

Condensed Title:

Request For Approval To Issue A Request For Qualifications (RFQ) For A Fourth Solid Waste Franchise Contractor To Provide Commercial Waste Collections And Disposal Services

Key Intended Outcome Supported:

Improve cleanliness of Miami Beach rights of way especially in business areas
Supporting Data (Surveys, Environmental Scan, etc.): The 2009 Customer Satisfaction Survey indicated 14% improvement by businesses overall in the rating for streets in business areas.

Issue:

Shall the Mayor and City Commission approve the issuance of the RFQ?

Item Summary/Recommendation:

As a result of mergers and acquisitions, on April 14, 2010, the Mayor and City Commission approved Ordinance No. 2010-3679 which amended the City Code (Chapter 90 entitled "Solid Waste") to include a reduction in the number of the City's franchise waste haulers from five (5) to four (4).

The Franchisees of the City of Miami Beach in the provision of solid waste services to commercial properties were: (1) Waste Management of Dade County; (2) Waste Services, Inc., ("Waste Services"); (3) Choice Environmental Services of Miami; and (4) General Hauling Services, Inc..

In a letter received from Waste Services, dated May 19, 2011, the City's Solid Waste Director, Al Zamora was informed that as of April 2, 2011, General Hauling Services, Inc. had been purchased by Waste Services. As a result, the City's solid waste franchises have been reduced from four (4) to three (3), therefore requiring that the City solicit a fourth commercial solid waste franchise.

The City Code provisions now in effect have an established procedure in place to address any new Franchisees. In order to proceed maintaining four (4) franchises and securing the added public benefit the following changes in the City Code were necessary: the term of the franchise agreement in Section 90-230 of the City Code was changed to reflect a five (5) year period of time instead of a three (3) year period of time; a change to Section 90-231 which requires franchisee's for all commercial accounts, not just multi-family dwellings, to make a recycling offer with a provision to recognize the offset reduction in costs associated with waste disposal; Section 90-222 was changed to require all franchisees to distribute a contract terms disclosure form.

All firms that submit a proposal for consideration are subject to and must meet the minimum qualifications for the City's granting of waste contractor franchises, as set forth in section 90-229 of the City Code (as amended on September 17, 2008).

The term of the Agreement for the successful proposer will terminate on August 31, 2015 to coincide with the term of the three (3) existing franchise waste haulers.

APPROVE THE ISSUANCE OF THE RFQ.

Advisory Board Recommendation:

N/A

Financial Information:

Source of Funds:		Amount	Account
	1	N/A	
OBPI	Total		
Financial Impact Summary: N/A			

City Clerk's Office Legislative Tracking:

Gus Lopez ext. 6641

Sign-Offs:

Department Director	Assistant City Manager	City Manager
GL FB <i>[Signature]</i>	DB <i>[Signature]</i>	JMG <i>[Signature]</i>

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AGENDA ITEM C26
 DATE 7-13-11



COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: July 13, 2011

SUBJECT: **REQUEST FOR APPROVAL TO ISSUE A REQUEST FOR QUALIFICATIONS (RFQ) FOR A FOURTH SOLID WASTE FRANCHISE CONTRACTOR TO PROVIDE COMMERCIAL WASTE COLLECTIONS AND DISPOSAL SERVICES**

ADMINISTRATION RECOMMENDATION

Approve the issuance of the RFQ.

BACKGROUND

As a result of mergers and acquisitions, on April 14, 2010, the Mayor and City Commission approved Ordinance No. 2010-3679 which amended the City Code (Chapter 90 entitled "Solid Waste") to include a reduction in the number of the City's franchise waste haulers from five (5) to four (4).

The Franchisees of the City of Miami Beach in the provision of solid waste services to commercial properties were: (1) Waste Management of Dade County; (2) Waste Services, Inc., ("Waste Services"); (3) Choice Environmental Services of Miami; and (4) General Hauling Services, Inc..

In a letter received from Waste Services, dated May 19, 2011, the City's Solid Waste Director, Al Zamora was informed that as of April 2, 2011, General Hauling Services, Inc. had been purchased by Waste Services. As a result, the City's solid waste franchises have been reduced from four (4) to three (3), therefore requiring that the City solicit a fourth commercial solid waste franchise.

It is important to emphasize that the City Code provisions now in effect have an established procedure in place to address any new Franchisees. The changes necessary in the City Code in order to proceed maintaining four franchises and securing the added public benefit are as follows: the term of the franchise agreement in Section 90-230 of the City Code was changed to reflect a five (5) year period of time instead of a three (3) year period of time; a change to Section 90-231 which requires franchisee's for all commercial accounts, not just multi-family dwellings, to make a recycling offer with a provision to recognize the offset reduction in costs associated with waste disposal; Section 90-222 was changed to require all franchisees to distribute a contract terms disclosure form.

The City Commission also provided direction to the Administration that a \$75,000 cash contribution was to be used in support of the International Baccalaureate Program and also approved three (3) recommendations forwarded to the City Commission by the Sustainability Committee relative to recycling within the community.

In addition, specific services which were incorporated into the Service Agreements of each waste hauler included:

1. The provision of two (2) hazardous material pick-up events per year.
2. An annual cash allocation to the City equivalent to the purchase of fifteen (15) urban style recycling containers.
3. The development of a brochure common to be used by all of the franchise waste haulers, which stipulates recycling requirements, recycling options and the possibility of solid waste savings. This brochure is to be distributed to all commercial accounts in the City.
4. The City will be reimbursed for security services provided at each of the "wasteful weekends" sites held monthly in the community.
5. The City will be provided in the first year of the franchise, a contribution from all of the haulers, with the exception of General Hauling, equivalent to one half of a percent of gross revenues from accounts in the City, which shall increase by a half percent in each of the next two (2) years until a total contribution of one and a half percent of gross revenues is being made to the City. The fund is to be used at the discretion of the City Commission for "green initiatives". General Hauling is excluded from this item as they already contribute one and a half percent of gross revenues in the community as a result of their recent franchise award.
6. A cash contribution in the amount of \$75,000 per franchise year will be made to the City for support of Education in the community, as determined by the City Commission.

The five year value of the additional community benefit and services was estimated at approximately \$1,618,750. As a result of a recommendation provided by the Sustainability Committee, the franchise waste haulers agreed to remove recyclable materials from community drop off points in South, Middle and North Beach (total 3) on sites which are developed and permitted by the City.

If the City Commission authorizes the issuance of a Request for Qualifications (RFQ) for a fourth solid waste franchise contractor to provide commercial waste collection and disposal services, all aforementioned provisions will be included with a term expiring on August 31, 2015 to coincide with the term of the three (3) existing franchise waste haulers.

MINIMUM REQUIREMENTS / QUALIFICATIONS:

ALL FIRMS THAT SUBMIT A PROPOSAL FOR CONSIDERATION ARE SUBJECT TO AND MUST MEET THE MINIMUM QUALIFICATIONS FOR THE CITY'S GRANTING OF WASTE CONTRACTOR FRANCHISES, AS SET FORTH IN SECTION 90-229 OF THE CITY CODE (AS AMENDED ON SEPTEMBER 17, 2008), AND AS PROVIDED BELOW. IF THE MINIMUM QUALIFICATIONS ARE NOT MET, THE PROPOSER'S SUBMITTAL WILL BE DEEMED NON-RESPONSIVE.

Sec. 90-229. Selection of franchise waste contractors.

(a) Except as provided in section 90-233, the city shall license not more than four (4) franchise waste contractors for residential and commercial waste collections and disposal as provided in section 90-97. Each applicant for a garbage and trash disposal license or renewal thereof shall submit, in writing, a list of its qualifications. The minimum qualifications to be considered in the granting of such license shall include:

- (1) Evidence of the applicant's ability to fulfill all duties and requirements of a franchise waste contractor as set forth in this chapter, including proper certification and adequate insurance coverage.
- (2) Certification that the applicant has never defaulted on any government contract or bid award.
- (3) Evidence that the applicant has the potential for a significant amount of business within

the city, comprised of either a minimum of 50 committed accounts within the city or, in the alternative, the city commission may accept, in its sole discretion, 50 comparable committed accounts from outside of the city.

(4) Certification that there are no unsatisfied judgments against the applicant.

(5) Certification that the applicant is not, and will not be, throughout the term that it has a license, affiliated with, as a parent, subsidiary, by virtue of an interlocking directorate, or otherwise, an affiliated entity of any existing licensee or any applicant for a licensee under section 90-191 et seq.

(6) The applicant's ability and commitment to provide the city and its businesses and multi-family residences with (i) good service; (ii) competitive prices; (iii) demonstrated and/or proposed green initiatives; and (iv) ability and commitment to provide such additional "public benefit(s)" to the city which may include, without limitation: provision of additional waste collection, disposal, and/or recycling services (at no cost to the city) to city right of ways, city-owned public buildings, parks, and/or beaches; voluntary cost and/or fee reductions; and/or such other city public benefits and/or services as the city manager may, in his reasonable judgment and discretion, from time to time, require.

(b) If more than one applicant for a franchise waste contractor's license qualify under the minimum qualifications of this division, license issuance shall be determined by the city commission based upon applicant(s) that the City Commission deems, in its judgment and discretion, and having considered the recommendation of the city manager, to have provided the most significant public benefit(s) to the city (pursuant to subsection 90-229(a)(6)).

(c) In lieu of accepting applications from new applicants as set forth above, the city commission may choose to issue new licenses to previous licensees. The decision shall be based on the criteria set forth in section 90-230.

EVALUATION SELECTION PROCESS

The procedure for response, evaluation and selection is as follows:

1. Request for Qualifications issued.
2. Receipt of responses.
3. Opening of responses and determination by City if responses meet the Minimum Requirements of the RFP. This determination shall be made by the City Administration, which shall evaluate proposal in accordance with the requirements of the RFP including, without limitation, compliance to the Minimum Requirements and Chapter 90 of the City Code, as amended by Ordinance No. 2008-3616.
4. An Evaluation Committee, appointed by the City Manager, shall meet to evaluate each responsive proposal and shall make its recommendation in accordance with the requirements of this RFQ, based on the following criteria:

The experience and qualifications of Solid Waste Contractors and Key personnel's ability and commitment to provide the City and its businesses and multi-family residences with:
100 points.

- | | |
|--|------------------|
| a) good service; | 25 points |
| b) competitive prices; | 25 points |
| c) demonstrated and/or proposed green initiatives; and | 25 points |
| d) ability and commitment to provide such additional "public benefit(s)" to the City which may include, without limitation: provision of additional waste collection, disposal, and /or recycling services (at no cost to the City) to | |

city right-of-way, city-owned public buildings, parks, and/or beaches; voluntary cost and/or fee reductions; and/or such other city public benefits and/or services as the city manager may, in his reasonable judgment and discretion, from time to time, require. **25 points**

5. If further information is desired by the Committee, proposers may be requested to make additional written submissions or oral presentations to the Evaluation Committee.
6. The Evaluation Committee will recommend to the City Manager the response or responses acceptance of which the Evaluation Committee deems to be in the best interest of the City.
7. After considering the recommendation(s) of the Evaluation Committee, the City Manager shall recommend to the Mayor and Commission the proposal or proposals acceptance of which the City Manager deems to be in the best interest of the City.
8. The City Commission shall consider the City Manager's recommendation(s) as it deems appropriate, and approve the City Manager's recommendation(s); may make its own recommendation (s); may reject all proposals; or may prescribe such other action, as it deems necessary and in the best interest of the City.
9. Following recommendation of award by the City Commission, negotiations between the selected Proposers and the City Administration take place to arrive at a contract. If the Mayor and Commission has so directed, the City Manager may proceed to negotiate a contract with a proposer other than the top-ranked proposer if the negotiations with the top-ranked proposer fail to produce a mutually acceptable contract within a reasonable period of time.
10. A proposed contract or contracts are presented to the Mayor and Commission for approval, modification and approval, or rejection.
11. If and when a contract or contracts acceptable to the respective parties is approved by the Mayor and Commission, the Mayor and City Clerk sign the contract(s) after the selected proposer(s) has (or have) done so.

CONCLUSION

It is recommended that the Mayor and City Commission authorize the issuance of a Request for Qualifications (RFQ) for a fourth solid waste franchise contractor to provide commercial waste collection and disposal services.

DRB/FHB/GL

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