



Board Summary Report

To: Board of Directors
From: Lanae Raymond, WQ Program & Special Projects Program Manager
Date: December 12, 2012
Re: 2013 HHW and Recycling Services to Support MS4 Permit
Board Meeting Date: December 19, 2012

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Purpose and Recommendation

SEMSWA Board of Directors authorizes funds and executes a contract for household hazardous waste (HHW) and recycling services each year to support SEMSWA and Arapahoe County's MS4 Permit Program #3, Illicit Discharge, Detection and Elimination. It is estimated that HHW and recycling collection services in 2013 will be \$55,000. The purpose of this Board Summary Report is to recommend the authorization of \$55,000 in funds for the purpose stated above and the execution of Contract Addendum No. 6 with Waste Management® (WM) for 2013 HHW and recycling collection services.

Background

As a component of SEMSWA's and County's MS4 Stormwater Quality permits, Program 3, Illicit Discharge Detection and Elimination, requires a program to assist residents of the MS4 communities with options for disposal or recycling of HHW, including automobile fluids, used landscape chemicals, fluorescent tubes, leftover paint, and the like. New in 2012, WM started accepting 'e-waste' as part of the collection program. Residents can dispose of either one complete home computer system, including monitor, keyboard and hard drive/server, or a single television. An analysis of HHW disposal and recycling options available indicate that a "curbside" pickup option is the best overall program for managing HHW in unincorporated Arapahoe County and the City, and to meet program requirements in SEMSWA's MS4 permit. SEMSWA utilizes WM to provide this 'At-Your-Door' pickup service, and has since April 1, 2007. There are no other collection contractors supplying curbside focused pick up service in the Denver metro area at this time, to staff's knowledge.

WM also has a collection facility in Denver for drop off of household hazardous waste. This feature is available to a homeowner who has a specific timetable for moving and cannot wait until the scheduled pick up day. We want to encourage recycling of this waste rather than taking the chance that the homeowner leaves it behind or deals with it in a non-environmental way. Additionally, a homeowner may have several more cans of latex paint or motor oil that will not fit in the collection bag, and is given the option to take their accumulated household hazardous waste and additional paint and oil, up to a total of 100 pounds, to the drop-off facility.

New for 2013 is a price increase for each curbside pickup collection, from \$107 to \$112, an increase of 4.67%. This is the first increase in program costs since 2009, when the cost per curbside pickup went from \$109 to \$114. Program costs stayed at \$114 for 2010 and 2011 services. Program costs decreased last year from \$114 to \$107 due to WM implementing a uniform price per pickup for the Denver Metro area.

Discussion

The 2013 budget process identified a continuing trend of high utilization of the HHW "At-Your-Door" collection services, primarily because of on-going education, and our goal of continuing this as an annual program with a set amount of HHW and recycling items being collected each year from a resident, enough to fit in one bag, rather than an infrequently used program that experiences widely varying and unknown amounts of HHW and recyclables. The service price point for this permit program component has been established at \$55,000, which equates to approximately 600 collections/year. As

of October 31st, SEMSWA has been billed for 507 collections, so we are on track for the anticipated number of collections established with the \$55,000 budget.

The 2013 price increase of 4.67% is related to the increase in costs associated with fuel, insurance, handling and disposal costs, per the WM letter dated December 10, 2012. This is within the 5% allowed for increase per the Agreement and appears to be within reason for the fuel needs and disposal efforts undertaken with this program.

Alternative

The SEMSWA Board could make the determination that a smaller budget for HHW and recycling services is appropriate for the annual expenditure supporting the MS4 Permit's Program 3 component. With the prior history of usage, this would probably mean suspended collections in the later months of the year when funds are depleted and re-commenced collections in January when new funds are potentially available.

Fiscal Impacts

The WQ Program budget includes a \$55,000 line item for the HHW and recycling program.

Concurrence

Discussions with Dave Agee, Finance Director, and John McCarty, Executive Director, supported the WQ Program budget recommendation of \$55,000 for HHW and recycling collection services.

SOUTHEAST METRO STORMWATER AUTHORITY
acting by and through
SEMSWA WATER ACTIVITY ENTERPRISE

RESOLUTION NO. 12-46
Authorization to Execute Addendum No. 6 to the
Agreement for Services with WM

WHEREAS, an Agreement for Services dated April 10, 2007, was negotiated, signed by Curbside, Inc. and executed by SEMSWA that identified a scope of work and costs for assisting SEMSWA with household hazardous waste collection services for the calendar year 2007; and

WHEREAS, Curbside, Inc. has been providing household hazardous waste collection services for SEMSWA since April 10, 2007; and

WHEREAS, Curbside, Inc. was purchased by Waste Management® (WM) in 2010 and the household hazardous curbside collection service was renamed to “At Your Door Special CollectionSM”; and

WHEREAS, SEMSWA entered into an Assignment of Contract agreement with WM in 2011; and

WHEREAS, SEMSWA desires to continue the WM At Your Door Special Collection household hazardous waste collection services for calendar year 2013; and

WHEREAS, WM will provide 2013 household hazardous waste collection services at 4.6% increase over 2012 costs due to increased costs of fuel, insurance, handling and waste disposal fees; and

WHEREAS, funds are available in the 2013 Water Quality Program budget for the expenditures contemplated herein.

NOW THEREFORE, BE IT RESOLVED THAT:

1. The Board authorizes the Executive Director to execute the attached Addendum No. 6 to the April 10, 2007 contract with WM for curbside household hazardous waste collection services for 2013.
2. Total costs for the 2013 services authorized herein shall not to exceed \$55,000 without prior authorization by the Board of Directors.
3. The time of performance for the work authorized by Addendum No. 6 shall be January 1, 2013 through December 31, 2013.

SOUTHEAST METRO STORMWATER AUTHORITY
acting by and through
SEMSWA WATER ACTIVITY ENTERPRISE

Date: _____

ATTEST:

Secretary

Chairperson

APPROVED AS TO FORM:

Attorney for
Southeast Metro Stormwater Authority

By: _____

Edward J. Krisor

ADDENDUM NO. 6

Whereas, the Southeast Metro Stormwater Authority (SEMSWA) and Curbside Inc. entered into an Agreement on April 10, 2007, for services related to Household Hazardous Waste Collection and Recycling; and

Whereas, Curbside, Inc. was purchased by Waste Management® (WM) in 2010 and the household hazardous curbside collection service was renamed to "At Your Door Special CollectionSM," and

Whereas, SEMSWA entered into an Assignment of Contract agreement with WM (CONTRACTOR) in 2011; and

Whereas, SEMSWA has determined that said services are needed for household hazardous waste collection and recycling curbside services for calendar year 2013; and

Whereas, the CONTRACTOR is able to provide said services; and

Whereas, the Agreement states that annual addendums to the Agreement may be used if the proposed costs for services do not increase, as a whole, more than 5% from one contract period to the next; and

Whereas, the CONTRACTOR will provide 2013 services at a cost increase of 4.6% due to an increase in fuel, insurance, handling and waste disposal fees, as specified in their letter dated December 10, 2012 "WM Curbside, LLC HHW Program for 2013" (attached).

Now therefore, it is mutually agreed as follows:

1. CONTRACTOR shall provide Household Hazardous Waste Collection and Recycling services including an "e-waste" pickup program for the period January 1, 2013 to December 31, 2013. The scope of work for these services are as stated in Attachment A, an attachment to the April 10, 2007 Contract Agreement and as described in the December 10, 2012 "WM Curbside, LLC HHW Program for 2013" letter. In general, the CONTRACTOR shall provide curbside household hazardous waste collection and recycling services for 2013.
2. The compensation for the 2013 household hazardous waste collection and recycling services shall be in the amount not to exceed \$55,000.00. SEMSWA is only responsible for payment for services rendered by CONTRACTOR up to the not to exceed amount. SEMSWA is not obligated for services not performed by CONTRACTOR and as directed by SEMSWA. All payments shall be made in accordance with the compensation provisions in the December 10, 2012 "WM Curbside, LLC HHW Program for 2013" letter as pertains to those specified items. Other payments for ancillary collection activities shall be made in accordance with the compensation provisions in the April 10, 2007 Agreement.
3. All provisions of the original April 10, 2007 Agreement, not inconsistent with this ADDENDUM NO. 6 are incorporated by reference as if fully set forth herein.

Waste Management®

Attest:

Authorized Representative
Title: _____

Date: _____

Southeast Metro Stormwater Authority

John A. McCarty, Executive Director

Date: _____