

# Curbside Recycling Update

LJ Hansen & Jessica Gilera | February 20, 2024



CITY OF  
**VIRGINIA  
BEACH**

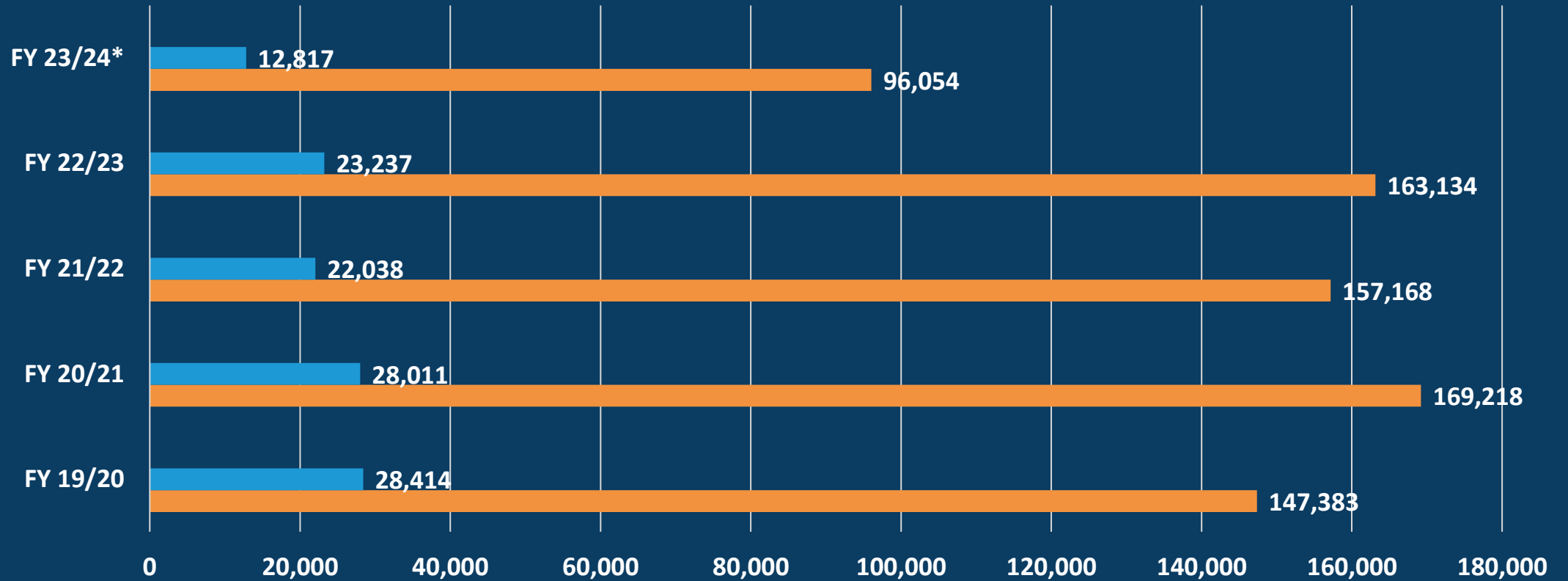
# Agenda

1. Recap of Issues and Actions
2. Public Engagement Results
3. RFP Findings
4. SPSA Update
5. Next Steps
6. Discussion

## Virginia Beach Recycling (Today)

- Automated (95 gallon) Cost per home/per month is \$3.02 (Included in the Refuse fee)
- Manual (18 gallon) Cost per home/per month is \$3.10 (about 376 townhomes)
- Average number of homes receiving curbside recycling services: 125,000
- Waste Management (WM) manages two recycling centers. Using two compactors at each site, WM hauls the recyclable material to TFC for processing. Cost - \$5.64 per ton
- **Total price for services \$4.66M annually**

# Waste & Recycling Tonnages

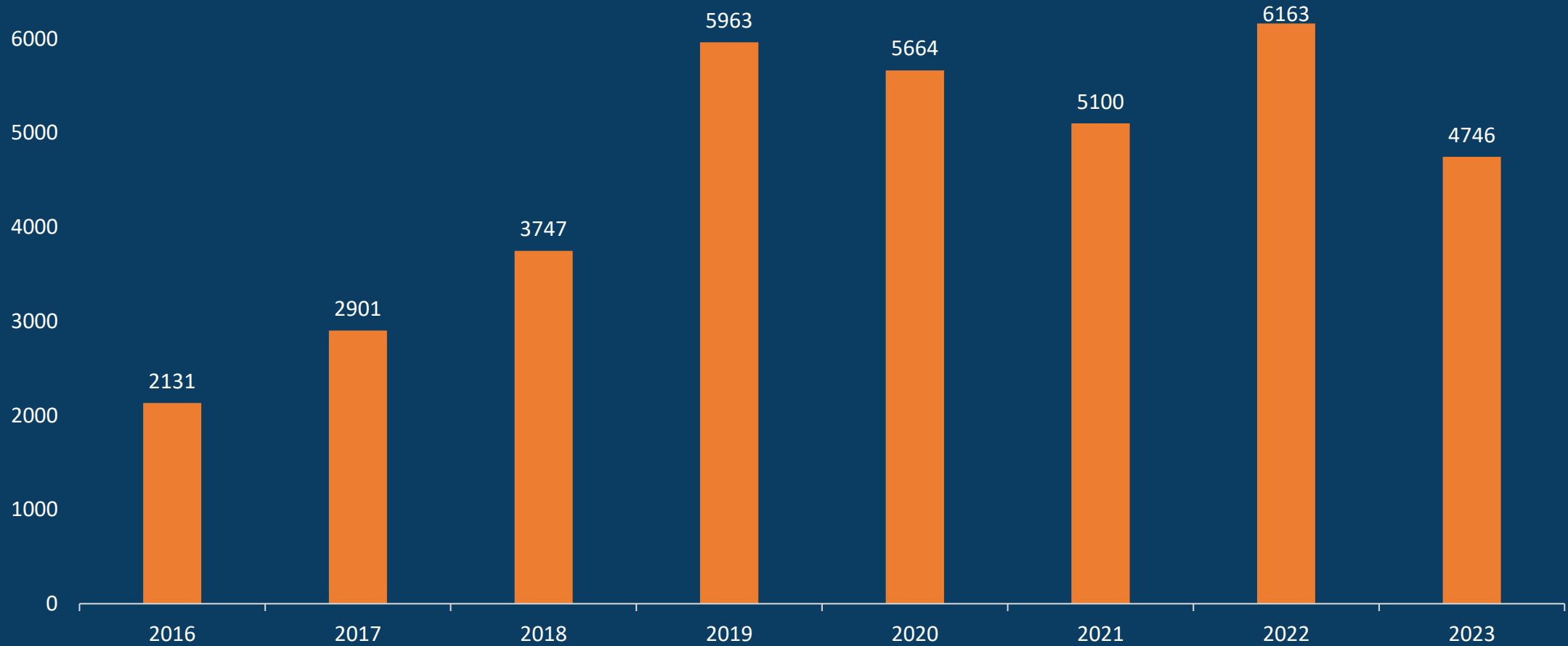


	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24*
■ Rate	16.2%	14.2%	12.3%	12.5%	11.8%
■ Recycling	28,414	28,011	22,038	23,237	12,817
■ SPSA	147,383	169,218	157,168	163,134	96,054

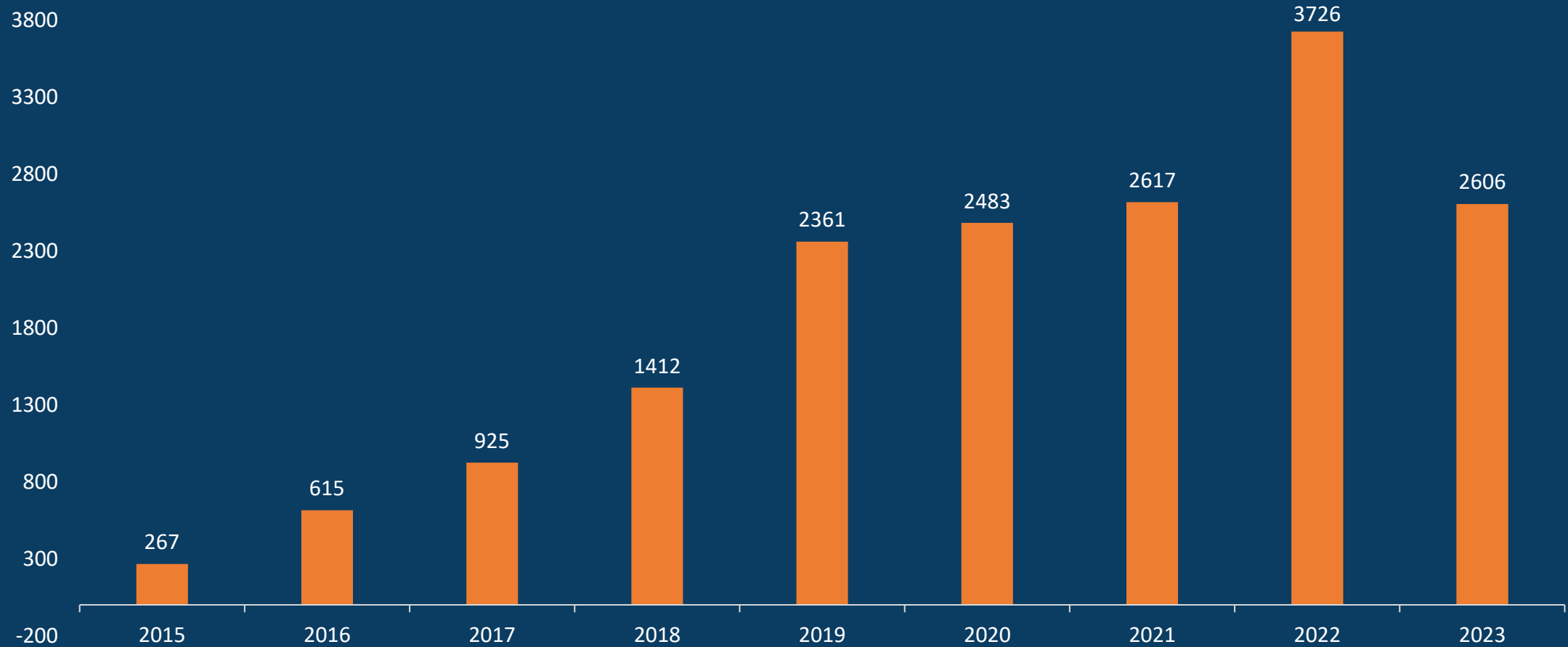
## Recycling Contract Status

- Current Contract Expires 6/30/2024
- Vendor has notified us that they will not accept the contract identified five-year extension at current rates
- Recycling costs were anticipated to double, leading to a potentially significant impact to the Waste Service Fee
- Vendor service issues remain a significant annoyance for citizens and staff

# Citizen Complaints



# Streets Not Serviced



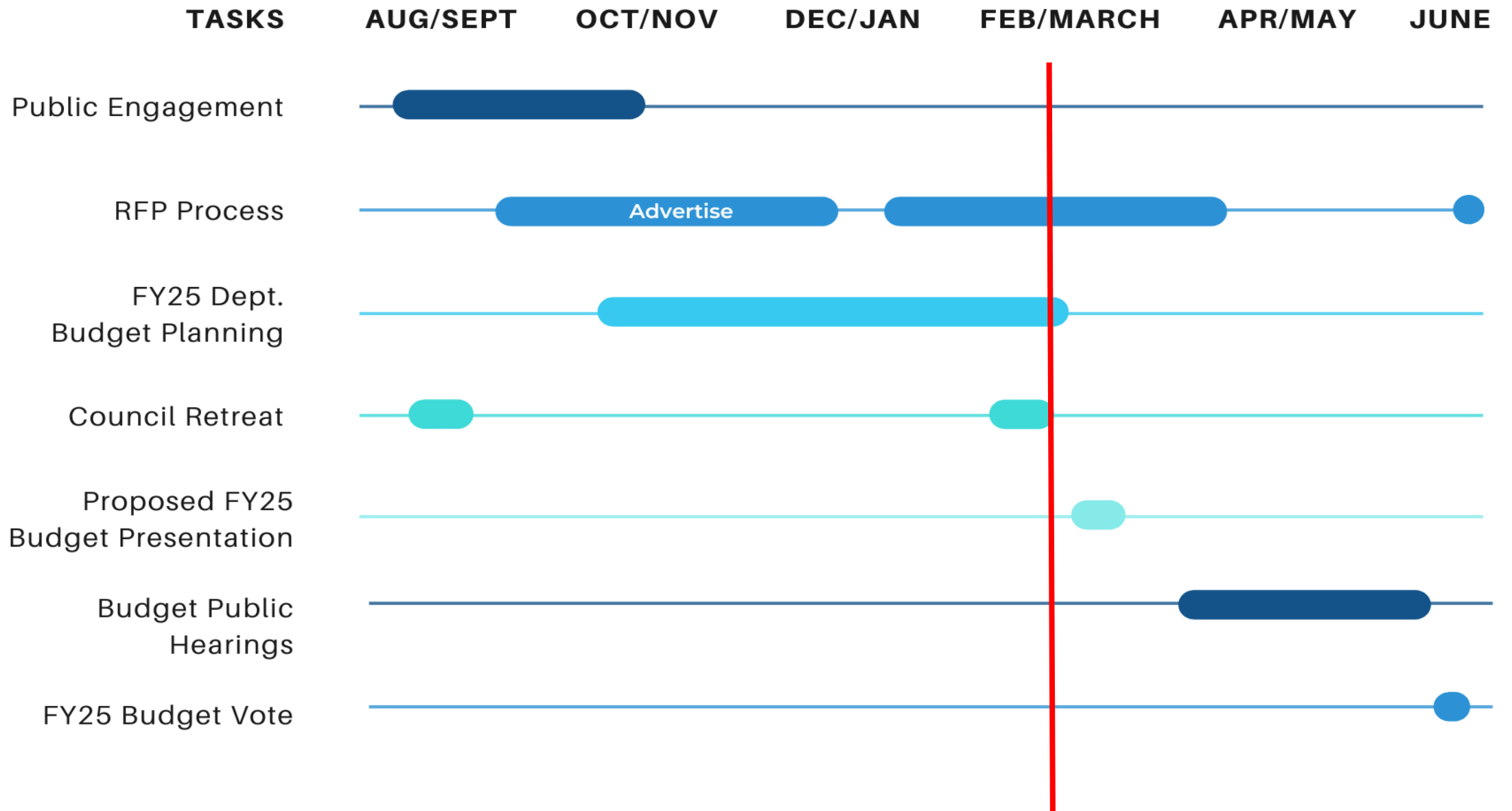
## Some Potential Options Proposed

- Exchanging curbside collections with community convenience centers
- Converting City-based curbside to resident-based subscription service
- Allowing residents to opt-in/out of City-based curbside
- Separate collections from processing
- Make no changes – Other options?

## Plan of Action

Staff briefed City Council July 26, 2023, and identified several steps for staff to undertake:

1. Communications and PW staff would engage the public on what they would like to see regarding recycling
2. PW staff would issue a Response for Proposal (RFP) soliciting recycling services
3. Staff would engage with regional partners to identify possible solutions or ideas





# Resident Engagement

# Summary

- **Timeline:**
  - **Aug. 28 – Oct. 1:** Education portion of campaign.
  - **Oct. 2 – Nov. 17:** Public input/survey portion of campaign.
- **Objective:**
  - Obtain widespread resident input on their recycling preferences to share with City leadership prior to any major decisions being made. Input was collected via a survey on SpeakUpVB.com and preferences were driven by pre-selected recycling options for residents to rank within the survey.
- **Results:**
  - 9,948 survey responses.
    - Including 92 paper surveys.

## We Heard From Those Currently Paying for Curbside

- **83.8%** (8,333) of respondents report their primary residence as a single-family home.
- **83.6%** (8,318) of respondents report currently paying for or receiving curbside recycling collection.
- **88.1%** (8,764) of respondents describe themselves as “diligent” or “conscientious” recyclers.
- **86.9%** (8,648) of respondents consider it “essential” or “important” to have curbside recycling services as part of Virginia Beach Waste Management services.

## Some are Able to Pay More

- **44.5%** (4,428) of all respondents report \$1-\$4 monthly as the total amount they would be able to pay for the convenience of curbside recycling collection.
- **23.6%** (2,345) report \$5-\$10 monthly as the total they are able to pay.

**Note:** 9.7% (966) of respondents did not answer this question.

**Question:** If you selected an option of increased fees for curbside recycling collection, what total amount would you be able to pay for the convenience of curbside recycling collection?

# Option Ranking

- **Option 1: Same Services, Increased Cost**
  - 36.2% (3,602) of respondents ranked this option first. This option also had the highest average ranking of 1.32.
  - Of the respondents who ranked this as their top option, 55.6% reporting being able to pay \$1-\$4 monthly, and 35.3% reported being able to pay \$5-\$10 monthly.
- **Option 3: Opt-in/Opt-Out Program**
  - 12.8 % (1,276) of respondents ranked this option first, with an average ranking of 1.81.
- **Option 2: Eliminate Curbside, Increase Convenience Centers**
  - 5.3% (530) of respondents ranked this option first, with the lowest average ranking of all options at 2.43.

**Note:** Percentages do not sum to 100% because 45.6% (4,540) of respondents did not answer the option-ranking question.



# RFP Responses

## RFP Offered

- RFP was issued on November 27, 2023, and closed January 10, 2024
- Informed potential offerors about civic engagement process
- Identified potential Opt-In option
- Requested that vendors submit on collection and/or processing for curbside recycling – to be awarded separately

# RFP Responses

RFP is still open – Not able to disclose specific information at this point.

- Two vendors submitted on the RFP
- Neither vendor wanted to submit on Opt-In
- Both vendors prefer to not separate collection from processing – One vendor only submitted this way and one submitted both ways with a significant markup to allow the separation of the two elements of recycling

## Early Take- Aways From RFP

If we choose to retain curbside recycling, costs will rise sharply but nothing will change from a service standpoint

- Choosing the lowest offered price, total yearly cost of \$4.66M today will rise to approximately \$9.02M with new contract - An increase of \$4.36M annually or a 93.6% increase
- Selecting the higher bidder would result in an increase of approximately \$10.3M annually or an increase of 221%

## Impacts to the Solid Waste Fee

The Solid Waste Fee would require a monthly increase of \$3.05/house/month to account for this contract increase

Current monthly Solid Waste Fee - \$27.50/house/mo

- Recycling is \$3.11 or 11.3% of overall fee

Proposed monthly Solid Waste Fee - \$30.55/house/mo

- Recycling would be \$6.16 or 20.2% of overall fee



# SPSA Update

## SPSA & Recycling

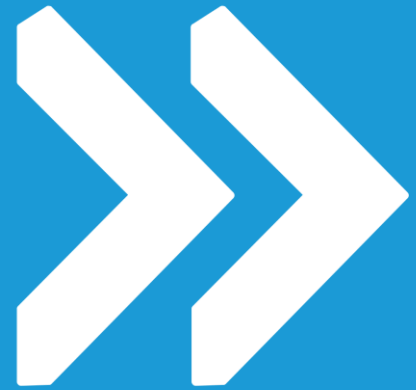
- In 2018 SPSA went through a significant structure change
- All 8 communities signed identical Use & Support Agreements (USAs) with a single Work Plan in place
- Curbside recycling was specifically left out of the Work Plan but allowed for under other clauses in the USAs
- At present SPSA does not have a curbside recycling service at play in any of the member communities

## Changes at SPSA

- Changes at the Portsmouth Naval Yard have made the financial viability of the waste-to-energy plant unsound – The facility is closing June 30, 2024
- SPSA is preparing to expand into Cell VII at the Regional Landfill and staff are working to permit cells VIII & IX
- SPSA is evaluating alternative methods for the disposal of waste – higher up on the waste hierarchy than landfilling

## Changes at SPSA (Continued)

- As part of this process a Request for Information (RFI) was issued last year
- Almost all responses proposed some type of pre-screening for recyclables before processing the remainder of the waste (largely organics)
- An RFP has been released to solicit proposals
- This is expected to have a significant impact on how we handle recycling and may reduce or eliminate our need for segregated curbside recycling



# Next Steps

## Next Steps

- As part of the ongoing annual budget preparation, staff have submitted these numbers to the Budget and Management Services department for inclusion in the FY 2025 budget, for City Council review
- Staff are prepared to work towards the completion the RFP process and ensure that the identified bidder can meet the established legal and contract requirements before June 30, 2024



# Discussion/Questions