated cost to permit and make construction improvements to operate a Green Waste Facility only, is $200,000.

Reopening of the MRF to accept bulk waste will require us to obtain a waiver from the Florida Department of Environmental Protection (FDEP). We anticipate incurring legal fees to obtain this waiver in the amount of $50,000. In addition, we expect to incur construction costs in the range of $500,000 to $750,000 to make modifications to the facility. This construction estimate is only an order of magnitude estimate based on previous discussions with the County Department of Environmental Management and FDEP, it is not an engineering estimate based on a basis of design criteria.

There is a demonstrated increase in illegal dumping that has occurred since the bulk waste option was removed from our waste facility. Efforts to mitigate have only been partially effective to date. We will continue to monitor and report back to the Commission on the growing illegal dumping issue. Further, we will continue to adjust our mitigation measures to address this problem.

Unless I hear from you differently and since the current direction from the Commission is to use the facility for green waste only, I intend to obtain an operating permit from DERM for a Green Waste Facility.

Please feel free to contact me if you have any other concerns or questions.

JMG\RCM\FHB\II

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CITY CLERK'S OFFICE

Miami Beach Public Works Department
LOCAL CITIES SOLID WASTE COLLECTION SERVICES COMPARISON
December 3, 2004

Cities	*Type of Service*	*Yard Waste*	*Bulk Waste*	*Total Monthly Cost*
Coral Gables	Back door Twice a week	Once a week	Once per month at $50 per item	$ 45.83
Miami Beach *(Proposed)*	***Back door Twice a week***	***Twice a week***	***Once a month unlimited***	***$ 41.47***
Village of Key Biscayne	Curb side Twice a week	Twice a week	Once a month	$ 41.67
Miami-Dade County	Curb side Twice a week	Twice a week	Twice a year	$ 33.25
North Miami Beach	Curb side Twice a week	Twice a week	Twice a month	$ 35.35
Miami	Curb side Twice a week	Twice a week	Depending on area	$ 27.08

About Waste Management

Local Management, Local Employees

While the vast resources of Waste Management have made it the most recognized company in the industry, it is important to understand how decisions that will affect Miami Beach are made. In a word, the answer is "locally". **All decisions affecting the South Florida Market Area (which includes the tri-county area of Miami-Dade, Broward, and Monroe) are made by the local management team, and all operations are conducted and managed by local employees.** These are people who live in, work in, care about, and support the local community. The people who work in Miami-Dade County, and the people who help out in times of emergency, such as when Miami Beach requested emergency assistance with cleanup and recovery efforts in the aftermath of the busy 2004 hurricane season.

Disposal Facilities

Waste Management owns and operates the ONLY private class 1 landfills in Miami-Dade and Broward Counties: Medley Landfill (Medley, FL) and Central Landfill (Pompano, FL). The capacity of our landfills is such that Waste Management can service the residences in Miami Beach along with hundreds of thousands other local customers for many years in the future, well beyond the terms of the franchise agreements.

Yard Waste Processing and Recycling Facilities

In addition to the above, Waste Management also owns and/or operates four (4) local yard waste processing facilities, one each in the Cities of Hialeah, Homestead, Davie, and Pompano. The ability to process yard waste and recycle it for other end uses such as mulch, ground cover, etc., at its own facilities means that the City of Miami Beach's "Green Waste" will be put to good use.

About Waste Management

Rather than treating Green Waste as a regular municipal solid waste, Waste Management's sites will recycle it in the most environmentally friendly and responsible manner, preserving important natural resources and offering the residents the best solution to their Green Waste handling needs.

Each of these yard waste processing and recycling sites is properly permitted to accept yard waste, and each operates in accordance with all local, state, and federal laws, rules, and regulations in an environmentally safe manner, the same way that Waste Management will operate the City of Miami Beach's Green Waste Facility. This is an extremely important point, as the liabilities to the City of Miami Beach in the event its contractor should fail to comply with all relevant regulations can be open-ended.

By selecting Waste Management, the City is indemnified of all liabilities in this otherwise risky area. What's more, the indemnification is backed by a financially stable and secure Fortune 500 Corporation and undisputed leader in the industry. Waste Management is not an undercapitalized "startup" company with an uncertain future commitment to South Florida, and certainly not a company that would improperly handle any of the waste materials collected from Miami Beach, jeopardizing the City and its residents. Chartered by the State of Florida in 1964, Waste Management has a long history of service in Miami Beach, South Florida, and throughout the U.S., and the company has no intention of "selling out" or vacating the South Florida market.

Financial Stability, Strength, and Resources

A review of the Waste Management 2003 Annual Report (located in the back binder pocket) and the Corporate Profile Fact Sheet will show the tremendous amount of resources offered by the largest solid waste service provider in the world. No other firm can claim to service over 20 million customers, own and operate over 25,000 collection and transfer vehicles, employ over 51,000 employees, and operate over 800 landfills, transfer stations, waste-to-energy plants, and materials recovery facilities throughout the U.S. and Canada.

About Waste Management

While these resources are an important indicator of overall stability and company capabilities, the City should not lose sight of the fact that Miami Beach residents will be serviced by the local South Florida Market Area Team, making local decisions and using local resources such as:

- **Over 800 employees in South Florida**
- **Over 500 trucks in South Florida**
- **A local Customer Service Center in South Florida**
- **Local dispatch, repair, and operational support facilities**
- **More local experience than any other hauler in South Florida**
- **The largest management team in South Florida, and**
- **MORE RESIDENTIAL FRANCHISES (directly comparable to Miami Beach) than any other hauler in South Florida**

With the resources of a Fortune 500 nationwide corporation and the flexibility and expertise of a locally managed operation, Waste Management offers the "best of both worlds" to the City of Miami Beach and its residents.

About Waste Management

In addition to the two (2) local company owned landfills, Waste Management's wholly owned subsidiary, Wheelabrator Technologies, has two waste-to-energy plants in Broward County that can accept municipal solid waste as well. With access to all of the facilities owned by Miami-Dade County as well it's own, Waste Management offers unmatched disposal capacity and locally managed resources to the City of Miami Beach.

Yard Waste Processing Facilities

In addition to the above, Waste Management also owns and/or operates four (4) local yard waste processing facilities, one each in the Cities of Miami, Homestead, Davie, and Pompano. The ability to process yard waste and recycle it for other end uses such as mulch, ground cover, etc., at its own facilities means that the City of Miami Beach's "Green Waste" will be put to good use.

Each of these yard waste processing cites is properly permitted to accept yard waste, and each operates in accordance with all local, state, and federal laws, rules, and regulations in an environmentally safe manner, the same way that Waste Management will operate the City of Miami Beach's Green Waste Facility. This is an extremely important point, as the liabilities to the City of Miami Beach in the event its contractor should fail to comply with all relevant regulations can be open-ended.

By selecting Waste Management, the City is indemnified of all liabilities in this otherwise risky area. What's more, the indemnification is backed by a financially stable and secure Fortune 500 Corporation and undisputed leader in the industry. Waste Management is not an undercapitalized "startup" company with an uncertain future commitment to South Florida, and certainly not a company that would improperly handle any of the waste materials collected from Miami Beach, jeopardizing the City and its residents. On the contrary, Waste Management has a long history of service in Miami Beach, South Florida, and throughout the U.S., and the company has no intention of "selling out" or vacating the South Florida market.

About Waste Management

Financial Stability, Strength, and Resources

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While these resources are an important indicator of overall stability and company capabilities, the City should not lose sight of the fact that Miami Beach residents will be serviced by the local South Florida Market Area Team, making local decisions and using local resources such as:

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- **The largest management team in South Florida, and**
- **MORE RESIDENTIAL FRANCHISES (directly comparable to Miami Beach) than any other hauler in South Florida**

With the resources of a Fortune 500 nationwide corporation and the flexibility and expertise of a locally managed operation, Waste Management offers the "best of both worlds" to the City of Miami Beach and its residents.

Waste Management's Miami Beach Management Team

The Route Supervisor directly responsible for overseeing operations in Miami Beach is Jonathon Wyche. Mr. Wyche has over eighteen (18) years experience in the solid waste industry, all with Waste Management. Having served in this capacity in Miami Beach for over two years, he is already familiar with the unique operating requirements in Miami Beach, and in fact was the main Supervisor appointed for the emergency debris removal that Waste Management performed for the City of Miami Beach recently.

Like all members of the operations team, Mr. Wyche has extensive and continuous training not just in basic operations but also in critical support functions including safety, employee screening, diversity, productivity, and human relations.

Mr. Wyche earned an Associate in Arts degree from Miami-Dade Community College and a Bachelor in Arts in Human Resources & Management from Florida International University. He is the front-line supervisor responsible for delivering the service quality rightfully expected in Miami Beach, and along with support and direct assistance from the rest of the team, will ensure "Gold Level" performance from all crews as part of Waste Management's industry leading Service Machine program. Mr. Wyche will be interacting directly with all of the Waste Management work crews in the City as well as with residents and City staff on a daily basis to proactively ensure 100% satisfaction with all services, and he will be available not just during regular working hours but also nights, weekends, and holidays if needed. (Please see detailed resume at end of this section).

At the next level, Jonathon Wyche reports to Assistant District Manager Luigi Pace, another industry veteran with over fifteen (15) years solid waste experience. While employed as Operations Manager by Industrial Waste Service, Mr. Pace was a key member of the management team that implemented the comprehensive curbside recycling program for Miami-Dade County and for the City of Miami Beach. He also served as General Manager in Broward and Palm Beach Counties, overseeing more than fifty residential routes.

In his current capacity, Mr. Pace is the "go to" person for several front-line Route Supervisors, including Jonathon Wyche. He is also available at any time for consultation, operations support, meetings, or any other purposes to further ensure effective communications and excellence in service delivery at all times.

Luigi Pace reports to District Manager George Ruiz, who has over twenty-one (21) years solid waste experience with Waste Management, seventeen (17) years of which are managerial, and all of which are right here in Miami-Dade County. Mr. Ruiz served as Route Manager for over twelve (12) years in Miami Beach, and was actually directly involved with the first "pilot" program transitioning the residential service from the City to Waste Management when the Miami Beach first began privatization of the residential franchise over ten years ago. In addition, Waste Management was among the first crews to assist with the cleanup in the aftermath of Hurricane Andrew in 1992, and as the project leader, Mr. Ruiz was directly involved in all aspects of that large scale cleanup and recovery effort. He is very familiar with the streets and operating conditions in both the residential and commercial sectors of Miami Beach, and in particular, with the challenging service requirements inherent in providing back door residential solid waste service. Mr. Ruiz will assist in the initial implementation of service at the onset of the new contract, and will remain closely involved from that point on in order to ensure a seamless transition and ongoing continuity in service.

Two community relations/government specialists (Alex Gonzalez and Jason Neal) will serve as liaisons to City staff and officials to further ensure timely communications on all matters as appropriate. Mr. Neal has over nine (9) years industry experience, all in Miami-Dade County with Waste Management. Having held various positions including Major Account Executive, District Sales Manager, and currently, Government Affairs Director, he is well rounded and able to effectively interact with a wide range of "customers", whether they are residents, commercial businesses, City staff, or elected officials. A resident of Miami-Dade County for over thirty-five years, Mr. Neal earned a Bachelor's degree in Marketing and

International Business as well as an MBA from Florida International University.

Mr. Gonzalez has over thirty (30) years experience in the solid waste industry, primarily with Waste Management. He served as Vice President of several international divisions while he was overseas, directly responsible for every aspect of numerous multi-million dollar operations. This diverse experience and international background provides the knowledge and insight of a seasoned executive while retaining the sensitivity required in dealing with very diverse groups of people. In his current capacity, Mr. Gonzalez serves as Government Affairs Director, and both he and Mr. Neal will interact on a daily basis with City staff, elected officials, residents, and members of the Miami Beach business community.

As the largest, most experienced firm in South Florida, Waste Management has a large talent pool from which to call upon in the event of emergencies, vacations, or any other additional coverage needs. Over fifteen (15) experienced and highly trained Route Supervisors are available in South Florida alone. Combined with the additional support from other management levels, there will never be a situation in which Miami Beach is lacking qualified managerial supervision for its solid waste service, irrespective of vacation schedules or other issues. To put it bluntly, the City's residents do not go on vacation just because a Route Supervisor does, and Waste Management proactively deals with such contingencies in order to eliminate problems before they occur.

As Market Area General Manager, John Casagrande is ultimately responsible for ensuring 100% satisfaction among all customers in South Florida, including the residents in Miami Beach. In fact, Mr. Casagrande has direct operating experience with this very contract as owner of Industrial Waste Services, the first firm to have serviced and maintained a long-term residential solid waste franchise in the City of Miami Beach. He was directly involved in the initial implementation as well as ongoing day-to-day operations thereafter and is fully aware of the unique needs of the Miami Beach community.

Waste Management's Miami Beach Management Team

With first-hand experience in Miami Beach (as well as over thirty-years (30) industrial experience) Mr. Casagrande will ensure an absolutely seamless service transition for the residents.

Customer Service and Complaint Resolution Overview

Waste Management is a firm believer in the "ounce of prevention is worth a pound of cure" philosophy. The very heart of our "Service Machine" Gold Certification is in minimizing the factors that cause problems before they even occur. Everything from surveying a customer's location to observing the strictest safety standards in the industry to pre-employment and random drug testing to hourly, daily, weekly, and monthly reporting reduces the likelihood of service problems.

While the goal is to always deliver *flawless* service, it is inevitable that there will be at least a minimal number of customer concerns, which in many cases are not necessarily service complaints. Irrespective of issue or fault, however, all customers' calls on the telephone number specially designated as the Miami Beach Residential Hotline will be handled in the most professional manner by well-trained, bilingual Customer Service Representatives from Waste Management's City of Miami-based facility. This nearby facility, located at 2125 NW 10 Court, is staffed by seven (7) experienced Customer Service Representatives, and is fully operational Monday through Friday from 7 am until 5 pm and, although not required by the RFP, also on Saturday from 8 am until 12 noon.

As with most of the RFP criteria items, Waste Management will not just meet the RFP minimum standard for Customer Service but actually exceed it in order to consistently deliver top notch service to the residents of Miami Beach.

After the regular Customer Service operating hours referenced above, all callers have the option of leaving messages that will be answered the following day, with complete resolutions. The Miami Beach Route Supervisor is notified of all such calls and will ensure that each and every one is answered, resolved, and tracked.

Customer Service and Complaint Resolution Overview

The Customer Service Center is managed by Cheryl Burchette, who has ten (10) years experience in this capacity, all with Waste Management in Miami Dade County. Ms. Burchette ensures that all of the ultra-high standards of Service Machine are met or exceeded, measuring and managing everything from the number of seconds allowed to answer the telephone to a near zero missed pickup rate.

As with all employees, Waste Management's Customer Service Representatives are all carefully screened before they are hired, and from then on their training and development is ongoing throughout their careers so that the importance of customer service is never lost or forgotten. In addition, each Customer Service Representative's inbound calls are monitored on a regular basis so that Ms. Burchette can coach the customer staff as needed based on real-life situations and resolutions.

Proper call handling is critical to any customer service function, but even more so in the high profile area of solid waste management. The strategy of Waste Management is to first eliminate the need for most calls by being proactive and efficient, and second, to ensure consistent and timely resolution of any customer issues that are called in.

After the Customer Service Representative determines the nature of a call, an appropriate and immediate response is initiated. Since the Customer Service Representatives all have direct radio contact not only with the actual Drivers but also Supervisors, Managers, and support staff, the vast majority of calls are resolved while the customer is on the telephone.

Real-time Global Positioning System (GPS) capabilities further supplement the Customer Service Representatives efficiency by allowing them to immediately locate the exact location of the residential service Drivers at any given time. Through GPS and other programs, Waste Management utilizes the latest technological advances to lead the industry not just in customer service but also in safety and efficiency.

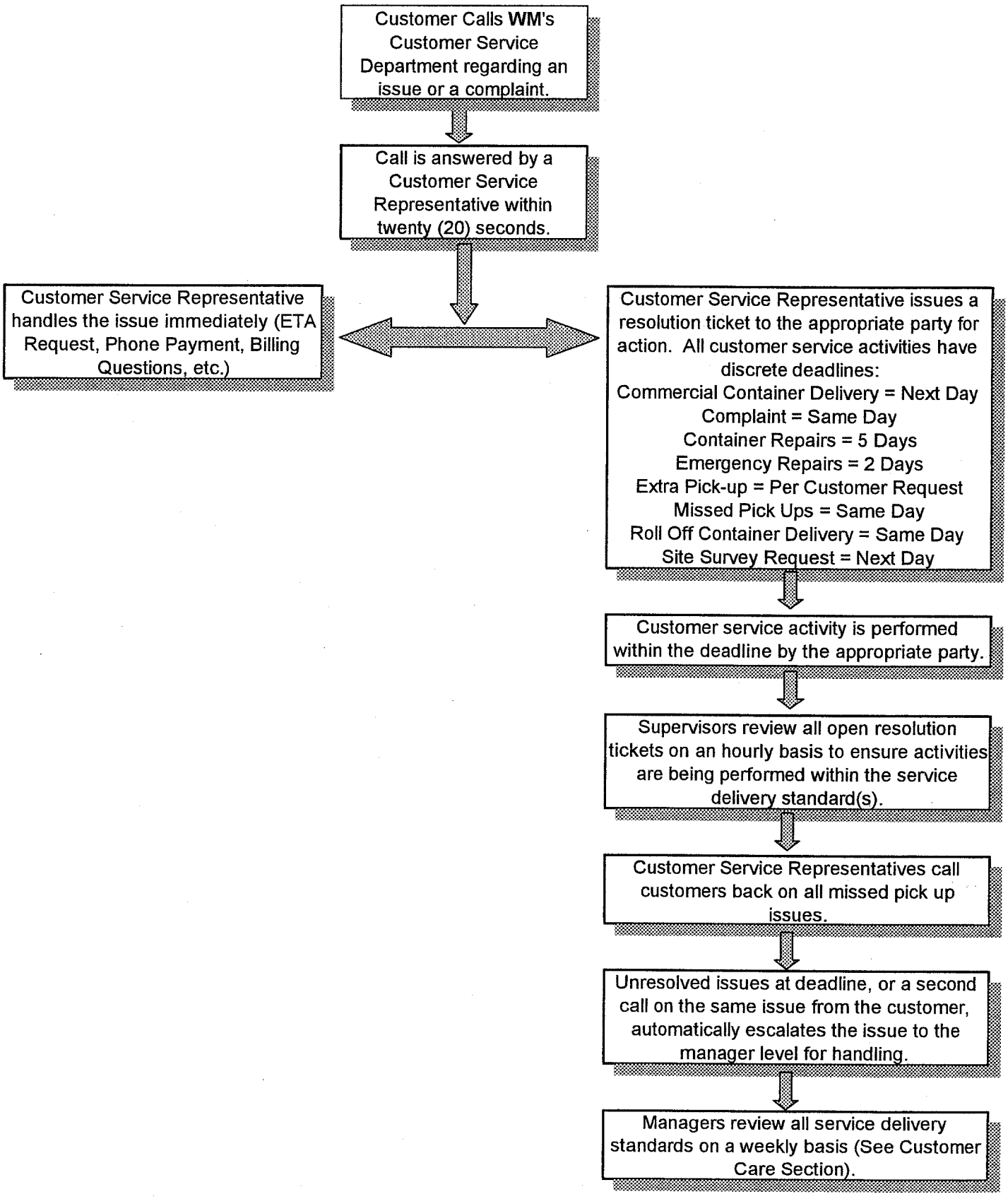
Customer Service and Complaint Resolution Overview

Should there be an unusual or complex situation requiring more time or a physical site visit, the appropriate Supervisor or Manager is notified and is then held accountable to resolve the issue and subsequently report back to Customer Service the same day, at which point the customer is called back to ensure that whatever the issue or concern is, it is fully resolved. A daily listing of any and all complaints filed and of their dispositions will be provided to the City every day, and of course the entire management team is always available for meetings upon request.

Every customer call is tracked from inception to resolution and becomes an integral part of the Service Machine database for follow-up by Management. Statistics are constantly reviewed at all levels, from local to regional to Corporate, and mandatory adherence to the "Gold" standard of less than 1 missed pick up per 1,000 customers. The Service Machine discipline is not optional, it is the only acceptable manner of conducting business at Waste Management.

The Service Machine concept and processes are further detailed in the section that follows. Waste Management is confident that, after a thorough review of Service Machine, the City of Miami Beach will agree that this proprietary Waste Management enhanced quality assurance program will deliver service that is second to none.

CUSTOMER SERVICE PLAN



Community Support

Waste Management is not just a "proposer," but a member of the local community.

The following is a brief sampling of Waste Management Inc. of Florida's Community involvement through its participation and sponsorship of various civic and community events in Miami-Dade County:

Martin Luther King Day Celebration-FL City/Homestead
Hose Painting/Beautification Projects-FL City
New Years Eve–FL City
Circus Event-FL City
Senior Ct. Program-FL City
Palmetto Optimist-South Dade
United Way-Greater Miami
AIDS Help-Greater Miami
Music Fest Miami
Haitian-American Carnival and Parade
Salute to the Troops – Miami-Dade
Second Wind – Homestead
Fourth of July – Coral Gables
Arabian Nights – Opa Locka
Optimist Club - Opa Locka
Thanksgiving Turkey Giveaway – Opa Locka
Magnolia Gardens Homeowners Association – Opa Locka
Walk for Life – Homestead
Five Mile Walk-a-Thon – North Bay Village
Boy Scouts – South Florida Council
Chamber of Commerce – All Major Chambers including Miami Beach
YMCA – Allapattah
Big Brothers-Big Sisters – Greater Miami
Sunrise Community – Miami-Dade
Miami Bach Society – Miami and Coral Gables
Miami Project to Cure Paralysis – Greater Miami
Coral Gables Crime Watch – Coral Gables
Recordings for the Blind- Greater Miami
Community Cleanups in Numerous Cities and Throughout County