

RESOLUTION OF THE CITY COUNCIL

No. 352

Approved October 22, 2020

RESOLVED, That the Members of the Providence City Council hereby Authorize Approval of the following Contract Extension Award by the Board of Contract and Supply, in accordance with Section 21-26(a) of the Code of Ordinances.

Waste Management of Rhode Island
(Department of Public Works)

\$7,143,000.00

IN CITY COUNCIL

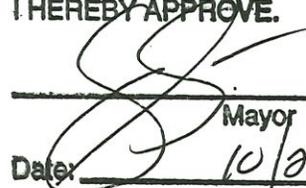
OCT 7 5 2020

READ AND PASSED


PRES.


CLERK

I HEREBY APPROVE.



Mayor

Date: 10/22/20

Office of the Internal Auditor
City of Providence



July 6, 2020

Mr. Shawn Selleck
City Clerk's Office
City of Providence
25 Dorrance Street
Providence, RI 02903

Dear Shawn:

I am writing to request that the following requested contract awards be submitted to the City Council and the Finance Committee for approval:

- **Department of Public Works**
 - Approval of contract extension with Waste Management of Rhode Island in the amount of \$7,143,000 in accordance with the Code of Ordinance, Section 21-26 (a);

Sincerely,

A handwritten signature in black ink that reads "Gina M. Costa".

Gina M. Costa
Internal Auditor

Cc: Leo Perotta, Director of Public Works
Kevin Mahoney, acting Director of Public Property
Alejandro Tirado, Associate Director of Purchasing
James J. Lombardi, III, Treasurer/Senior Advisor to City Council

Leo J. Perrotta
Director



Jorge O. Elorza
Mayor

DEPARTMENT OF PUBLIC WORKS
"Building Pride in Providence"

June 25, 2020

The Honorable Jorge O. Elorza
Chairman, Board of Contract & Supply
City Hall
25 Dorrance Street
Providence, RI 02903

ID: 29252

Minority Participation:
0% MBE, 0% WBE

RE: WASTE MANAGEMENT OF RHODE ISLAND, INC. AMENDMENT 1

Dear Mayor:

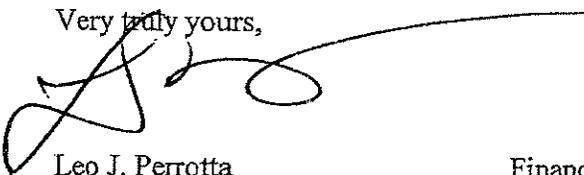
Pursuant to the provisions of Amendment No. 1 of the Agreement between the City of Providence and Waste Management of Rhode Island Inc.(WMRI), I am respectfully requesting that the contract be renewed for two (2) years under item 1 of the Amendment, with an option to extend up to three (3) years, with WMRI allocating \$750,000 to the City for its use in undertaking of solid waste and recycling collection services. Also included is a Memorandum of Understanding to continue services while the Amendment is finalized. The amount that will be needed to cover these services for the Fiscal 2021 Year are as follows:

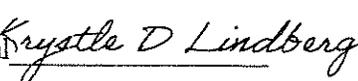
WM Refuse Collection Price	\$277,000/month	\$3,324,000 for FY21
WM Recycling Collection Price	\$262,000/month	\$3,144,000 for FY21
Yard Debris Collection Price	\$75,000/season	\$675,000 for FY21

The above is charged to the following account codes:

Refuse Collection	1-101-506-53402
Recycling Collection	1-101-506-52350
Yard Debris Collection	1-101-506-53402

Very truly yours,


Leo J. Perrotta
Director

Finance Approval 

700 Allens Avenue Providence, Rhode Island 02905
Phone 401-467-7950/Fax 401-941-2567
www.providenceri.com/dpw

AMENDMENT ONE

**AGREEMENT FOR RESIDENTIAL SOLID WASTE AND
RECYCLABLES COLLECTION**

BETWEEN

WASTE MANAGEMENT OF RHODE ISLAND INC.

AND

CITY OF PROVIDENCE

An Agreement was made and effective as of the 1st day of March 2018 by and between the City of Providence ("City"), a body corporate and politic of the State of Rhode Island, whose address is 25 Dorrance Street, Providence Rhode Island 02903, and Waste Management of Rhode Island, Inc. ("WMRI"), a corporation whose address is 1610 Pontiac Avenue Cranston, RI 02920.

Based upon certain undertakings and agreements on the part of WMRI and the City, subject to the terms of this AMENDMENT ONE the parties do hereby agree to modify the Agreement.

Now, therefore, for valuable consideration, the parties agree as follows:

1. Pursuant to Article 4.1 the City requests and WMRI agrees to extend the Agreement for a period of THREE (3) year's commencing July 1, 2020 and ending on June 30, 2023. The City may, at its discretion, with the consent of WMRI, grant up to one (1) extension of this Agreement, provided that such extension shall be noticed to WMRI not less then six (6) months prior to the regular expiration date of this Agreement. The extension may be up to but cannot exceed TWO (2) years. WMRI shall allocate \$100,000 in year two of the Agreement; \$150,000 in year three of the Agreement and should the City request and WMRI consent to an extension of TWO (2) full years at the rates specified in Section 2 hereinbelow, WMRI shall allocate \$250,000 per year in each of years four and five of the Agreement. Theses allocations in years 2, 3, 4 & 5 are to be used by the City to offset the cost for the collection of box springs and mattresses "Mattress Fund" as further described in Section D of "Miscellaneous Pricing" hereinbelow.
2. Pursuant to Section 6.13 Pricing the schedule of charges shall be replaced in its entirety effective July 1, 2020, with the following:

Curbside Residential Collection Services

Service Type: Refuse	Monthly Cost of Service 01JUL2020- 30JUNE21	Monthly Cost of Service 01JUL2021- 30JUNE22	Monthly Cost of Service 01JUL2022- 30JUNE23	Monthly Cost of Service 01JUL2023- 30JUNE24 (Extension Year)	Monthly Cost of Service 01JUL2024- 30JUNE25 (Extension Year)	Total Cost of Service
65-gallon Refuse Container (includes authorized second containers)	\$277,000	\$288,000	\$290,000	\$292,000	\$301,000	\$17,376,000

- Prices above include appointment-based collection of bulky waste (excluding mattresses and box springs). The parties recognize that due to the Covid-19 pandemic the quantity of bulk items collected has increased significantly from pre-pandemic levels. In the event during the first 180 days of this "Amendment One", bulk items continue to remain at elevated levels exceeding 100 per day, the parties shall enter good faith negotiations to make changes, modifications and enhancements that would serve to mitigate the additional costs associated with the increased level of bulk items being generated.

Curbside Residential Recycling Collection Services

Service Type: Recycling	Monthly Cost of Service 01JUL2020- 30JUNE21	Monthly Cost of Service 01JUL2021- 30JUNE22	Monthly Cost of Service 01JUL2022- 30JUNE23	Monthly Cost of Service 01JUL2023- 30JUNE24 (Extension Year)	Monthly Cost of Service 01JUL2024- 30JUNE25 (Extension Year)	Total Cost of Service
96-gallon Recycling Container	\$262,000	\$273,000	\$274,000	\$275,000	\$283,000	\$16,404,000

- Prices above include an allocation of \$30,000.00 per contract year to be used for various public education measures to supplement the City information and education program.
- Prices above include providing up to \$32,000.00 per contract year for "replacement" carts damaged during collection or that are beyond their useful life.
- Prices above include the operation of one rear load truck with helper on a

daily basis who will inspect and reject contaminated recycling carts when so directed by the City. The City may request additional rear load trucks and staff with 30-days advance written notice, for this same purpose, should the City wish to expand the inspection area. Each additional rear load truck requested by the city shall be invoiced at the rate of \$24,000 per month and shall remain in continuous operation not less than 90-days unless agreed to by both parties.

- Prices above do not provide for Contractor to send trash trucks back to empty recycling carts that have been rejected for contamination. A charge of \$7.75 per cart will apply should the City direct Contractor to perform this service. On a limited basis with WMRI's approval, and in predetermined sections where City inspectors will be canvassing and rejecting contaminated recycling carts in advance of WMRI vehicles, WMRI will send trash vehicles into these areas in the latter part of their collection day to empty said contaminated recycling carts at no charge to the City.

Curbside Yard Debris and Holiday Tree Collection

Service Type: Yard Debris	Monthly Cost of Service 01JUL2020- 30JUNE21	Monthly Cost of Service 01JUL2021- 30JUNE22	Monthly Cost of Service 01JUL2022- 30JUNE23	Monthly Cost of Service 01JUL2023- 30JUNE24 (Extension Year)	Monthly Cost of Service 01JUL2024- 30JUNE25 (Extension Year)	Total Cost of Service Based on 9.23 Months Per Year
Resident provided marked container or large brown paper bags, Three weeks of Holiday Tree collection service	\$75,000	\$77,000	\$77,000	\$78,500	\$81,000	\$3,585,855

- Monthly charge will be prorated on any partial months such as the January Holiday tree collection by dividing the monthly cost by 21.66 and multiplying by the actual collection days performed in any partial month.

Miscellaneous Pricing

- A. The cost to provide the overflow bag program will be \$1.75 per bag. This fee includes the procurement of the bags, distribution to local stores and curbside collection of the bags. The overflow bag program shall be subject to all of the conditions set forth in the "Memorandum of Understanding" dated October 12, 2018 and attached hereto.

- B. The price to provide any roll-off service with delivery to RIRRC or comparable distance will be \$191.00 per haul. Rate shall increase by 3% each July 1st.
- C. In addition to the fees outlined, the cost of providing services shall also be adjusted to reflect changes in the cost of CNG fuel. The adjustment is to be based on the increase or decrease of CNG fuel cost, as measured by the US department of energy, (<https://www.afdc.energy.gov/fuels/prces.html>) . for the New England Region from the established baseline cost of \$2.72 per DGE (including taxes) of CNG fuel. The increase or decrease, as compared to the baseline cost, will be applied to the volume of fuel used, which will be fixed at 17,000 gallons per month. Adjustments will be made biannually on January 1 and July 1, based on the average index cost of CNG for the two calendar quarters prior to the adjustment (1/1/20 and 4/1/20 for the July 2020 adjustment). The average index cost is determined by adding the price for the previous two quarters and dividing by two.
- D. Should the City direct the Contactor to collect mattresses and box springs, Contractor shall accept requests for services from residents, schedule collection and charge the resident a fee of \$26.00 per mattress or box spring to be paid in advance. The City may also request Contractor to collect mattresses and box springs on occasion and the same fee of \$26.00 would be invoiced to the City. Rate shall increase 3% per year. Mattresses and box springs must meet all conditions of the recycling vendor chosen by the City/State through the producer responsibility program including but not limited to being bagged, dry and free of bed bugs to qualify for collection. In the event WMRI goes to a location where the mattress or box spring does not meet the conditions required for collection, WMRI shall affix a rejection tag to the item, retain the collection fee and the City shall be responsible for any additional cost for collection and disposal of the rejected item. The price included herein does not include the cost for recycling/disposal of mattresses and assumes the State's producer responsibility program will continue to subsidize the cost for recycling/disposal. In the event the recycling/disposal subsidy program is altered or eliminated, the parties agree to negotiate in good faith a revised fee to recover any additional costs that may be incurred by WMRI. Additionally, as of January 1, 2022 and for the remaining term of the Agreement should the Agreement be extended for 2 full years as described in Section One hereinabove, then WMRI shall charge the fee associated with mattress and box spring collection against the "Mattress Fund" and not to the resident requesting collection service. Any monies remaining in the "Mattress Fund" at the end of each contract year shall be remitted to the City to offset its costs for handling and disposing of mattresses and box springs it may collect. Should the charges associated with the collection of mattresses and box springs exceed \$250,000 in any of the final three contract years, then the City shall be obligated either to pay WMRI any excess costs or reinstitute the practice of charging resident directly for mattress and box spring collection.

- E. WMRI agrees to participate in any pilot program related to organic collection and diversion. We will make staff available to discuss the design of the pilot program and work through the necessary implementation steps to launch such a pilot. We will add a provision to the Contract to this effect.
- F. WMRI will enhance the capability to take online requests for collection of bulk items that have no associated fees and will work with the City to streamline the access for residents to register for a bulk item pickup. WMRI will continue to work on an online solution for any fee-based items.
- G. WMRI will collect recyclables from any City specified municipal location. Recyclables shall be in City provided carts and carts will be at street side or some other exterior location agreed to by the City and WM on the regular collection day for the area. We would collect up to 10 carts weekly per location for \$50 per month per location.

Emissions Reduction Program

The City is desirous of introducing measures that will support the control and reduction of diesel fuel emissions. WMRI agrees to continue to deploy collection vehicles powered by compressed natural gas (CNG) in support of this effort and agrees to target the replacement of any remaining diesel vehicles requiring replacement that perform collection services under this Agreement with CNG vehicles not later than the fourth year of this extended Agreement.

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All other terms and conditions of the original Agreement will remain unchanged and in full force and effect except as specifically modified herein.

In witness thereof, the parties have caused this AMENDMENT ONE to be executed by their respective authorized officers or agents on the date set forth below.

CITY OF PROVIDENCE

**WASTE MANAGEMENT OF
RHODE ISLAND INC.**

By : _____
Leo Perrotta, Director
Department of Public Works

By : _____
Chris DeSantis, President

Date

Date

Certification that funds are available:

By: _____
Lawrence Mancini
Financial Director

Date

Approved as to form

By: _____
Jeffrey Dana
City Solicitor