



Legislation Text

File #: 16-234, **Version:** 1

ACTION REQUESTED:

Communication from the City Manager and Director of Public Works with a Request to Approve a SECOND AMENDMENT to the WASTE COLLECTION AGREEMENT Between the City of Peoria and PDC SERVICES INC.

BACKGROUND: The City of Peoria entered into a Waste Collection Agreement, effective October 28, 2009, for the collection of residential waste throughout the City of Peoria with PDC Services, Inc. (PDC). This agreement was amended, effective January 1, 2012, and expires on December 31, 2016. The first amendment allows for a 3-year contract extension from 2017-2019, should the City of Peoria notify PDC in writing by July 1, 2016. City staff have been discussing the contract extension with PDC and exploring other service options. They include, but are not limited to, enhanced recycling services, an additional yard waste collection in December, removal of the age limitation of garbage trucks, the performance bond provided by PDC, the correct count of households for billing purposes, and the annual contractual cost increase (currently set at 3%). Trash disposal prices at the City County Landfill are contractually set to increase 6% annually until the second landfill is at capacity. This is estimated to be 2021. Landfill costs are approximately 33% of the Waste Collection Agreement costs.

In order to finalize policy options for Council, City staff would recommend the execution of a second amendment to the Waste Collection Agreement. This amendment simply extends the notification period for an extension to August 4, 2016, one hundred and fifty days (150) before the expiration of the contract.

FINANCIAL IMPACT: There is no financial impact to continue the discussions with PDC at this time.

NEIGHBORHOOD CONCERNS: Specific to the extension neighborhood concerns are not applicable. Concerns over service delivery should be a consideration for Council in deciding on an extension or seeking competitive bids.

IMPACT IF APPROVED: The City and PDC will have an additional month to discuss the extension of the waste collection agreement for 3 additional years.

IMPACT IF DENIED: The City would have to give notice of the desire to extend by July 1, 2016, or begin the process of soliciting competitive bids.

ALTERNATIVES: The options available to the City would be to: 1) give notice of the desire to extend by July 1, 2016; or 2) begin the process of soliciting competitive bids.

EEO CERTIFICATION NUMBER: 00984-161231

WHICH OF THE GOALS IDENTIFIED IN THE COUNCIL'S 2014 - 2029 STRATEGIC PLAN DOES THIS RECOMMENDATION ADVANCE?

1. Financially Sound City Government, Effective City Organization

WHICH CRITICAL SUCCESS FACTOR(S) FROM THE COMPREHENSIVE PLAN DOES THIS RECOMMENDATION IMPLEMENT?

1. Have an efficient government.

DEPARTMENT: City Manager's Office