



RESIDENTIAL SOLID WASTE COLLECTION CONTRACT DISCUSSION

**FINANCE AND ECONOMIC RESILIENCY
COMMITTEE MEETING
December 20, 2024**

MIAMI BEACH

PUBLIC WORKS DEPARTMENT



HISTORY

In 2010, the City of Miami Beach (the City) entered into a **Residential Single Family and Multi-Family Exclusive Agreement for solid waste services** with **Choice Environmental Services of Miami, Inc. (Choice Environmental)**, for a duration of five (5) years (2010-2015).

This **Agreement provided the City with the option to renewal** for up to three (3) additional one (1) year terms.

In 2014, the City Commission **authorized a First amendment to the Agreement, consenting to the name change** of the contractor **from Choice Environmental to Progressive Waste Solutions of FL, Inc. (Progressive Waste)**, with all other material terms remaining unaltered.

Upon the expiration of the initial term of the Agreement, the City Commission, on July 8, 2015, **approved a one (1) year extension, with a directive to the City Administration to prepare a Request for Proposals (RFP, to go out for bid for future residential disposal and waste services).**



HISTORY

In 2015, the **Administration presented, and the City Commission approved, the issuance of RFP 2015-258-WG** for the Collection and Disposal of Residential Solid Waste Yard Trash, Bulk Waste, and Operation of the City's Green Waste Facility.

In 2016, the **City Commission provided further direction to the Administration to negotiate and extend the contract with Waste Connections, for the remaining two, one-year extension terms**, extending the contract to 2018.

Following the review and evaluation of the RFP submittals, **it was deemed that Waste Connections was the best qualified firm** to continue the City's Residential Solid Waste services.

In 2019, the City **entered into an Agreement with Waste Connections, extending the contract to 2023**, with the option of **up to three (3) additional one-year renewal terms**, provided that the Contractor is not in default under the agreement.

The City is its **second one-year renewal term with Waste Connections, set to expire on December 2025.**



WHERE WE ARE TODAY

Waste Connections has already indicated to the City that they will NOT be able to renew the Agreement after December 2025 under the existing contract terms. This extension can only be renewed by mutual consent of both parties.

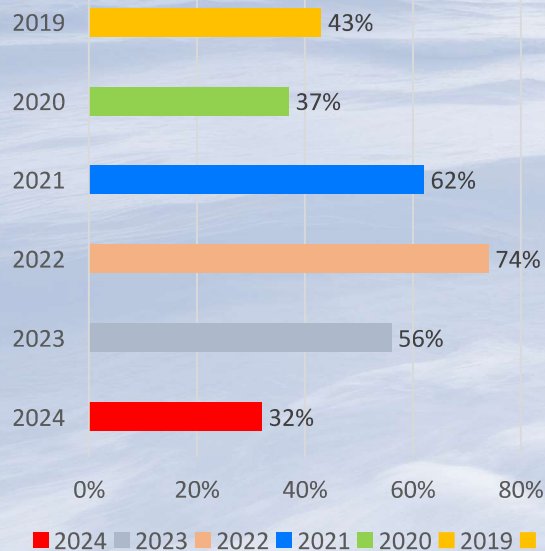
Due to the increase in cost of service, the existing contract terms are no longer deemed financially viable for Waste Connections.

Staff's research shows that in the State of Florida (based on recent bids submitted to the different Florida cities for Residential Solid Waste Services) **there has been a rate increase for Residential Solid Waste Services in Florida cities, averaging 50%, from 2019 – 2024 (as shown on the next slide).**



ANALYSIS

Yearly Average Increase
2019-2024



| 2024 | |
|-------------------------|-----|
| Indian River County | 32% |
| Monroe County | 38% |
| Miami-Dade County | 27% |
| 2024 Average % Increase | 32% |

| 2023 | |
|---------------------------------|------|
| Highland Beach | 93% |
| Islamorada | 9% |
| West Melbourne | 101% |
| Wilton Manors | 81% |
| Coral Springs | 26% |
| Village of Palm Springs | 56% |
| Weston | 5% |
| City of Jacksonville svc area 2 | 81% |
| Fernandina Beach | 26% |
| Polk County SA2 | 96% |
| St. Johns County | 41% |
| 2023 Average % Increase | 56% |

| 2022 | |
|---------------------------|------|
| Port St. Lucie (Citywide) | 49% |
| Lee County Area 4 | 67% |
| Southwest Ranches | 187% |
| Jupiter | 53% |
| Ft. Lauderdale | 97% |
| City of Delray Beach | 61% |
| Riviera Beach | 64% |
| Sebastian | 35% |
| Tarpon Springs | 53% |
| 2022 Average % Increase | 74% |

| 2021 | |
|-------------------------|------|
| City of Crystal River | 61% |
| North Lauderdale | 119% |
| Margate | 32% |
| Pembroke Pines | 87% |
| Wellington | 28% |
| Pompano Beach | 54% |
| City of Melbourne | 38% |
| City of Malabar | 104% |
| City of Hypoluxo | 63% |
| City of Miramar | 62% |
| Hillsborough County | 31% |
| 2021 Average % Increase | 62% |

| 2020 | |
|-------------------------|-----|
| Davie | 39% |
| El Portal | 19% |
| Coral Gables | 53% |
| 2020 Average % Increase | 37% |

| 2019 | |
|-------------------------|-----|
| Fort Lauderdale | 50 |
| Weston | 77 |
| Coconut Creek | 22 |
| Hollywood | 23 |
| 2019 Average % Increase | 43% |



CURRENT SERVICE LEVELS

- **Twice a week garbage service, and 6 bulk pickups a year.** This is a **back door or side yard service** which is **used by 80% of the residents**.
- **Waste Connections** also runs **the City's Green Waste Facility**, located at 2800 Meridian Avenue. This facility is open Monday through Saturday 7am-5pm and takes residential yard waste, electronic waste and textiles **free of charge** to Miami Beach residents.



CURRENT RATES

- \$48.53 per month for single-family residential units
- \$44.10 per unit, per month, for Multi Family up to 8 units
- Fees include a \$16 City service fee for single family home-owners and a \$12 monthly fee for multi-family. The City service fee includes administrative costs and contractual management services by City Administration.



ADMINISTRATION RECOMMENDATION

Based on the existing market conditions, the Administration does not recommend going out to bid for Residential Solid Waste Services.

Further, the City of Miami Beach is only one of two cities in Broward and Miami-Dade County that provides this type of service, which is more labor intensive and requires the use of rear load trucks verses cart tippers picking up curbside.

As depicted in a previous slide, **rates have been going up significantly over the past 4 years** (that have gone out to bid for Residential Solid Waste Services). **The cities listed on the slide, have curbside service and not the back door or side yard service** like the City of Miami Beach offers.

Taking all of this into consideration **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.

Q & A

MIAMI BEACH

