

**Indian River County, Florida
Solid Waste Disposal District
Board Memorandum**

Date: November 23, 2020

To: Jason E. Brown, County Administrator

From: Vincent Burke, PE, Director of Utility Services

Prepared By: Himanshu H. Mehta, PE, Managing Director, Solid Waste Disposal District

Subject: Generation Study and Rate Analysis by Kessler Consulting, Inc.

Descriptions and Conditions:

The Solid Waste Disposal District (SWDD) is operated as an enterprise fund with the two primary sources of revenue being the Solid Waste Disposal Rates (tipping fees) charged at the Indian River County (IRC) Landfill and the fees collected through the non-ad valorem special assessment for improved residential and commercial properties throughout Indian River County. These fee structures were originally established through a rate resolution for the tipping fees and an ordinance for the assessment fees. These rates were established in 1995 through a waste composition study. There have been some minor clarifications and adjustments throughout the years; however, the overall structure remains the same.

Due to the continued need to increase the annual non-ad valorem special assessment to keep up with the increased operational costs, staff is needing to re-examine our tipping fees and the overall assessment program in an effort to reevaluate and modernize the financial strength of SWDD.

On July 7, 2020, staff presented a summary of the tipping fee rate survey performed by Kessler Consulting, Inc. (KCI) and the SWDD Board approved staff recommendation to bring back a proposal for a full solid waste rate analysis.

Staff has received the attached proposal from KCI to perform Phase I of the project to review and analyze existing data and to select field based methodologies for measuring waste generation. A future Phase II project would provide on-site and analytical testing services to complete the rate study.

Analysis:

KCI has prepared the proposal detailing the scope of work, budget, and schedule for each of the tasks. The tasks are listed below showing the estimated fees based on a time and materials (T&M) basis.

TASK	DESCRIPTION	AMOUNT
Task 1	Review Existing Information	\$24,950 – T&M
Task 2	Selection of Field Methodologies	
TOTAL =		\$24,950

SWDD Item

Time is of the essence in performing this baseline work and to establish the framework for the actual fieldwork. The goal is to complete Phase I by late January 2021 and to proceed with Phase II in February 2021. The final rate study is anticipated for SWDD Board review in April 2021, which will provide direction to staff on the Fiscal Year 2021/22 budgetary process.

Due to KCI's intimate knowledge of SWDD's operations and having done many professional rate studies, staff recommends that the SWDD Board waive the requirement for bids and approve the attached proposal from KCI to begin Phase I of the rate study to not exceed \$24,950. In addition, staff recommends directing the Purchasing Manager to approve issuing a purchase order for Phase 1 and for Phase 2 with the total costs not exceeding \$150,000.

Funding:

Funding for the SWDD Solid Waste Rate Survey is budgeted and available in the Other Professional Services account in the SWDD Landfill Fund (411217-033190), which is funded from SWDD assessments and user fees.

Description	Account Number	Amount
Other Professional Services	41121734-033190	\$150,000

Recommendation:

Solid Waste Disposal District staff recommends that the Board waive the requirement for bids and authorize the Purchasing Manager to issue a purchase order to Kessler Consulting, Inc. for Phase 1 to not exceed \$24,950 and to issue a purchase order for Phase 2 to not exceed a combined total of \$150,000 to perform a solid waste rate study.

Attachments:

1. Solid Waste Generation and Rate Analysis proposal from Kessler Consulting, Inc.