

City of Portland, Maine  
Finance Committee Meeting  
Thursday, September 29, 2016  
5:00 p.m., Room 209

1. Finance Committee Meeting Agenda For September 29, 2016

Documents:

[FC AGENDA AND BACKUP 09-29-16.PDF](#)

**City of Portland, Maine  
Finance Committee Meeting  
Thursday, September 29, 2016  
5:00 p.m., Room 209**

**AGENDA**

- 1. Introductions**
- 2. Riverside Recycling Facility – RFP and New Contract**
- 3. Recycling Cart RFP**
- 4. Collection RFP**
- 5. Appropriation of Bayside Property Sale Proceeds (Action / Recommendation to City Council)**
- 6. Other Business**



Executive Department  
Jon P. Jennings, City Manager

To: Councilor Mavodones and Members of the Finance Committee  
From: Troy Moon, Sustainability Coordinator  
Re: Solid Waste Program Improvements  
Date: 9/21/2016

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During the past year City staff has endeavored to keep the Council informed about our progress to modernize the City's solid waste program. As we prepare to recommend approval of one contract and prepare two other RFPs for distribution we thought it would be important get feedback from the Finance Committee.

### **Riverside Recycling – Recommending New Contract with CPRC**

The City owns the Riverside Recycling Facility at 910 Riverside. It holds permits from the Maine Department of Environmental Protection Agency that allows it to operate as a transfer and processing facility for bulky waste, construction and demolition debris, and leaf and yard waste. Since 2005, CPRC Group has operated the facility under the oversight of City staff. They have received and processed acceptable waste from City operations, Portland residents, residents from other communities, small businesses, and commercial waste haulers. In June, the City Manager directed staff to solicit proposals from firms that might be interested in operating the facility. Respondents were asked to offer creative, cost effective solutions for handling acceptable materials from City operations and residents. Two firms responded – Pine Tree Waste (Casella) and CPRC Group. The City Manager and a team of staff members reviewed the proposal and found the CPRC proposal to be the most responsive and to offer the best overall value to the City. In order to finalize the agreement the City Council must authorize the City Manager to execute the contract.

Under the terms of the proposed agreement, CPRC Group will retain the right to operate their business at Riverside Recycling for ten (10) years. They will continue to receive and process acceptable waste from residential and commercial customers as well as from City residents and City operations. Revenues from tipping fees will continue to stay with them as they do under the current contract. As the facility owner, the contract provides the City with the following benefits:

- For the duration of the contract, disposal of up to 15,000 tons of residential (E-Card) material and material from City operations at **no charge**.
- For the duration of the contract, acceptance of residential electronic and universal waste from E-Card users at **no charge**.

During the past five years deliveries of materials to Riverside Recycling by the City and residents has average about 15,000 tons per year. Under the terms of the contract if deliveries of materials by the City and residents exceed 15,000 tons, the City would be required to pay a tipping fee per ton that varies depending on the item. Fees would range from -\$20/ton for metal items to \$60/ton for non-recyclable and bulky waste as indicated below:

| <u>Material</u>        | <u>Fee/(credit)</u> |
|------------------------|---------------------|
| Brush                  | (-\$2.00/ton)       |
| Demo Wood              | \$55.00/ton         |
| Yard Waste             | \$12.50/ton         |
| Drywall                | \$55.00/ton         |
| Shingles               | \$35.00/ton         |
| Non-Recyclables        | \$55.00/ton         |
| Metals                 | (-\$20.00/ton)      |
| Inert                  | \$8.50/ton          |
| Stumps                 | \$40.00/ton         |
| Catch Basin Grit       | \$45.00/ton         |
| Sweeper Sand           | \$20.00/ton         |
| Heavy Furniture        | \$68.00/ton         |
| Light Furniture        | \$68.00/ton         |
| Heavy Lawn Equipment   | (-\$20.00/ton)      |
| Light Lawn Equipment   | (-\$20.00/ton)      |
| Bicycles               | (-\$20.00/ton)      |
| Children's Equipment   | \$68.00/ton         |
| Gas Grill              | (-\$20.00/ton)      |
| Mattress or Box Spring | \$68.00/ton         |
| Appliances (non-Freon) | (-\$20.00/ton)      |
| Grass                  | \$17.50/ton         |
| Leaves                 | \$15.00/ton         |

The contract includes a provision that could extend the contract on the original terms for an additional seven (7) years. In order for this to happen, CPRC would be required to upgrade the facilities at Riverside Recycling as follows:

- 1) Renovation of the City owned buildings on the site to include:
  - a) Improve employee restroom and locker facilities
  - b) Upgrade or replace the existing HVAC system
  - c) Improve the equipment maintenance bays for four season repairs
  - d) Expand administrative office space
- 2) Enhance the customer experience by improving the scale house operation which will allow more efficient traffic flow in and out of the facility.
- 3) Purchase at least one new truck scale
- 4) Increase paved areas to improve customer experience and facilitate operations

CPRC would also be required to transfer the administrative elements of their business from their Scarborough facility to Riverside Recycling. Any construction, site work, engineering, or other related costs for this would be at CPRC's expense. If they do not choose to exercise this provision, the contract remains at 10 years. Under either scenario, the parties may negotiate a mutually agreeable extension for an additional term of not less than 5 years.

## **Recycling Cart RFP**

The City Council has expressed strong interest in improving the recycling program by moving away from the small, open top recycling bins to large, covered recycling carts. To facilitate this transition, City staff has prepared an RFP to solicit vendors interested in supplying the carts. Interested respondents will be asked to:

- Supply 25,000 carts
- Distribute the carts to Portland households
- Create a database documenting the physical address each cart was delivered to.
- Provide technology necessary to track and manage the cart assets
- (Alternate) Offer creative financing or leasing options that may assist the City with procurement

Staff will review the submitted proposals and select the most responsive for further negotiations.

Cart manufacturers have indicated that the 64 gallon carts the City is interested in purchasing are selling for approximately \$40 each. (As with any commodities, prices fluctuate.) If this price holds during our solicitation, the cost for deploying carts will be approximately \$1,000,000. Staff has been actively pursuing grant funding to support this improvement to our recycling program. We are hopeful that a funder will support us with a \$175,000 grant that would bring the City's cost down to about \$825,000. Funders have indicated that it is much simpler to grant money directly to the City than to a 3<sup>rd</sup> party, which is why we have chosen to solicit the carts separately from collection.

## **Collection RFP**

Staff is also preparing an RFP for waste collection services. Haulers will have the ability to provide responses on three distinct services and may choose to offer a proposal for an individual service, two of them, or all three of them. While we feel the City's Solid Waste employees do an excellent job we also recognize that the private sector may offer innovative approaches to collection service and may offer advantageous pricing. Given this, we feel it is warranted to investigate this with the waste hauling community. During our review of the proposals we will consider all impacts to the collection program and Public Works operations before making a decision about whether to award a contract or contracts.

- Recycling collection: Haulers will have an opportunity to describe how they would collect curbside recyclables from the residents in Portland. The RFP will indicate that the program will be cart based, using carts provided by the City. It will be up to the respondent to indicate the type of equipment and the number of employees they would use to provide the service. For instance, a hauler may choose to implement automated collection in some of the City or throughout the entire City.
- Trash collection: Haulers will have an opportunity to describe how they would collect household trash from the residents of Portland. The RFP will indicate that the trash must be picked up in a City trash bag. As with recycling, haulers will have an opportunity to describe the type of equipment they propose to use and how they would conduct their operation. Haulers may propose a system that uses carts as long as they are used to hold City trash bags.
- Food waste collection: ecomaine recently began accepting food scraps at their facility on Blueberry Road. The program allows delivery of bagged food waste by waste haulers, municipalities, and large businesses. In a municipal context, residents would be able to collect food scraps in any clear plastic bag, such as the bags used in the produce department of local grocery stores or sandwich bags. Haulers will have an opportunity to offer a proposal to collect food scraps from Portland residents as part of their weekly collection. The RFP will indicate that the hauler will need to propose some sort of curbside container for the food scraps residents may choose to set out.

We will request that the proposers offer creative solutions. We would be open to proposals that consider automated collection, that propose split body trucks to enable one vehicle to collect more than one waste stream, or other innovative approach.

We look forward to discussing these items with you at the Finance Committee and getting your feedback as we work to improve the solid waste services we provide our residents.