



MEMORANDUM

☐ Action
☐ Discussion
☒ Information

Date: November 7, 2019
To: Environmental Services Commission
From: Stephanie Schwenger, Solid Waste Contract Administrator
Subject: Results of 2019 Annual Solid Waste Collection Contract Performance Review

Action Required at this Time

No action by the Commission is required. This is an informational briefing.

Fiscal Impact

None.

Background

Consistent with the 2014 Comprehensive Garbage, Recyclables, and Organics Collection Contract (the Contract) between the City of Bellevue and Republic Services, the City conducts an annual review of Republic Services' performance under the Contract. This review consists of two-parts:

1. **Customer surveys** about their satisfaction with Republic Services' performance in specific areas and their awareness of, and practices and preferences around, recycling and organics.
2. **An audit of Republic Services' performance relative to Contract requirements and standards.** Each year, the City selects an area of focus for the performance review. This year's performance review focused on vehicle fleet requirements.

This memorandum summarizes results of the customer surveys and vehicle audit.

Part 1 – RESULTS OF CUSTOMER SURVEYS

As part one of the 2019 solid waste contract performance review, the City hired Elway Research, Inc. to conduct two market research surveys to gauge single-family residential customers' and multifamily and commercial customers':

- A. Satisfaction with Republic Services' services and
- B. Awareness of, and practices and preferences around, recycling and organics.

Survey details are provided in the following table:

Customer	2019 survey dates	Sample size
Single-family	September 12-27	206 - telephone 728 - online 934 - total
Multifamily and commercial	September 10-13	200 - telephone

Part 1(A) - Customer satisfaction

To comply with the minimum satisfaction levels established in the Contract, Republic Services must score at least 80% satisfaction for each customer satisfaction question, less the relevant margin of error. Republic Services' satisfaction ratings for each question are based on the combined score of "very satisfied" and "somewhat satisfied."

Key findings

Among single-family and multifamily/commercial customers, Republic Services scored well in five of six areas of satisfaction surveyed. Satisfaction scores went up across the board among multifamily/commercial customers this year, while scores dropped across the board among single-family customers. Like last year, Republic Services did not meet minimum satisfaction scores in only one area: response time following a missed collection. This is the fifth year in a row that Republic Services received relatively low marks for response time following a missed collection from single-family customers. Apartment and condominium complex managers and business owners (i.e. multifamily and commercial customers) also rated response time to missed collection below the City's minimum satisfaction requirements for the second year in a row.

Question	Single-family satisfaction		Multifamily and commercial satisfaction	
	Figures appearing in <i>red</i> type did not meet minimum satisfaction ratings Figures appearing in parenthesis () refer to minimum satisfaction rating within relevant margin of error			
	2018	2019	2018	2019
Over the past year, would you say you have been generally satisfied/unsatisfied with Republic Services?	86%	83% (77.4%)	88%	93% (74.5%)
How satisfied/unsatisfied have you been with the collection crew that picks up at your home?	87%	80% (77.4%)	80%	90% (74.5%)
How satisfied/unsatisfied were you with the response time following a missed collection?*	58%	57% (75.6%)	56%	59% (65.4%)
Were you satisfied/unsatisfied about the response time following a request for a new or replacement container?**	77%	75% (73.7%)	68%	72% (64.3%)
How satisfied/unsatisfied are you with the telephone courtesy you get from Republic Services?***	84%	79% (75.9%)	78%	83% (70.1%)
How about the helpfulness of customer service staff on the phone?***	NA	78% (75.9%)	NA	79% (70.1%)

*Asked only of customers that had a missed collection in the past year.

**Asked only of customers that had requested a new or replacement container in the past year.

***Asked only of customers that had reason to call Republic Services in the past year.

Next steps

Republic Services must develop and implement an action plan for improving response times following a missed collection. The action plan, mutually agreed-upon by Republic Services and the City, must include scheduled milestones for implementing changes that improve response times to meet the minimum customer satisfaction rating at the time of the next annual survey in 2020.

Additionally, because it did not meet the minimum satisfaction ratings required by the Contract for response time following a missed collection, Republic Services is subject to a \$50,000 performance fee.

Part 1(B) - Customer awareness of, and practices and preferences around, recycling and organics

Key findings: single-family customers

Most useful information sources on recycling

This October, Republic Services and the City provided an updated curbside recycling guide to all residential customers (i.e. those living in houses, apartments, and condominiums) distributed in the City's newspaper, *It's Your City*. Customers have confirmed that they still prefer printed brochures.

Findings from the survey show single-family customers' top three sources of information for solid waste include: 1) printed brochures (55%), 2) Republic Services's website (54%), and 3) stickers on their carts (49%). These findings underscore the importance of providing annual recycling guides to customers; keeping the Republic Services' website current; and proper container labeling.

Recycling unusual items

Results of the single-family survey demonstrate that the City's efforts to improve customer awareness of their recycling options for unusual items are working. The number of customers familiar with Republic Services' Recycling Drop-off Center has more than doubled since 2015, from 20% to 46%. Use of the Recycling Drop-off Center has increased concomitantly, with the number of customers reporting use of the Center more than tripling from 2015, from 6% to 21%.

Like last year, the City will distribute an updated online and print version of the "Recycle More" brochure, identifying convenient recycling options across Bellevue for unusual items. The brochure will include recycling options at Republic Services' Drop-off Center, to which Republic Services made a number of improvements earlier this year.

Handling of household hazardous waste

Despite gains in customer awareness of recycling options for unusual items, opportunities remain to improve customers' familiarity with and use of take-back programs for potentially hazardous materials, particularly fluorescent light bulbs and tubes (18% of respondents are still throwing these in the trash) and latex paint (only 8% brought their paint to a recycler). With newly passed product stewardship legislation creating a statewide latex paint recycling program, the City has the opportunity to promote local collection sites for and the benefits of latex paint recycling in 2020.

Key findings: multifamily and commercial customers (apartment and condominium managers and business owners)

Organics recycling

Interest in organics recycling increased among multifamily and commercial customers from 18% in 2018 to 31% this year. As part of the garbage rate, commercial customers can receive up to two 96-gallon organics cart per garbage container.

Recycling resources for tenants and employees

Just as interest in organics recycling service increased, so did demand for City recycling resources. An all-time high of 44% of multifamily and commercial customers named at least one City recycling resource that would be helpful to them. Among those with preferences for city recycling resources, multifamily managers and owners showed the most interest in English-language instruction posters and having a recycling needs assessment conducted at their property. Business managers' and owners' top preferences mirrored those of multifamily managers, with the addition of indoor common area recycling containers.

The City is currently working with Republic Services to respond to the 61 customers in the survey who requested specific recycling assistance and resources.

Next steps

Based on the 2019 surveys' findings around customers' recycling practices and preferences, the City plans to work with Republic Services and regional partners to prioritize the following activities in the coming year:

- Continue to improve promotion of year-around options for convenient recycling of unusual items, such as at Republic Services' Recycling Drop-off Center and the Factoria Recycling and Transfer Station;
- Improve awareness and use of existing recycling "take back" programs for medicine, electronics, mercury-containing lights, and used motor oil and oil filters, possibly by increasing number of local collection sites for some of these items;
- Help to promote new statewide latex paint recycling product stewardship program set to start November 2020;
- Increase customer education about proper handling of products designated as household hazardous waste; and,
- Improve promotion of recycling resources available to apartments, condominiums, and businesses.

PART 2 – PERFORMANCE AUDIT RESULTS – VEHICLE FLEET REQUIREMENTS

As part two of the 2019 solid waste contract performance review, the City assessed compliance of Republic Services' Bellevue vehicle fleet with 20 requirements to uphold safety, maintain vehicles in good condition, meet emission standards, make it easy for customers to identify their service provider, show consistent and proper labeling, and ensure cleanliness and professionalism in vehicle appearance.

Findings

The audit found that the Contractor complies with eight of 20 vehicle-related requirements. Key compliance findings are summarized below:

Compliant	Noncompliant
<ul style="list-style-type: none">♦ Trucks maintained in clean and sanitary condition♦ Trucks signed with safety markings♦ Trucks equipped with audible warning equipment♦ Drivers use two-way communication equipment♦ Trucks equipped with integrated GPS, data tracking, and routing-monitoring system with photo and voice documentation capabilities♦ Provided complete initial inventory of vehicles at the beginning of the contract	<ul style="list-style-type: none">♦ Average vehicle age too old♦ Excessive use of back-up/reserve vehicles♦ Incorrect or missing labels identifying material collected on some trucks♦ Incorrect or missing labels with contact telephone number on some trucks♦ Missing labels with driver's name on some trucks♦ Some trucks missing spill kits♦ Some trucks missing back-up cameras♦ Onboard scales missing from at least one truck that collects cans and carts♦ Has not provided revised inventory in the monthly reports and annual inventory is missing data

Of the three performance fees in the Contract directly related to violations of vehicle-related requirements, the audit found only one applicable to the Contractor's fleet—failure to properly use an authorized switchable placard or nameplate. The City will assess performance fees for missing labeling.

Next steps

Republic Services

- ♦ Develop a Vehicle Compliance Action Plan, in coordination with the City, to:
 - Put newer trucks on the road so that average vehicle age does not exceed four years older than the current year
 - Reduce use of back-up/reserve vehicles to within 100 engine hours per month per vehicle
 - Correct or add proper, consistent labeling to all trucks
 - Equip all trucks with spill kit and document spill kit protocol
 - Equip all trucks with back-up cameras
 - Install a vehicle scale on at least one of the trucks that collects cans and carts for weight study purposes
 - Provide revised inventory in the monthly report when Bellevue trucks change
 - Add mileage and maintenance history to annual vehicle reporting

City of Bellevue

- ♦ Work with Republic Services to address compliance gaps.
- ♦ Determine applicable performance fees for missing placards or nameplates on Contractor collection vehicles (material collected, driver's name, and/or 425-area code contact telephone number).

Overall, Republic Services is achieving a high level of customer satisfaction. The City and Republic Services are working collaboratively to address the issues identified in the customer surveys and performance audit.