

MIAMI BEACH

COMMITTEE MEMORANDUM

TO: Finance and Economic Resiliency Committee Members

FROM: Eric Carpenter, City Manager

DATE: December 20, 2024

TITLE: DISCUSS THE RESIDENTIAL SOLID WASTE COLLECTION CONTRACT AND A SITUATIONAL REPORT ON IT.

RECOMMENDATION

The Administration recommends moving forward with a bid waiver, allowing the negotiations of a long-term Agreement with Waste Connections of Florida, to continue to provide stable pricing and continued service excellence to our residents, and once negotiations are completed, bring it to the City Commission for approval.

BACKGROUND/HISTORY

On November 20, 2024, at the request of Commissioner Joseph Magazine, the Mayor and City Commission (City Commission) approved, item C4X (Attachment A), a referral to the Finance and Economic Resiliency Committee (FERC) to discuss the City's Residential Solid Waste Collection Contract. Additionally, to provide a presentation showing the City's current situation, stats showing recent rate increases, and staff recommendations on whether to continue with the existing agreement or procure a new one, as well as a menu of options to consider on the matter.

ANALYSIS

In 2019, the City entered into an Agreement with Waste Connections of Florida, Inc. (formerly known as Choice Environmental Services of Miami, Inc.), extending their contract from 2019 - 2023, with the option to renew up to three (3) additional one-year renewal terms.

The City is currently in its second one-year renewal term with Waste Connections of Florida, set to expire on December 2025. This extension can only be renewed by mutual consent of both parties.

Waste Connections of Florida has indicated to the Administration that they will NOT be able to renew their contract with the City after the extension expires on December 2025, due to the increase in cost of service. The existing contract terms as written, are no longer deemed financially viable for Waste Connections. Further, research shows that in the State of Florida (based on bids submitted to the different Florida cities for Residential Solid Waste Services), there has been an average rate increase of 50% over a five-year period, from 2019 – 2024.

Public Works will be presenting a PowerPoint presentation (Attachment B) to FERC members for consideration and further direction.

FISCAL IMPACT STATEMENT

To be determined.

CONCLUSION

The Administration recommends moving forward with a bid waiver, allowing the negotiations of a long-term Agreement with Waste Connections, to continue to provide stable pricing and continued service excellence to our residents, and once negotiations are completed, bring it to the City Commission for approval.

ATTACHMENTS:

Attachment A: Item C4X

Attachment B: PowerPoint Presentation

Attachment C: Miami Beach Service Agreement – Collection and Disposal – Residential Solid Waste

Attachment D: Miami Beach Residential - 1st Amendment

Attachment E: Fully Executed Miami Beach Residential Franchise 2019

Attachment F: Miami Beach - Complete Short Term Renewal

Applicable Area

Citywide

Is this a “Residents Right to Know” item, pursuant to City Code Section 2-17?

Yes

Is this item related to a G.O. Bond Project?

No

Department

Public Works

Sponsor(s)

Commissioner Joseph Magazine

Condensed Title

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