

AGENDA

3:00 P.M.

CITY OF SEDONA, SPECIAL CITY COUNCIL MEETING

WEDNESDAY, MAY 25, 2016

NOTES:

- Meeting room is wheelchair accessible. American Disabilities Act (ADA) accommodations are available upon request. Please phone 928-282-3113 at least two (2) business days in advance.
- City Council Meeting Agenda Packets are available on the City's website at:

www.SedonaAZ.gov

GUIDELINES FOR PUBLIC COMMENT

PURPOSE:

- To allow the public to provide input to the City Council on a particular subject scheduled on the agenda.
- This is not a question/answer session.
- The decision to receive Public Comment during Work Sessions/Special City Council meetings is at the discretion of the Mayor.

PROCEDURES:

- Fill out a "Comment Card" and deliver it to the City Clerk.
- When recognized, use the podium/microphone.
- State your:
 1. Name and
 2. City of Residence
- Limit comments to **3 MINUTES.**
- Submit written comments to the City Clerk.

1. CALL TO ORDER/PLEDGE OF ALLEGIANCE/MOMENT OF SILENCE

2. ROLL CALL

3. SPECIAL BUSINESS

LINK TO DOCUMENT = 

- a. AB 2077 Discussion/possible direction regarding development of a Request for Proposals document to solicit private hauler(s) to provide proposals for a Citywide, City-managed residential trash and recycling program. 
- b. Discussion/possible action on future meeting/agenda items.

4. EXECUTIVE SESSION

If an Executive Session is necessary, it will be held in the Vultee Conference Room at 106 Roadrunner Drive. Upon a public majority vote of the members constituting a quorum, the Council may hold an Executive Session that is not open to the public for the following purposes:

- a. To consult with legal counsel for advice on matters listed on this agenda per A.R.S. § 38-431.03(A)(3).
- b. Return to open session. Discussion/possible action on executive session items.

5. ADJOURNMENT

Posted: _____

By: _____

Susan L. Irvine, CMC
City Clerk

Note: Pursuant to A.R.S. § 38-431.02(B) notice is hereby given to the members of the City Council and to the general public that the Council will hold the above open meeting. Members of the City Council will attend either in person or by telephone, video, or internet communications. The Council may vote to go into executive session on any agenda item, pursuant to A.R.S. § 38-431.03(A)(3) and (4) for discussion and consultation for legal advice with the City Attorney. Because various other commissions, committees and/or boards may speak at Council meetings, notice is also given that four or more members of these other City commissions, boards, or committees may be in attendance.

A copy of the packet with material relating to the agenda items is typically available for review by the public in the Clerk's office after 1:00 p.m. the Thursday prior to the Council meeting and on the City's website at www.SedonaAZ.gov. The Council Chambers is accessible to people with disabilities, in compliance with the Federal 504 and ADA laws. Those with needs for special typeface print, may request these at the Clerk's Office. All requests should be made **forty-eight hours** prior to the meeting.

CITY COUNCIL CHAMBERS
102 ROADRUNNER DRIVE, SEDONA, AZ

The mission of the City of Sedona government is to provide exemplary municipal services that are consistent with our values, history, culture and unique beauty.

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**CITY COUNCIL
AGENDA BILL**

**AB 2077
May 25, 2016
Special Meeting**

Agenda Item: 3a
Proposed Action & Subject: Discussion/possible direction regarding development of a Request for Proposals document to solicit private hauler(s) to provide proposals for a Citywide, City-managed residential trash and recycling program.

Department	City Manager's Office
Time to Present	30 Minutes
Total Time for Item	2 Hours
Other Council Meetings	March 23, 2016 City Council Work Session
Exhibits	A. Procurement Strategy Workshop Memo

City Attorney Approval	Reviewed 5/17/16 RLP	Expenditure Required	
		\$ TBD	
City Manager's Recommendation	Discuss and give direction regarding an RFP for refuse hauling/ recycling services.	Amount Budgeted	
		\$ 75,000	
		Account No. (Description)	City Manager's Office Operating Budget - Professional Services Line Item
		Finance Approval	<input checked="" type="checkbox"/>

SUMMARY STATEMENT

Background: On March 23, 2016, the City Council held a work session to discuss the way trash and recycling services are currently provided within the City of Sedona and to explore the possibility of transitioning from the existing open system to a City managed system by which the City contracts with a private hauler or haulers to provide Citywide residential trash and recycling services.

This topic was included as a City Council priority in 2015 and included a two-phased approach whereby:

- Phase I would evaluate whether the benefits are significant enough, and whether there is enough resident interest, for the City to manage a citywide contract for services.
- Phase II would be contingent on outcome of Phase I, and would include conducting a competitive procurement process to evaluate proposals and potentially select vendor(s).

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Phase I results were presented at the March 23rd meeting, and the City Council was asked to decide whether or not to proceed with Phase II. At that time, Council directed staff to proceed with Phase II and to move forward with the development of a Request for Proposals (RFP) document that would solicit vendors to submit contract proposals. Proceeding with an RFP does not obligate the City to select a vendor and initiate a program, but the process will allow the City Council to evaluate the merits of the various proposals and then make an informed decision as to whether or not the terms proposed are attractive enough to move forward with an actual contract and change in the existing service model. Once proposals are received, there would be another opportunity for community input and Council could then vote to negotiate and adopt a contracted proposal, or decline all proposals and decide against contracting altogether.

The purpose of the May 25th procurement strategy session is to discuss the framework for the RFP document and for Council to provide direction regarding various elements of an RFP. Decisions and/or direction will be sought regarding the following elements:

- Number of service areas (i.e. zones)
- “Bundled” vs. “unbundled” contract for services
- Base services vs. optional additional services
- Optional cart sizes and procurement/ownership of carts
- Collection frequencies
 - Refuse
 - Recycling
 - Bulky waste (if applicable)
 - Other
- Collection systems to be considered
 - Solid waste and dual stream/curb sort recycling
 - Solid waste and single stream recycling
 - Solid waste and recycling drop off
 - Mixed waste with recycling processing requirement
- Opt-out options (including temporary vacation holds)
- Billing and customer service responsibilities
- Evaluation process criteria (i.e. best value, local experience, etc.)

Consultant and staff recommendations have been provided for each of these areas. They are outlined by topic in Exhibit A – Table 1.

The City’s consultant conducted follow up meetings with each of the local haulers, i.e. Patriot, Taylor Waste, Waste Management, as well as the local non-profit recycling collections center/processing facility, Sedona Recycles, to solicit input regarding the development of the RFP document specifically. Their input and perspectives played a role in finalizing the recommendations. Other factors included consideration of the input received during the extensive Phase I public outreach process, consultant experience, national data, and best practices from other communities. Staff is seeking direction from the City Council regarding the policy decision areas outlined in Exhibit A – Table 1.

Table 2 in the Exhibit A document lists other more administrative, operational, and legal topics and considerations and recommendations for the RFP. While staff is specifically seeking Council direction on the policy related aspects of the RFP, should Council have

questions or wish to give additional direction on any items listed in Table 2, that may also be done during the procurement strategy work session.

Community Plan Consistent: Yes - No - Not Applicable

Sustainability is cited as an inclusive goal of the plan. The Community Plan Summary states that “Sustainability is a fundamental goal of this Community Plan. Sustainability as envisioned by the Community Plan is not just about reducing our impact on the environment, but is equally about maintaining and enhancing the connections and ties that bind individuals and form Sedona’s community fabric. Sustainability in the Sedona of today and tomorrow will lead to policies and actions by government and citizens that enhance our natural and built environments, create a diversified economy, improve individual and collective quality of life, and create an educated, equitable and prosperous community.”

There are six major outcomes identified in the Community Plan Summary. These are explanations of what we want the community to look and feel like in 2020 and beyond. One outcome is Commitment to Environmental Protection, which states that “Sedona has become an international model for the successful balancing of environmental protection and human wants and needs. To protect our unique setting for future residents, Sedona’s city government and residents have working in tandem to achieve and promote sustainable living, and to develop best practices for maintaining sustainable business and recreational philosophies.”

Environmental stewardship is a Vision Theme of the Community Plan. The Plan states that “Sedona is known for practices that respect and protect the natural environment, and as the responsible caretaker of one of the world’s greatest treasures.”

In Chapter 5 of the Plan, Environment, the Plan states “Protection of the environment is the community’s top priority, and sustainability is a fundamental goal of the Plan. This chapter addresses our impacts to the environment, locally and globally, from conserving non-renewable resources to protecting the health of the ecosystem. While some of these issues may not seem to be a problem today, if the current rates of consumption and impacts continue, the long-term results will be a significant decline in the health of the environment, the availability of vital resources, and the community’s quality of life.”

Policy eight on page 78 of the Environment Section of the Plan is to reduce harmful emissions and policy thirteen is to support recycling and other waste stream reduction efforts. Action item seven, which is part of the priorities for years 6-10 of the Environment Action Plan (page 79) is to develop an action plan that would focus on methods to improve energy efficiency and conservation and reduce harmful emissions.

Board/Commission Recommendation: Applicable - Not Applicable

Alternative(s):

MOTION

I move to: for discussion and direction only.

Memorandum



Date: May 11, 2015
To: City of Sedona City Council
From: Scott Pasternak, Burns & McDonnell
Veronica Roof, Burns & McDonnell
Subject: Solid Waste and Recycling Procurement Planning

The City of Sedona (City) retained Burns & McDonnell to evaluate the feasibility to transition from the current open solid waste and recycling system within the City to the City contracting with a private hauler to provide a City-wide residential solid waste and recycling program (Study). On March 23, 2015, Burns & McDonnell and City staff provided the City Council an overview of the Study including a summary of input received from citizens and current vendors. City Council directed Burns & McDonnell and City staff to continue evaluating the feasibility to transition to a City-wide residential solid waste and recycling program.

To further evaluate a City-wide residential solid waste and recycling program, Burns & McDonnell and City staff are developing procurement documents to solicit proposals from interested vendors. As part of the continued evaluation, Burns & McDonnell facilitated additional interviews with the current vendors. In addition, Burns & McDonnell conducted a workshop with City staff to discuss procurement topics related to the procurement for City-wide residential solid waste and recycling services.

A summary of the City-wide residential solid waste and recycling services procurement topics including City staff recommendation is provided in the remaining sections of this memorandum. Key procurement topics were identified based on insight provided by citizens, current vendors, and City Council. City staff also discussed other procurement topics, which are more basic in nature. Burns & McDonnell requests to discuss the key procurement topics (see Table 1) during the work session. In addition, Burns & McDonnell, City staff and City Council can discuss any other procurement topics (see Table 2) of interest to City Council during the work session.

KEY PROCUREMENT TOPICS

Various key procurement topics have been identified by citizens, current vendors, and City Council during the Study. Table 1 summarizes the recommendations regarding these key procurement topics.

Table 1- Key Procurement Topic and Recommendation

Topic	Recommendation
Scope of Work: Customer Base	<ul style="list-style-type: none">• One service areas (i.e. zones)• One contract for all services (i.e. bundled services) which vendors may team to provide as part of the proposal

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Topic	Recommendation
<p>Scope of Work: Collection Services</p>	<ul style="list-style-type: none"> • Scope of services will include <ul style="list-style-type: none"> • Refuse • Recycling • Scope of services may include <ul style="list-style-type: none"> • Bulky waste (vendor may elect to not propose on bulky waste services) • For refuse services, City will request proposals based on <ul style="list-style-type: none"> • Weekly collection • Collection via 96 gallon cart as well as 65 gallon cart (vendor may propose a reduced pricing for smaller cart) • As an option, vendor may propose collection via other cart sizes (e.g. 35 gallon cart) • For recycling services, City will request proposals based on <ul style="list-style-type: none"> • Customer base <ul style="list-style-type: none"> • City-wide program (i.e. all residents receive recycling services) • Subscription program (i.e. residents whom subscribe for program receive recycling services) • Collection frequency <ul style="list-style-type: none"> • Weekly collection • Every-other-week collection • Set-out/Processing requirements <ul style="list-style-type: none"> • Single stream (i.e. residents can commingle materials in a cart) • Dual stream (i.e. residents must separate paper from other recyclable materials) • Vendors may propose mixed waste processing in addition to (i.e. not in place of) single stream or dual stream recycling • For bulky waste services, City will request proposals based on <ul style="list-style-type: none"> • Inclusion in contract <ul style="list-style-type: none"> • On-call for additional fee • Semi-annual collection within monthly base fee • Exclusion from contract (i.e. residents may contact “junk haulers” for service)
<p>Carts (includes bins if dual stream recycling program)</p>	<ul style="list-style-type: none"> • Request pricing based on vendor providing services utilizing <ul style="list-style-type: none"> • Current vendor carts • New carts meeting City specifications (i.e. City logo, City name, customer service number, educational labels for recycling cart) • City to evaluate cost of vendor providing carts to City purchasing carts • If carts are purchased by vendor, vendor will be responsible for <ul style="list-style-type: none"> • Assembly, staging area, and initial distribution • Storage, maintenance, replacement and subsequent distribution • If vendor purchased carts are current vendor carts, the vendor will retain ownership upon expiration of contract • If vendor purchased carts are new carts meeting City specifications, the City will retain ownership upon expiration of contract

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Topic	Recommendation
	<ul style="list-style-type: none"> • If carts are new carts meeting City specifications, City will specify the appearance (i.e. City logo, City name, customer service number, educational labels for recycling carts)
Billing and Customer Service Calls	<ul style="list-style-type: none"> • For base services, City will request pricing based on <ul style="list-style-type: none"> • City providing billing and manage customer service calls • Vendor providing billing and manage customer service calls • City to evaluate cost of City vs. vendor providing billing and management of customer service calls • If City provides customer service, vendor to describe in proposal proposed procedure for City to communicate customer service requests to vendor • If vendor provides customer service, City will specify minimum requirements (i.e. response time, reporting requirements) • For additional on demand services (e.g. additional bulky waste collection), vendor will provide billing • Vendor must allow for opt-out (e.g. seasonal/part-time residents, shared cart/complete opt-out). If residents want services included in the contract, vendor will be only person whom can provide such services in the City.
Evaluation Criteria	<ul style="list-style-type: none"> • Evaluation to be based on a the following components: <ul style="list-style-type: none"> • Cost and recyclable revenue share • Local business presence and community involvement • Experience (e.g. City of Sedona experience, local experience, regional experience, national experience) • References (e.g. most recent contracts for similar services) • Proposed approach including strength of operations (qualifications of assigned staff, proposed customer service protocol, etc.) and technical capability (number of trucks, truck type, etc.) • Efficacy of recycling • Financial history • Transition plan

OTHER PROCUREMENT TOPICS

In addition to the key procurement topics, Burns & McDonnell and City staff discussed and proposed recommendations for other topics related to the residential solid waste and recycling procurement. Table 2 summarizes the recommendations regarding these other procurement topics.

Table 2- Other Procurement Topics and Recommendation

Topic	Recommendation
Procurement Approach	<ul style="list-style-type: none"> • Request for Proposals (RFP)
Award Procedure	<ul style="list-style-type: none"> • One-step evaluation procedure (i.e. evaluate entire proposal) • Minimum qualification requirements to be specified in RFP (e.g. X years' experience providing similar service)

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Topic	Recommendation
Pre-proposal Meeting	<ul style="list-style-type: none"> • Non-mandatory pre-proposal meeting
Term of Agreement and Termination	<ul style="list-style-type: none"> • Commencement date to be agreed upon by City and vendor but no later than 180 days from award of contract • Term of agreement <ul style="list-style-type: none"> • Initial term- 5 years • Renewal terms- 2 renewal terms of 3 years each (at City's option) • Contract may be terminated for cause
Scope of Work: Customer Base	<ul style="list-style-type: none"> • Scope of services will include <ul style="list-style-type: none"> • Residential • Government buildings (if based on proposal, City and vendor elect to include) • Special events (if based on proposal, City and vendor elect to include) • Scope of services will exclude multi-family, commercial and disaster debris
Scope of Work: Collection Services	<ul style="list-style-type: none"> • Set-out locations will include <ul style="list-style-type: none"> • Curbside • Backdoor/sidedoor for additional cost • Sidedoor for no additional cost for households that qualify • To minimize cost, vendor may propose to provide services within the City over various days (e.g. refuse collection provided to east portion of City on Monday and west portion on Tuesday and recycling collection provided to east portion of City on Wednesday and west portion on Thursday) • Residential services will not be provided on Saturdays • For a household, all refuse must be collected on one day • For a household, all recyclables must be collected on one day • Vendor will not be required to collect refuse set-out out of cart • Vendor will be required to collect recycling set-out out of cart • RFP to specify days and hours of operation and holidays
Additional Recycling Program Requirements	<ul style="list-style-type: none"> • RFP to define minimum recyclable materials that must be included in program. Tentatively, these materials include: <ul style="list-style-type: none"> • Paper- newspaper, magazines, office paper, junk mail, phone books, and shredded paper (bagged) • Cardboard- corrugated cardboard, paperboard, brown paper bags, and manila envelopes • Mixed plastic #1-#7- plastic bottles, tubs & lids, clamshell containers, and buckets (excludes plastic bags, Styrofoam, or PVC pipe) • Steel- soup cans, empty aerosol cans, empty paint cans, small empty propane canisters (no scrap metal or five-gallon propane tanks) • Aluminum- soda cans, clean foil, clean pans • Vendors may identify other materials to be included in program (e.g. glass and aseptic containers) • Vendors to identify minimum recovery rate for recyclable materials included in the program (e.g. 95% recovery rate) • Vendors to describe process to provide composition of recyclable materials from the City (i.e. composition audit) • Vendor shall perform the composition audit at minimum once per year

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Topic	Recommendation
Collection Vehicle Requirements	<ul style="list-style-type: none"> • RFP to specify minimum appearance (i.e. vendor name, truck number) and standards (i.e. good working order, no leaks) • Preference (i.e. not required) for CNG vehicles • Vendors to identify whether vehicles will be Diesel or CNG vehicles • RFP to specify other collection vehicle equipment (internet, radio/cellular communications, spill kit, etc.)
Planning and Reporting	<ul style="list-style-type: none"> • RFP to require a description of transition plan • If awarded the contract, contract will required a more detailed transition plan • RFP to specify general reporting requirements <ul style="list-style-type: none"> • Reporting frequency • Transmittal of report (hard copy, disk, and/or email) • Required information (e.g. route maps, daily weight tickets by route and material type, monthly weight records by route and material type, complaint log)
Public Education	<ul style="list-style-type: none"> • Public education will be a partnership between City and vendor • Vendor will develop, print and distribute improper set-out notices and changes in services notice • City will develop new customer notices and vendor will print and distribute new customer notices • City will develop, print and distribute all other public education (e.g. annual notices) • All public education developed by vendor must be approved by City
Billing	<ul style="list-style-type: none"> • For services billed by City, payment will be based on billings (i.e. City responsible for collection of bad debt) • For services billed by vendor, payment will be based on payment received (i.e. vendor responsible for collection of bad debt)
Disposal and Processing Costs	<ul style="list-style-type: none"> • Vendor responsible for solid waste disposal and recycling processing costs • Vendors to propose recyclable revenue share basis (e.g. if recyclable markets exceed \$X for a period of X months, vendor will share X% of revenues with City)
Cost Forms	<ul style="list-style-type: none"> • Costs to be provided by service (i.e. refuse, recycling, bulky waste) and option (e.g. weekly vs. every other week for recycling) for consideration by the City • Forms to request vendors specify recyclable revenue share basis • Forms to request variable pricing based on refuse container size
Franchise Fee	<ul style="list-style-type: none"> • No franchise fee to be paid to City
Rate Adjustments	<ul style="list-style-type: none"> • No adjustment for approximately 2 years except for if fuel increases by excess of X % • For subsequent years, annual adjustment per fiscal year will be based on a specified index adjustment with an annual cap (e.g. not to exceed 2% per fiscal year)
Administrative Fees	<ul style="list-style-type: none"> • City to establish administrative charges in the RFP to ensure customer services. Reasons for administrative charges will include <ul style="list-style-type: none"> • Missed collections • Commingling of recyclables with solid waste • Failure to provide services upon commencement of agreement • Failure to provide services during hours of operation

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Topic	Recommendation
	<ul style="list-style-type: none">• Failure to timely submit monthly and annual reports• Failure to reconcile complaints within allotted timeframe
Bonds and Insurance	<ul style="list-style-type: none">• The successful vendor will be required to provide a performance bond to ensure services in the event of a default• City to specify minimum insurance requirements