

REFUSE, RECYCLING AND YARD WASTE SERVICES

History of the Franchise Agreement
Program Overview
Plan moving forward

REFUSE / RECYCLING / YARDWASTE AGREEMENT

- ❑ April of 2008 - Village entered into an agreement with Waste Management for Refuse, Recycling and Yardwaste collection services for (Residential Scavenger Franchise Agreement).
- ❑ 5 year sticker-based contract (2008 – 2013).
- ❑ Option to extend for 5 additional one (1) year terms (2013 -2018).
- ❑ All incorporated single family and 4 unit or less multi-family residences.

Scavenger Service History

- 2000 – 2005: Sticker Program with Waste Management
- 2005 – 2008: Renewal of Waste Management Agreement
- January 2008: RFP Solicited
 - Proposal sought:
 - Sticker/Volume Based Program with for a (5) year agreement, with (5) additional one (1) year renewals.
 - Proposal also requested that the haulers be creative in proposing alternative programs to lower service rates.
 - (4) complete proposals were received from: 1) Waste Management; 2) BFI (now Republic), Arc Disposal, and DisposAll Waste Services.

Scavenger Service History

- The lowest proposal was Waste Management:

Initial 5 Year Contract:

Term Year	2008/09	2009/10	2010/11	2011/12	2012/13
Sticker Price	2.85	2.98	3.11	3.24	3.28

Optional Extensions:

Optional Year	2013/14	2014/15	2015/16	2016/17	2017/18
Sticker Price	3.53	3.67	3.83	3.98	4.13

Woodridge Program Design

REFUSE

- Sticker Rate (refuse and yard waste) = \$3.83 each, all containers
- Bulk item requires (1) sticker
- White Good must be prescheduled for \$20.00 per item.
- Electronic Waste must be prescheduled for \$25.00 per item.
- Amnesty Day (5 Sticker Program)

RECYCLING

- Unlimited collection.
- (1) recycle bin provided for new construction.

*Optional: Monthly Flat Rate Refuse/Recycle – No refuse stickers required

- 64 gallon \$21.60/month (plus toter rental or purchase)
- 96 gallon \$31.94/month (plus toter rental or purchase)

YARD WASTE

- Stickers required for all yard waste containers/bags.
- (4) weeks free leaf collection in November (brown Kraft bags).
- Christmas tree pickup first two pick-ups in January.

Common Questions

- Leaf Pick-up:
 - Bagged
 - Loose at curb

- Brush Pick-up
 - Contract Provision
 - Free curbside
 - 71st Street Site
 - Christmas Tree Collection

- Amnesty Day – not really free
- Recycling Toters
- Bulk Items
- White Goods
- Electronics

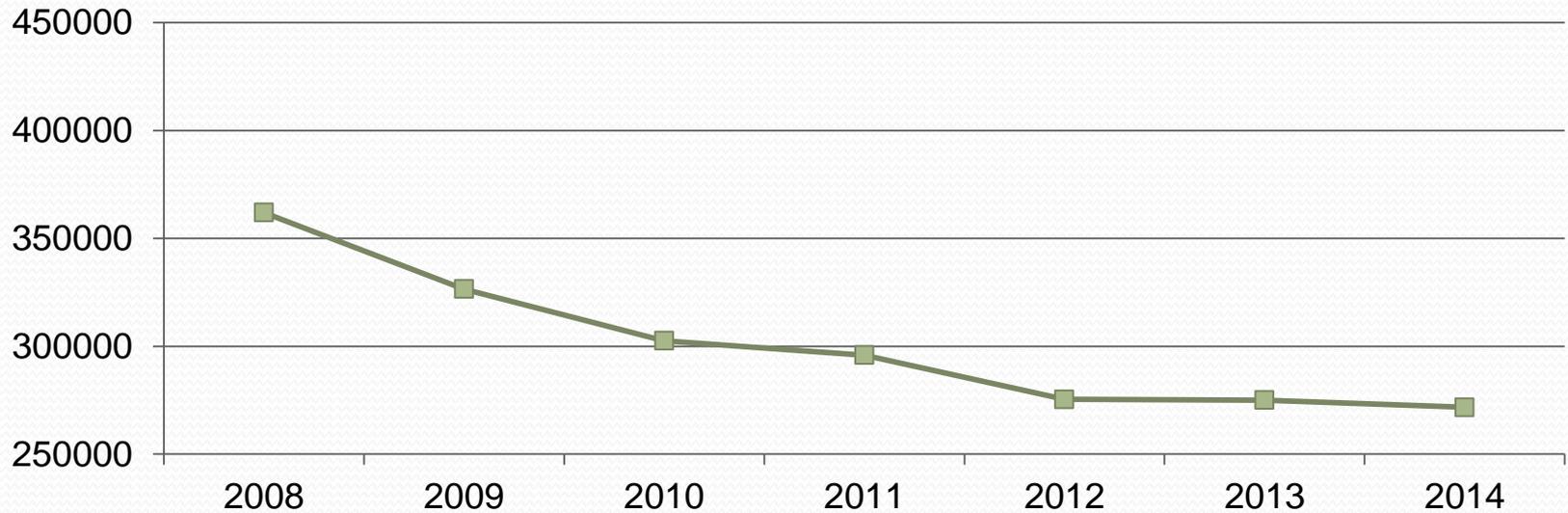
Biggest Problems

- Improper Recycling
- Refuse Can size/weight
- Stickers vs flat payment –option exists

Waste Management Record of Sticker Sales – Woodridge

<u>Year</u>	<u>Stickers Sold</u>	<u>Stickers/Home/Wk</u>	<u>Stickers per month</u>	<u>% Change</u>	<u>Lbs per Sticker</u>
2008	362,000	0.79	3.16	-5.9%	29.3
2009	326,530	0.71	2.85	-9.8%	32.5
2010	302,530	0.66	2.64	-7.4%	34.1
2011	295,890	0.65	2.59	-2.2%	33.1
2012	275,340	0.60	2.41	-6.9%	33.6
2013	275,000	0.60	2.40	-0.1%	33.6
2014	271,665	0.59	2.37	-1.2%	34.8

Annual Sticker Sales



MARKET IMPACTS / TRENDS

Volume based programs reward recycling resulting in:

- High Participation in recycling program
- Significant drop in sticker sales
- Loss in revenue from recyclables over past ten years
- Contaminated recyclables

Waste Haulers Push toward fixed revenue per household
= flat rate programs.

Survey of Surrounding Communities

Municipality	Program Type	2015 Monthly Refuse Rate	2015 Add'l Refuse Sticker	2015 Yard Waste Sticker
Bartlett	Flat	22.25	N/A	3.10
Carol Stream	Flat	19.20	N/A	2.15
Clarendon Hills	Flat	21.05	N/A	2.35
Hanover Park	Flat	22.46	N/A	2.55
Villa Park	Flat	19.21	N/A	2.40

Municipality	Program Type	2015 Monthly Refuse Rate	2015 Add'l Refuse Sticker	2015 Yard Waste Sticker
Glen Ellyn IL	Hybrid	16.15	2.50	2.50
Hinsdale	Hybrid	26.08	3.05	3.05
Lombard	Hybrid	11.26	1.38	1.38
Willowbrook	Hybrid	20.05	3.00	3.00

Municipality	Program Type	2015 Refuse Sticker Rate	2015 Add'l Refuse Sticker	2015 Yard Waste Sticker
Darien	Sticker	2.89	2.89	2.89
Downers Grove	Sticker	3.85	3.85	3.85
Lisle	Sticker	2.95	2.75	2.75
Wheaton	Sticker	3.62	3.62	2.98
Winfield	Sticker	3.42	3.42	3.42
Woodridge	Sticker	3.83	3.83	3.83

COMPETING PROGRAMS: STICKERS / VOLUME BASED

PRO(S)

- Pay for only what you throw out;
- No cost if you skip a week on garbage;
- Encourages recycling.
- Most economical for singles/small families and low refuse producers.

CON(S)

- Need to keep stickers on hand;
- Can get costly on weeks with multiple containers/yard waste;
- Results in improper/contaminated recycling;
- No steady revenue for Haulers.

COMPETING PROGRAMS: FLAT RATE / MONTHLY BILL

PRO(S)

- Ease of use – no need for refuse stickers
- Economical for heavy refuse households (large families, diapers, etc.)
- Provides a known revenue stream to Hauler.

CON(S)

- More costly to small refuse producers, i.e., singles or small families;
- Does not encourage recycling;
- Pay whether used or not.

COMPETING PROGRAMS: HYBRID/MODIFIED: FLAT + STICKER

PRO(S)

- Can provide a lower cost alternative to Flat Rate Program;
- Possibly more economical during high volume periods, i.e., spring clean-up;
- Encourages recycling;
- Provides a known revenue stream to the hauler .

CON(S)

- More costly for lower refuse producing household;
- Still requires sticker usage for heavy refuse producers.

REFUSE AND RECYCLING SERVICES - CUSTOMER SURVEY

What do residents use?

What services do residents prefer?

CURRENT WASTE REMOVAL PROGRAM	STICKER PROGRAM	FLAT FEE PAYMENT			
1. How do you currently pay for waste collection in Woodridge (Standard Woodridge Sticker Program or Woodridge Option for a Flat Program through Waste Management)?					

(check the appropriate box)

House-hold Disposal Data	LESS THAN 1 Sticker / week	1 sticker / week	2 stickers / week	3 stickers / week	ENTER OTHER AMOUNT
2. If using stickers (33 gal. cans), how many stickers do you use per week?					
3. How many bulk items do you put out each calendar year?					
4. How many yardwaste bags/bundles do you average per week April-November?					
5. How many recycling bins (standard 20 gallon rectangular box-bin) do you use per week?					

(Check box)

(Check box)

Toter Usage if using the "Optional Flat Fee Program"	PURCHASED	RENT	64 GAL	96 GAL	
6. If you use refuse toters, did you buy or do you rent them from Waste Management? And what size toter?					
7. If you use recycling toters, did you buy or do you rent them from Waste Management? And what size toter?					

WASTE COLLECTION PREFERENCES FOR NEW CONTRACT	VERY IMPORTANT	IMPORTANT	NEUTRAL	NOT IMPORTANT
Free 4 weeks of bagged leaf pick-up in November				
Free live Christmas tree pick up				
Five sticker amnesty day once a year				
Bulk items being removed weekly				
Refuse/recycling totes provided free by waste hauler				
Refuse/recycling totes available to buy or rent from waste hauler				
Being allowed to use your own refuse containers				
Monthly brush drop-off May through October at Woodridge 71 st Street Brush Site.				
Cost of refuse, recycling & yardwaste services				
Having a flat fee billing program				
Having a “Pay-as-you-go” sticker program				
ADDITIONAL COMMENTS:				

REFUSE AND RECYCLING CUSTOMER SURVEY

EDUCATIONAL SECTION / COST
COMPARISON

Woodridge Sticker Program (Current Pricing Example)

Refuse Usage	2015 Rate	# of Stickers	Weeks	Total Stickers per year	Annual Cost
Refuse Stickers	3.83	1	52	52	\$ 199.16
Yardwaste Usage	2015 Rate	# of Stickers	Weeks	Total Stickers per year	Annual Cost
Spring	3.83	3	4	12	45.96
Summer	3.83	1	12	12	45.96
Fall (4 Weeks Free)	0	0	4	0	0
Yardwaste Stickers Per Year:				24	\$ 91.92
Total Annual: Refuse and Yardwaste				76	\$ 291.08

Flat Rate Program - Conceptual (Rates based on market estimates)

Refuse Usage	2015 Rate		Months		Annual Cost
Flat Rate Program	\$22.00		12		\$ 264.00
Yardwaste Usage	2015 Rate	# of Stickers	Weeks	Total Stickers per year	Annual Cost
Spring	2.75	3	4	12	\$ 33.00
Summer	2.75	1	12	12	\$ 33.00
Fall (4 Weeks Free)*	2.75	0	4	0	0
Yardwaste Stickers Per Year:				24	\$ 66.00
Total Annual: Refuse and Yardwaste				24	\$ 330.00
*Assumes same free fall leaf collection.					

Hybrid (Flat + Sticker) Program – Conceptual (Rates based on market estimates)					
Refuse Usage	2015 Rate		Months		Annual Cost
Flat Rate Program	\$16.00		12		\$ 192.00
Refuse Usage	2015 Rate	# of Stickers	Weeks	Total Stickers per year	Annual Cost
Refuse Stickers	3.50	1	0	0	\$ -
Yardwaste Usage	2015 Rate	# of Stickers	Weeks	Total Stickers per year	Annual Cost
Spring	3.50	3	4	12	42.00
Summer	3.50	1	12	12	42.00
Fall (4 Weeks Free)	3.50	0	4	0	0
Yardwaste Stickers Per Year:				24	\$ 84.00
Total Annual: Refuse and Yardwaste				24	\$ 276.00
*Assumes same free fall leaf collection.					

Program Type	Stickers Per Week (Annual Ave)	# of Refuse Stickers (Annual Ave)	# of Yard Stickers (Annual Estimate)	Annual Cost
A. Sticker Program: (Current Woodridge Program at \$3.83 sticker /33 gallon container)	0.5	26	24	\$191.50
	1	52	24	\$291.08
	1.5	78	24	\$390.66
	2	104	24	\$490.24
B. Flat Rate Program: (Estimated on monthly rate of \$22 / for a weekly 65 gallon tote)	N/A	N/A	24	\$330.00
C. Hybrid Program: (Estimated on flat monthly rate of \$16 for (1) 33 gallon refuse can. Stickers (\$3.50) for additional weekly refuse container and for yard waste)	0.5	Flat	24	\$276.00
	1	Flat	24	\$276.00
	1.5	Flat + 2 stickers/month or 24 per year	24	\$367.00
	2	Flat + 4/month, or 48 year	24	\$458.00

Refuse, Recycling and Yardwaste Program / Franchise Agreement

NEXT STEPS:

1. Customer Survey on Usage and preferences.
2. Overview survey results
3. Revise program scope and determine course for developing new Agreement: Renewal vs. RFP