

**Item Title:** Approval of a multi-year contract with GFL Environmental to operate the Wake County Solid Waste Convenience Center Program

**Specific Action Requested:**

**That the Board of Commissioners authorizes the County Manager to enter into multi-year contract GFL Environmental to operate convenience centers with contract costs based upon unit cost and volume of waste and recycling received, subject to the terms and conditions acceptable to the County Attorney.**

**Item Summary:**

**Purpose:** The Board of Commissioners approves multi-year contracts.

**Background:** Wake County Solid Waste Division oversees eleven waste convenience centers throughout the County. The convenience centers, funded through the county-wide Household Fee, accept a variety of waste items and are available for use by all County residents. GFL (formerly known as Waste Industries) operates the convenience centers by staffing the sites and hauling away waste.

The County issued a Request for Proposal ("RFP") for a Convenience Center operator for on-site labor and hauling components. The proposal evaluation criteria were as follows: contractor qualifications, proposal completeness and responsiveness, contractor strength and stability, references, and cost of services. The County received four proposals for each component with three of the companies proposing on both components. Based upon the review of proposals and interviews of all five companies, GFL Environmental (formerly Waste Industries) received the highest score for both components and is the recommended vendor.

**Board Goal:** This Board action supports routine County business.

**Fiscal Impact:** The cost for FY2022 is projected at \$3,956,675 and is within the recurring appropriation in the Solid Waste budget for this activity based upon projected quantities of waste. The contract is for a five-year period and includes built-in escalations for inflation and increasing volume. The total cost of this contract over a 5-year period is projected to be slightly in excess of \$20 M. The costs for FY 2023 and beyond will be incorporated into the Solid Waste funding model and future recommended budgets.

**Additional Information:**

The RFP selection committee responsible for reviewing, evaluating and interviewing the proposers were from the North Carolina Department of Environmental Quality, Wake County Facilities Design & Construction Department, and the Solid Waste Management Division of Wake County Environmental Services (three persons).

GFL is the current operator of the convenience centers and the RFP process affirmed the competitiveness of GFL's pricing. The proposal required an increase in the number of full-time hours (from 30% to 50%) to promote staff retention and improved customer service. The process achieved that outcome without significant cost increases. The total staffing requirement to operate our 11 convenience centers for 12 hours a day and seven days a week is approximately 48 FTE's.

Our 11 convenience centers operate 12 hours a day, seven days a week with demand and usage steadily increasing as the County's population grows by more than 20,000 residents a year. The contract costs are based on quantities of materials. The historical vendor payments below demonstrate the increasing quantities.

|                   |             |
|-------------------|-------------|
| FY 17             | \$2,706,914 |
| FY 18             | \$2,844,839 |
| FY 19             | \$3,241,325 |
| FY 20             | \$3,531,018 |
| FY 21 (projected) | \$3,700,000 |

Based on quantity projections, the annual payment amounts under the GFL contract are expected to be:

|       |                    |
|-------|--------------------|
| FY22  | \$3,956,675        |
| FY23  | \$4,075,375        |
| FY24  | \$4,197,637        |
| FY25  | \$4,323,566        |
| FY26  | <u>\$4,453,274</u> |
| Total | \$21,006,527       |

**Attachments:**

1. Proposal Cost Summary
2. List of Proposers