



**Ellen Smith**

**Government & Community Affairs Manager**

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**September 2, 2014**

**Mr. James Barnes,  
Director of Operations  
Village of Wellington  
12300 Forrest Hill Boulevard  
Wellington, Florida 33414**

**RE: Solid Waste Collection Agreement**

**Dear Jim:**

**Waste Management Inc. of Florida is pleased to provide additional analysis to the Village of Wellington demonstrating our ability provide superior service at a market price.**

**More than 150 staff members at our Palm Beach Division operate state-of-the art equipment and facilities to support our contract. Report cards from the Village staff consistently cite exceptional performance.**

**The Council asked about two items: 1) price “outliers” in the data table prepared by staff ; and 2) the concept of piggybacking onto an adjacent municipality.**

**Price:**

**The chart prepared by Village of Wellington staff of recently bid contracts shows that Wellington’s prices are within ± 5% of other recent contracts, with the exception of Palm Beach Gardens. The residential rate in Palm Beach Gardens is lower than that of Wellington, yet the commercial rate is higher.**



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The attached data Table A shows that Palm Beach Gardens ' commercial rate raises over \$1.3 million more to support its residential rate than Wellington due to Gardens' higher rate for and volume of commercial waste.

Wellington prices have been calibrated to provide the most equitable prices to all segments and this calibration is unique to each local government. The Village of Wellington's prices are calibrated to a community that generates larger than average amount of vegetation and has less ability to generate revenue from commercial waste collection.

Please see Table B showing the amount of vegetation generated by the Village of Wellington. The per unit generation of vegetation and bulk items in Wellington is four (4) times greater than the amount generated by Palm Beach Gardens. Vegetative waste is collected in Wellington at relatively the same price as is other municipalities. (Information on commercial revenue and volume of vegetation was requested from Royal Palm Beach but the information has not been received at this time.)

Data Table C looks at the efficiency of collection, expressed in units per mile. The higher the number of units per mile, means less costly collection. Please note that Royal Palm Beach's units per mile are 25% higher than Wellington's. Wellington's large lots contribute to making collection of all waste items in Wellington less efficient and more costly.

#### Service:

It is critical to compare services if there is a representation made that the Village should piggyback onto an adjacent contract. For example, although the residential price in the Village of Royal Palm Beach is less, Wellington's level of service of is higher.

In Wellington, Waste Management provides three (3) service touches per home for collection of vegetation, compared to two (2) service touches in Royal Palm Beach. Setting Wellington apart is the use of automated carts for vegetation collection. This adds a cost to keep the Village clean. Royal Palm Beach does not use automated carts for vegetation collection; piggybacking, therefore, would not include the automated carts for vegetation collection.



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Furthermore, Waste Management uses “Clean Fuel” Trucks in Wellington. Waste Management invested several millions to build a local compressed natural gas fueling station and is the only private hauler that is able to operate clean fuel trucks in Wellington at this time or in the near future. The clean fuel trucks cost approximately \$ 460,000 compared to a diesel fuel real load truck, costing about \$ 270,000.

Waste Management service to the Community is unmatched. Our commitment always includes being leaders in the community.

Going forward:

It is our understanding that our agreement to renew must be completely consistent with the current agreement, meaning price and term cannot change. Waste Management would like to begin the renewal period with the following value added items:

1. An audit by Waste Management’s Sustainability Services division to help validate the Village’s sustainability efforts;
2. A pilot recycling material collection project at Village Hall;
3. Using Waste Management’s buying power for stronger less costly carts;
4. Use of four (4) Big Belly Solar Compactors for use at the Tennis Center and Village Hall.

Thank you for this opportunity to provide additional information and serve the Village of Wellington with the safest and most experienced service team in the industry.

Best regards,

Ellen Smith  
Government Affairs Manager  
Waste Management Inc. of Florida

Enclosures: Data Table A: Revenue Generated By Commercial Rates - 2013  
Data Table B: 2013 Annual Vegetation and Bulk Collected per Unit  
Data Table C: Units per Roadway Mile

# TABLE A

## Revenue Generated by Commercial Rates - 2013

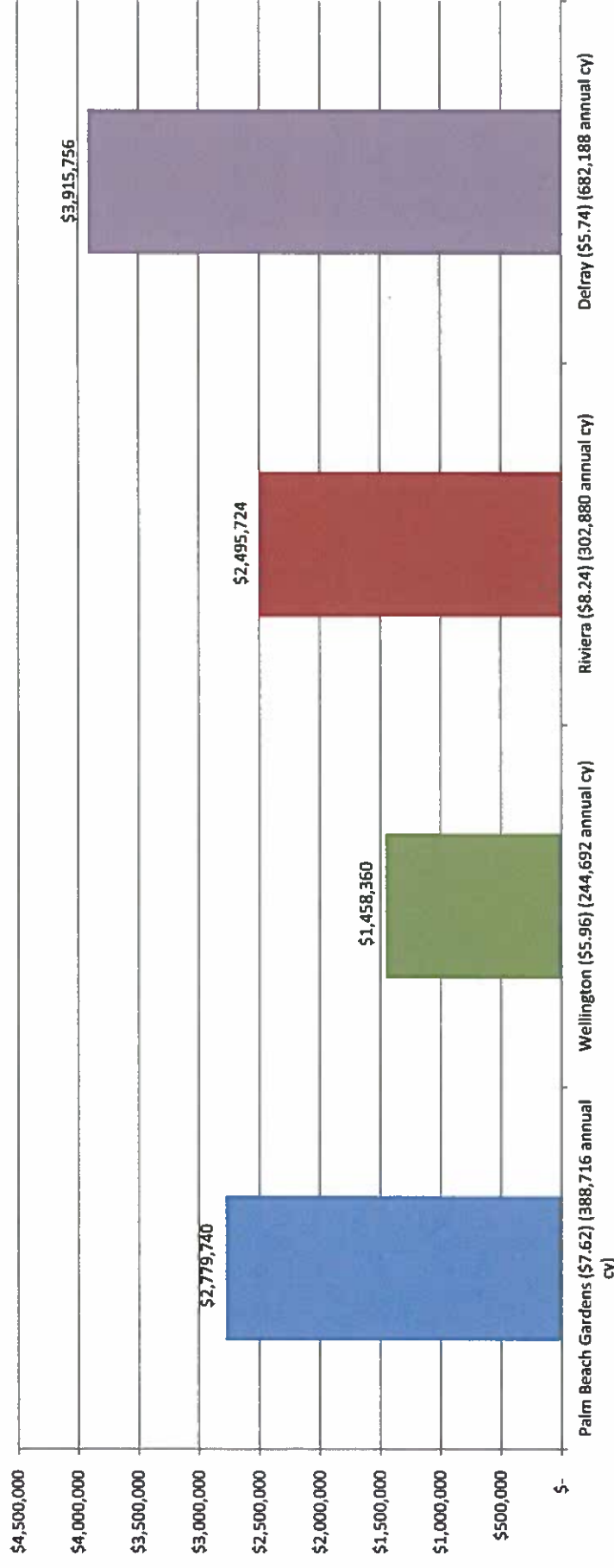
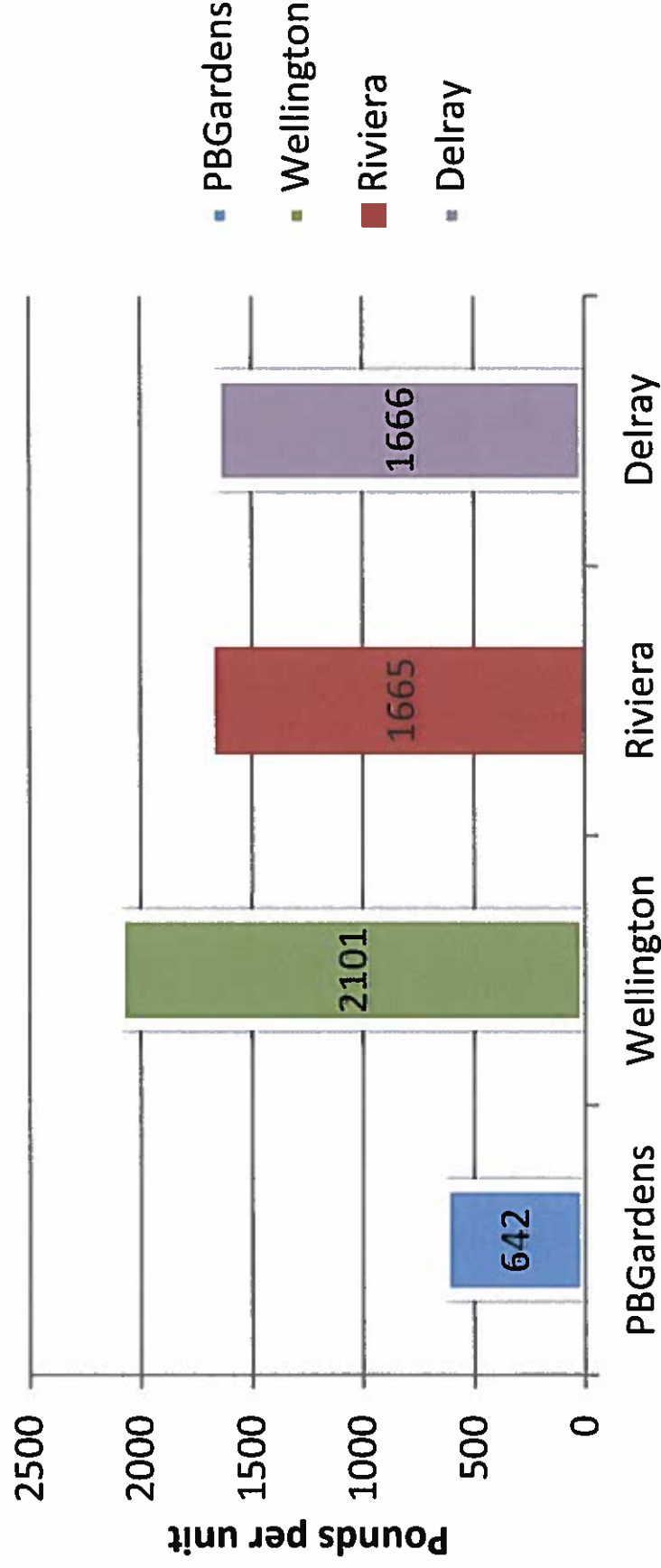


TABLE B

**2013 Annual Vegetation and Bulk Production  
by Select Jurisdiction (lbs per curbside unit)**



**TABLE C**

