

**AGENDA ITEM REPORT**

**DATE:** August 15, 2023  
**DEPARTMENT:** Solid Waste  
**REQUESTER:** Douglass Whitehead  
**TITLE:** Award Contract for Solid Waste and Recycling Collection for Service Areas 3 and 5

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**I. MOTION REQUESTED**

- A) Waive the requirement for Competitive Procurement pursuant to authority under Section 3.1 of Lee County Ordinance 20-06, and approve a term contract with Waste Pro of Florida, Inc. for the collection of solid waste and recycling materials within Service Areas 3 and 5 for an initial term of seven (7) years.
- B) Authorize the Chair to execute the contract documents on behalf of the Board of County Commissioners.
- C) Grant the County Manger or designee the authority to renew the contract for up to one (1) three (3) year period and to execute all associated documents, as approved in the departments' annual adopted budgets, if doing so is in the best interest of Lee County, and there are no cost increases associated with the renewal, notwithstanding contractual CPI adjustments.

**II. ITEM SUMMARY**

Approves an agreement to continue Waste Pro of Florida, Inc.'s franchise to collect all garbage, horticulture, bulk waste, and residential recycling in Areas 3 and 5. Commercial recycling remains open market. The agreement is for a period of seven years beginning October 1, 2023 and includes one three-year mutually-agreed extension.

Area 3 includes the Village of Estero, San Carlos Park and Franchise Area 5 includes North Fort Myers and Pine Island.

The first-year cost to Lee County for residential service in Franchise Area 3 is \$18.84 per home each month, or approximately \$11,170,386 per year in total. The first-year cost to Lee County for residential service in Franchise Area 5 is \$20.80 per home each month, or approximately \$5,956,953 per year in total. The rates are subject to an annual adjustment based on CPI.

**III. BACKGROUND AND IMPLICATIONS OF ACTION****A) Board Action and Other History**

The Franchise Hauling contracts for Areas 3 and 5 were initiated on October 1, 2010 and subsequently extended on October 10, 2014, April 4, 2017 and June 20, 2020. These contracts are due to expire on September 30, 2024. In accordance with the terms and conditions of the contract extensions to the current contracts for Franchise Areas 3 and 5, Lee County entered into negotiations with the present Contractor, Waste Pro of Florida, Inc.

Franchise Area 3 consists of approximately 50,000 homes in eastern South Fort Myers, including Estero and San Carlos Park. Franchise Area 5 consists of approximately 24,000 homes in North Fort Myers and Pine Island.

Recent intrastate procurement of solid waste collection services has resulted in prices increases ranging from 33.7% to 193.8%. Pricing analyses conducted by the Solid Waste Rate Consultant and staff found that Lee County benefits from having its current rates in the low 30th percentile for residential services. The budgeted first year cost to Lee County for residential service in Franchise Area 3 and 5 represents a 25.48% price increase, lower than RFP increases seen statewide. The proposed cost per home of \$18.84 and \$20.80 remain below statewide mean costs. The rates are subject to an annual adjustment based on CPI.

Lee County's determination that it is in the best interests of the County to waive the requirement for Competitive Procurement pursuant to its authority under Section 3.1 of Lee County Ordinance 22-06 is based on the following findings: Waste Pro of Florida, Inc. is the incumbent Contractor and maintains a high level of skill, expertise, and past successful experience in operating solid waste and recycling collection services, to operate the solid waste collection franchise areas, in accordance with the terms, conditions, and provisions of the Agreements. The recommended cost increase is lower than increases seen in relevant Request for Proposal results. County staff analysis evidenced that the proposed Area 3 and 5 prices were favorable to the County for both price and service.

**B) Policy Issues****C) BoCC Goals****D) Analysis**

The recommended contracts grant Waste Pro of Florida, Inc. the exclusive franchise to collect all garbage, horticulture, bulk waste, and residential recycling in Franchise Areas 3 and 5 and continue Lee County's practice of providing unlimited residential waste collections. Commercial recycling remains open market and competitive.

**E) Options**

**IV. FINANCIAL INFORMATION**

A)	Current year dollar amount of item:	\$17,127,339
B)	Is this item approved in the current budget?	Yes
C)	Is this a revenue or expense item?	Expense
D)	Is this Discretionary or Mandatory?	Discretionary
E)	Will this item impact future budgets? If yes, please include reasons in III(D) above.	No
F)	Fund: 40100 Program: Solid Waste Project: Account Strings: OB5340440100.503490	
G)	Fund Type?	Enterprise
H)	Comments:	

**V. RECOMMENDATION**

Approve

**VI. TIMING/IMPLEMENTATION**

**VII. FOLLOW UP**

**ATTACHMENTS:**

Description	Upload Date	Type
<a href="#">Area 3 Agreement - Vendor Executed</a>	8/2/2023	Agreement
<a href="#">Area 5 Agreement - Vendor Executed</a>	8/2/2023	Agreement

**REVIEWERS:**

Department	Reviewer	Action	Date
Solid Waste	Tucker, Mary	Approved	8/4/2023 - 10:08 AM
Solid Waste	Whitehead, Douglass	Approved	8/4/2023 - 1:36 PM
Budget Services	Guttery, Angela	Approved	8/7/2023 - 8:45 AM
Budget Services	Winton, Peter	Approved	8/7/2023 - 12:32 PM
County Attorney	Swindle, Amanda	Approved	8/7/2023 - 1:30 PM
County Manager	Brady, Christine	Approved	8/8/2023 - 9:49 AM