



Greater Regional Waste Management System Cooperation?



Monterey Regional Waste Management District
December 2, 2009



Can Greater Cooperation Contribute To:

- Lower rate payer costs
- Improved contractor performance
- Increased services
- Increased customer service
- Increased local revenue
- Greater system funding flexibility
- Greater rate flexibility?



What Are Our Current Conditions?

- Separate agreements dating from 1980
- A range of services and few standards
- Minimal customer service and outreach
- Agency-specific fees and “free” services
- Different rates and rate structures
- Limited contract management tools



What Are Our Strengths?

- Generally low collection rates
- Relatively high diversion rates
- Long-standing hauler relationships
- Publicly-owned facilities
- Excellent self-haul programs



What Are Our Weaknesses?

- Declining subscription levels and disposal volumes with rising fixed costs
- Lack of system-level funding strategy
- Current programs not up to increasing regulatory demands
- Limited and inconsistent education and outreach
- Limited contract management tools



What Opportunities Exist?

- Contracts approaching their termination dates create opportunity to:
 - Review programs/services/standards
 - Consider additional environmental enhancements (e.g. alternative fuel, environmentally preferable purchasing)
 - Update business terms
 - Provide effective contract management tools
 - Renegotiate/competitively procure services



What Opportunities Exist?

- Greater cooperation creates opportunities for and benefits from:
 - Economies of scale:
 - Consistent programs, services and outreach
 - Consistent and enhanced funding
 - Consistent rate structures
 - Consistent contract management
 - Increased competitiveness among proposers through facility location and ease of contract administration



Greater Cooperation Can Be:

- Informal cooperation
 - Joint development of model RFP/FA
 - Individual solicitation and selection
 - Examples: Marin County, West Contra Costa County
- Formal cooperation
 - Joint development of RFP/FA, solicitation, and evaluation
 - Individual franchises
 - Example: SBWMA – San Mateo County
- Formal delegation
 - JPA responsible for all formal elements of procurement
 - A single franchise
 - Individual input via board member and staff involvement
 - Example: WWSWMA – Santa Clara County; MRWPCA



Pros and Cons of Increasingly Cooperative Process



Pros

1. Greatest economies of scale in procurement, operations, and contract management
2. Greatest consistency in services and contract terms
3. Maximizes ability to implement cutting-edge programs
4. Most flexible system funding
5. Makes Board responsible for rate setting and customer complaints
6. Most practical for regional education/outreach

Cons

1. Less individual member agency autonomy
2. Advisory role of councils/elected officials
3. Harder to customize individual services
4. May be perceived as threatening to existing haulers



Procurement Schedule



Task/Milestone	Schedule
Define Procurement Strategy	September – December 2010
Approve Procurement Strategy	January – February 2011
Develop/Execute Interagency Agreements	March – August 2011
Define RFP Elements and Contract Terms	September – December 2011
Approve RFP Elements and Contract Terms	January – February 2012
Prepare RFP and Franchise Agreement	March – August 2012
Issue RFP(s)	August 2012
Companies Prepare Proposals	September – December 2012
Proposal Evaluation	January – June 2013
Approve Contractor Selection	July – August 2013
Contract Negotiations	September – November 2013
Member Agency Agreements Signed	December 2013
Contractor Implementation Phase	January – December 2014
Start New Services	January – July 2015

Note: This schedule assumes a cooperative process. Some tasks could be eliminated or reduced in duration if a less cooperative approach is used.

