

# TOWN OF HILTON HEAD ISLAND PUBLIC FACILITIES COMMITTEE

Date: February 18, 2010

Time: 4:00 P.M.

Members Present: John Safay, George Williams, Drew Laughlin

Members Absent: None

Staff Present: Scott Liggett, Charles Cousins, Teri Lewis, Sarah Skigen, Chris Caird

Others Present: Ken Heitzke, *Councilman*, Jim Frey and Brianne Haven, *Resource Recycling Systems*, Howard Fister, *Waste Management*, Thomas Barnwell, Jr., Mary Amonetti

Media Present: Laura Nahmias, *The Island Packet*

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**1. Call to Order.**

The meeting was called to order at 4:00 P.M.

**2. FOIA Compliance:**

Public notification of this meeting has been published, posted and mailed in compliance with the Freedom of Information Act and the Town of Hilton Head Island requirements.

**3. Committee Business:**

None

**4. Unfinished Business:**

None

**5. New Business**

**RFP for Residential Waste and Recycling Services**

Sarah Skigen, Natural Resources Associate approached the Committee and advised that Jim Frey and Brianne Haven from Resource Recycling Systems were here today. They have been helping us with a formulation of an RFP. They will go over the contents of the RFP for your consideration.

Mr. Jim Frey stated what they would focus on in the slide presentation is what we call the program elements. The objective is to be able to put the Committee in a position to recommend the program elements for approval.

**Today's Agenda:**

- Goal of the Process
- Why Recycling and Franchising are Important
- Status Update and Program Timeline

- Key Program Goals for RFP
- Key Program Priorities for RFP
- Key Franchise Priorities
- Action Items for Today

**Goal of the Process:**

- Develop a RFP for residential recycling and waste services island-wide.
  - Town Council “High Priority” goals in 2009 and 2010
  - Reduce waste/increase recycling
  - Reduce wear and tear on Island roads
  - Improve Island air quality
  - Reinforce the Town’s green goals.
- Franchise service to one or two service vendors.

Mr. Frey advised they have met with all of the haulers and collected data. They all have expressed a high degree of interest in the process. The official data shows about 24,748 units. 14,122 are considered single family and 10,737 are considered multi-family. When we talked to the haulers, we found that approximately 14,122 of the 24,748 are actually receiving a service yard type service, so we know that the other 9,000+ are likely using the drop off. We also know from the data that approximately 5,540 units have actually subscribed to some sort of recycling service. There are 154 pounds per household per year being completed. That level of recycling performance rates very low in effectiveness. We document programs throughout the country and we know that the high performing ones will be able to divert nearly seven times that at over 1,000 pounds per household per year. There are a lot of reasons for the poor to fair level and that is what having the franchise will help fix.

Mr. Frey reviewed with the Committee why this is all important.

- Six to seven haulers on the roads. Each with multiple trucks in the community. Lots of impact, including wear and tear (potholes and erosion), noise (diesel engines, back-up beepers, air brakes), safety (pedestrian conflicts, workers in backyards), traffic, etc. All of this can be avoided by limiting the number of trucks on the road.
- All provide different service packages and price points, recycling services inconsistent in cost and quality.
- Confusion pushes people to drop-offs – more traffic/inconvenience.
- Constituents (residents and tourists) expect recycling and are used to it being simple and provided by their Town.
- A consistent, cost effective, high quality waste and recycling program is a big step forward towards a green Island.

What we have been doing to date is:

- Finalize initial strategy
- Evaluate vision, needs and service priorities
- Meetings with haulers and processors
- Meeting with Town Council Members

- Town Council criteria prioritization matrix
- Meeting with Beaufort County
- Prepare Draft Service RFP documents

Chairman Safay questioned what the timeline is. Sarah Skigen advised that if this Committee makes a recommendation to Town Council, it would come before Council on March 16, 2010 and you will again review and approve as an entire Town Council for us to go out with the RFP at that point. When those proposals come in, we will come back to you with our recommendation of a proposed hauler or haulers. Any recommendations the Committee makes will be reflected in the Memo that goes to Town Council on March 16, 2010.

The options we have been looking at prior to the prioritization exercise included a broad range of issues related to zones, recycling, link to Town sustainability goals and we went through a prioritization exercise process where each of Town Council were asked to rank and rate different criteria. The results of which then produced a prioritized list of program goals. These goals are as follows:

1. Lower costs to citizens
2. Lower road maintenance costs
3. Achieve sustainability and green Town goals
4. Increase public safety
5. Improve service
6. Increase recycling rate

Based on the input from Town Council and from the input we have received from haulers, here is how the program is beginning to be defined. The draft RFP that is being worked on reflects this type of program priorities:

1. Waste and recycling service for all residential units including multi-family that use carts.
  - Would include condos, villas and apartments that use carts
  - Would not include multi-family complexes that use commercial dumpsters
  - Grandfather period for existing contracts (e.g., 12 months)
  - Residents can opt out only for self-haul to drop-off center
2. Service yard collection for everyone
  - Rear, side or front yard
  - Customer supplies own waste container (up to two)
  - Carts can be rented at additional charge
3. Basic service package
  - One time a week waste and recycling collection
  - Additional pickup/week or Saturday pickup at added charge
4. Recycling bins provided by franchise
  - 24 gallon bin standard with extra bin(s) free on request
  - Bins have Town recycling logo/stay with Town after Contract
  - Bins have RFID tag for recycling incentive program
5. Recycling incentive program included
  - RecycleBank or equivalent

- Rewards for recycling (gift cards/coupons – average \$240/yr.)
6. Bulky items handled at drop-off center
    - On call service provided for additional charge
  7. Complaint and complaint resolution tracking
    - On-line/call in service tracking available to Town/customers
  8. Fines for failure to perform
  9. Performance bond and default remedies
  10. Provision to cover Town contract management
    - Incorporates education and outreach
  11. Contractor does all invoicing
    - Fee schedule includes basic service package
    - Menu of additional fees for premium services (e.g., Saturdays)
    - Discounts for pre-payment and paperless invoicing/payment
    - Discounts if single bill for multiple units (above minimum)
    - Minimum one quarter pre-pay service level
    - Options for seasonal residents
      - Discounts for seasonal if agree to flat fee for year
      - Can stop service given minimum one quarter pre-pay service
  12. Franchise Fee
    - Cover education and outreach
    - Contract administration
    - Not used as a replacement fee structure for business licenses
  13. Long Term Contract
    - Five year initial term
    - Helps support initial investment (bins, trucks, etc.)
    - Termination rights for Town
    - Periodic review of pricing/specifications (every two years)
  14. Separate Processing Contract (separate RFP)
    - Results in same recycling across both zones
    - Results in identical list of recyclables across Island
    - Will result in materials being added (e.g., all plastic containers)
    - Enables consistent education approach across Island
    - Supports recycling incentive program
    - Supports more competition from processors
    - Allows fair pricing for all collection vendors
    - Will create possible rebate for recycling to lower costs
    - Town can keep processor even if collection contractor changes

Mr. Frey then proceeded to review the RFP Elements, which are as follows:

- Overview of requested services
- Evaluation criteria
- Submittal requirements
- Standard/Contract terms and conditions
- Proposal and cost forms

- Exceptions to the RFP

Today the Committee is asked to discuss and recommend for approval the Elements of the RFP. Once that is done, they would go ahead and prepare the RFP, guided by the statements that were just covered.

Sarah Skigen mentioned that they will be taking the Committee's recommendations and will revise in a Memorandum that they will see when it goes to the full Town Council. Mr. Frey advised that after the RFP is released, that is when there will be a Pre-Proposal Meeting is held. That meeting is a mandatory meeting that they are required to attend if they want to submit a proposal.

Councilman Williams stated he likes the concept of having a different RFP for the processing center.

Councilman Williams stated a bin wouldn't work for him and for most of his area in South Beach because everything is outside. Some of these Villas have a large service area but have no room in the house. My experience with bins is that they are open so the rain comes in. Councilman Williams also stated that a 24 gallon container would be too small for his family. Mr. Frey stated they would introduce an option for a cart or a larger can with a lid.

Councilman Williams asked how the RecycleBank worked. Mr. Frey stated it is a community based recycling incentive. The truck goes out and does its route and picks up from perhaps 50 small generators and 150 large generators and takes the whole payload weight from the truck which gets weighed at the MURPH and that payload gets distributed to all of the participating recyclers on that route that day. All recyclers benefit from an equitable fair reward. Chairman Safay asked who keeps track of this and Mr. Frey advised that the worker will have to do nothing but service the unit. The connection will be made with something that is held on their hip or the truck and that data then is downloaded on a daily basis.

Councilman Williams stated he had a concern with regard to #6 of the Key Program Priorities which states that "bulky items handled at drop-off center – on call service provided for additional charge." There definitely could be a problem where a bulky item sits at the curb waiting to be picked up for quite some time. Mr. Frey stated there are some communities that have stated they are not a bulky waste collection service. You could take that approach if desired. Chairman Safay stated he was not pleased with the idea of someone hauling their couch to the curb and leaving it there till someone comes by and picks it up. It just doesn't sound like Hilton Head Island to me. Mr. Frey said that would be a very simple change in the RFP language.

Councilman Williams that there is one item that is not addressed here and thought it needed to be. There are other units that would not be covered under this, e.g., a fourplex that has a shoot or a bin or dumpster but the homeowners within that area want to participate in recycling. Councilman Williams stated we need to make it available not only to those people, but also some of the commercial people. Mr. Frey said they can add a description for that and an additional price point.

Chairman Safay stated he has spoken to numerous people from the Hospitality Association and business owners and all of them want to know when we are going to have a program for them. Chairman Safay advised that was the next step – we will get this under our belt and roll right into commercial because there is a demand and a need for it.

Councilman Laughlin stated he didn't care who picks up his garbage, but is concerned with level of service and cost. I am wondering how likely it is that there are going to be people out there who perceive that they are paying more under this program than they are currently paying. Mr. Frey stated they have gotten some data from the different haulers about the different arrangements and my conclusion is that there are savings that will be available for almost everyone.

Chairman Safay asked for a clarification on what single stream recycling is. Mr. Frey stated the clearest way to think of it is that you are separating your recyclables from your trash, but you are then putting it into a single container. There will be an in-molded label inside the container that will have a picture of what you may place in the bin.

After brief comments from the public, Councilman Laughlin motioned the Public Facilities Committee forward this to Town Council with our positive recommendation as outlined. Councilman Williams seconded the Motion. Councilman Williams wanted to make sure that the comments made here would be included in the presentation as it goes forward. The Motion passed unanimously.

Chairman Safay thanked Mr. Frey and Ms. Haven and stated it appears that the Town is on a track to implementing this kind of program and encourages any communities that are involved in negotiating individual contracts to keep a close watch on what we are doing here so we can minimize any kind of problems that will occur when we finally do implement this and start moving.

**6. Adjournment:**

Councilman Laughlin moved to adjourn. Councilman Williams seconded the motion. The meeting was adjourned at 5:20 p.m.

Respectfully Submitted,

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**Karen D. Knox**  
**Senior Administrative Assistant**