

DURHAM



CITY OF DURHAM

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CITY OF MEDICINE

DATE: February 21, 2012

TO: Thomas J. Bonfield, City Manager
THROUGH: Theodore L. Voorhees, Deputy City Manager
FROM: Donald M. Long, Director Solid Waste Management
SUBJECT: Household Hazardous Waste Contract Amendment #3

Executive Summary

In January 2004, EcoFlo, Inc. was selected as the City's Contractor to operate the Household Hazardous Waste (HHW) facility for a period of four years. Although typically referred to as the HHW facility, both HHW and electronic waste such as old computers, televisions and small appliances are accepted and managed at the facility.

In December 2007, the original Contract was amended (Amendment #1) to extend the contract for an additional four years. The Contract was further amended in January 2011 to change the termination clause and to eliminate the charge for the collection of electronic waste. This amendment #3 is to extend the contract for one more year and to adjust the total cost of the Contract to account for the discontinued cost of collecting electronic waste and to allow for the 3% CPI price adjustment in accordance with the price and terms of payment set forth in the Original Contract.

Recommendation

The administration recommends the City Council authorize the City Manager to execute Amendment #3 to the Household Hazardous Waste contract between the City of Durham and EcoFlo, Inc. in the amount of \$198,622.00, to operate the Household Hazardous Waste facility for an additional year.

Background

In January 2004, EcoFlo, Inc. was selected as the City's Contractor to operate the HHW facility for a period of four years. During FY 2005-06, the Budget and Management Services Department coordinated a managed competition initiative focusing on optimizing and consolidating the HHW program. The primary scope of the program was to evaluate the feasibility and demand for a single drop-off site, evaluate the operational challenges of coordinating HHW activities between the Solid Waste and Water Management Departments, and to develop a plan to offer a "seamless" HHW experience for citizens. As a result of the managed completion initiative, it was determined that the HHW program should be transferred

to the Solid Waste Management Department. Amendment #1 was executed to effect this change and to extend the Contract for four years.

In January 2011, SWM staff negotiated with the Contractor to eliminate the charge of collecting electronic waste and to change the terms of the termination clause. Amendment #2 was executed to effect this change, resulting in a savings of \$41,378.

Improperly managed HHW is often poured down the sink, toilet or storm drains, causing negative impacts on our environment. Computers, televisions, cell phones and other electronics which contains lead, arsenic, mercury and other hazardous substances are routinely upgraded, necessitating more convenient and safe disposal options. The continued collection of household hazardous waste is a vital service to the community that ensures the safe disposal of HHW, as well as assists in meeting the City's waste reduction goals.

Issues/Analysis

The Solid Waste Management Department is currently working with a Consultant to develop a Comprehensive Solid Waste Plan, which includes a reevaluation of the City's HHW operation. Because of this reevaluation and since recycling technology for HHW and electronic waste is rapidly changing, the proposed contract amendment to extend the current contract for one year will allow the City to seek alternative disposal options for HHW and electronic waste, depending on the outcome of the reevaluation by the Consultant. With adequate notification, the City may cease to use EcoFlo for these services.

Alternatives

One alternative is to approve Amendment #3 to the Original Contract. The City and EcoFlo have developed a positive working relationship. The Contractor is more responsive to the needs of the citizens and the City by reducing some costs to the City.

Another alternative would be to cease having the HHW facility open during regular operating hours and instead coordinate occasional "clean-up" days throughout the year. This option would likely be less costly to the department's operating budget, but will also be an inconvenience to Durham's residents and more costly for the environment and storm water, as citizens may chose not to stockpile HHW until the next collection event.

A final alternative would be to cease collecting HHW at all, which will most likely have a negative effect on the environment.

Financial Impact

This contract modification will reduce the annual payment from \$240,000.00 to \$198,622.00.

SDBE Summary

Not applicable.