

Item Title: Approval of a Five-Year Contract to Collect and Process Recyclables at Wake County Public Schools

Specific Action Requested:
That the Board of Commissioners:

- 1. Approves a five-year contract agreement with Sonoco Recycling, LLC for processing paper and mixed recyclables.**
- 2. Authorizes the County Manager to execute contracts on behalf of Wake County for these services, subject to the terms and conditions acceptable to the County Attorney.**

Item Summary:

The Solid Waste Division of Environmental Services has partnered with the Wake County Public School System (WCPSS) since 2004 to operate the Feed the Bin (FTB) program. The program has been a mixed paper (no plastics, cans, etc.) recycling collection since its launch. The recycling industry has changed, however, from source-separated collection (separate containers for paper, plastic, cans) to a single stream collection (paper, plastic, cans all commingled or mixed in one container) system over the past decade. This flexibility makes it easier and faster for school students to recycle a wider range of material.

To take advantage of this flexibility, WCPSS has agreed to collaborate with the Solid Waste Division to collect mixed recyclables from classrooms. The proposed five-year contract with Sonoco totals roughly \$1.05 Million, and provide the following services:

- Continue collection and recycling of mixed paper (only) in most of the public schools. This will cover approximately 165 schools the first year of the contract;
- Expand collection of mixed recyclables (paper, plastic, cans). This will cover approximately 25 schools the first year of the contract;
- Allow for further expansion of the mixed recyclables collection to all schools over the 5-year contract.

Additional Background: As stated above, the Feed the Bin School Recycling Program started in 2004. Over the course of the program's life, the school system has supported allowing Solid Waste Division staff to collaborate with their Custodial Services Department, Child Nutrition Services Department, and School Administrators to provide recycling collection service, educational materials, and onsite operational support to help reduce waste within the schools.

On average, the program has collected well over one million pounds, or 500 to 600 tons, of paper annually from over 180 schools. The current contract, set to expire June 30, 2018, has provided for the collection of approximately 443 tons of mixed paper from 178 schools and 25 tons of mixed recyclables from six schools during the six-month commingled pilot test period. A commingled pilot test was initiated in October 2017 at six

WCPSS schools to collect paper, metal cans, plastic bottles, and small plastic containers from classrooms and teacher break rooms. It has been successful in not only collecting more materials but by also providing a service-learning component for students who perform the collection within the school each week.

Each school that participates in the program has a designated adult staff member to serve as a point-of-contact for the Solid Waste Division and who organizes the team or group of students to empty the classroom recycle bins each week. Some middle and high schools use this service-learning component to give community-service hours to students or will use the program to serve as job-readiness skills by creating job applications for the team "positions" (e.g. cart driver, quality control manager, data manager). Meanwhile, others will use the service-learning component as motor-skill enhancement activities for special needs populations.

Selection Process: In March 2018 Wake County issued a Request for Proposal (#18-031) for the collection and processing of mixed paper and commingled recyclables. The RFP was due on April 5, 2018. Wake County received responses from two firms: Sonoco Recycling LLC and Waste Industries.

The RFP included provisions for additional piloting of commingled collection, including expansion from six schools to 25 schools during the first year of the contract. Also included is the replacement of the 10 to 15-year-old 65-gallon (elementary schools) and 95-gallon (middle & high schools) collection containers. The RFP will also allow for expansion of the commingled collection to all WCPSS schools over the 5-year contract period, subject to the Solid Waste Division's ability to conduct the expansions. Listed below is the criteria used to determine the bid award with an explanation following each:

1. *Years of Experience Providing Services* - Both firms have provided services since the 1970's and meet the qualifications necessary to carry forth the work required.
2. *Bid Costs* - To provide competitive pricing and flexibility for both large and small collection/hauling companies, the bid form included a break-down by the type of material being collected and allowed up to twelve price points based on the number of carts at each school. Based on the submitted pricing, Sonoco provided the most financially advantageous proposal as described below and shown in the first Attachment.
 - First Year of Contract: Mixed paper (only) collection at 165 sites and a commingled pilot expansion for 25 schools. Sonoco's annual bid of \$167,453 was \$24,603 lower than the Waste Industries base bid of \$192,056.
 - Fifth Year of contract: All 190 schools transition to a commingled collection system using the current bid table pricing, Sonoco had the lower annual bid of \$253,890, which is \$39,801 less than Waste Industries' bid of \$293,691.
 - Extra costs incurred from the need of additional carts or the cleaning of carts is considered minimal due to the RFP condition that all current carts be replaced with brand new ones.
3. *References* - Both companies currently provide services to the County and were considered equal from this perspective.
4. *Quality of Services* - Both companies provided comparable service quality.

5. *Billing and Reporting Capabilities* - Both provide online data reporting and adequate billing methods.
6. *Customer Support* - Both firms responded adequately to this issue.
7. *Communication and Accessibility* - Both firms offer direct access by electronic or telephonic methods and currently respond in a timely fashion.
8. *Condition of Equipment* - It is documented that carts provided by Sonoco are noticeably worn and/or damaged due to length of use in the FTB program. However, this criterion is not applicable to either company since the RFP states the placement of all brand-new carts upon acceptance of the contract.
9. *Safety Record* - Neither firm expressed having known safety violations.

This contract does not provide revenue to the County for recyclable materials. Due to the current recycling market for paper and plastic, these items are not generating revenue. If the recycling market improves over the lifespan of this contract, the County will negotiate a revenue rate at that time.

In summary, both Sonoco Recycling and Waste Industries provide equal and adequate service requirements and neither firm provided an advantage over the other except for pricing.

Staff Recommendation: Based on the above evaluation and after careful consideration of both vendor proposals, the staff evaluation committee unanimously recommends that Sonoco collect and process mixed paper and commingled recyclable materials from the WCPSS schools. Based upon the attached Bid Pricing sheet, the first-year cost will be \$167,453. The 5-year contract value, based upon a phased expansion of the commingled system to all WCPSS schools, would be approximately \$1.05 Million. Sufficient funding is included in the proposed FY2019 Solid Waste Budget to cover the first-year expenses.

Attachments:

1. Bid Pricing Sheet
2. Sonoco Contract