COMMISSION
AGENDA MEMORANDUM **Item No.** 6h

ACTION ITEM **Date of Meeting** June 11, 2019

DATE: April 10, 2019

TO: Stephen P. Metruck, Executive Director

FROM: Jinah Kim, Senior Manager, Aviation Maintenance
Stuart Mathews, Director, Aviation Maintenance

SUBJECT: Terminal Waste Receptacle Standardization Procurement

Amount of contract: $1,900,000

ACTION REQUESTED

Request Commission authorization for the Executive Director to execute a contract for waste and recycling receptacles at Seattle-Tacoma International Airport for a period of up to five years. The estimated amount of the contract is $1.9 million.

EXECUTIVE SUMMARY

This procurement process will be utilized to establish standards for Airport waste, recycling, and composting receptacles and initiate phased procurement over a multi-year period to renew, replace, and add receptacles of different types, sizes, and functionalities to support passenger growth, customer service, and environmental objectives.

Goals for airport waste receptacle procurement and standardization effort:

(1) Improve customer service and custodial team efficiency through improved receptacle design, increasing receptacle capacity, and reducing service frequency.
(2) Improve customer service by reducing presence of waste gondolas traveling among passengers on concourse hallways.
(3) Establish standards for durable, functional, and aesthetically pleasing indoor and outdoor waste, recycling, and compost receptacles.
(4) Support Port sustainability initiatives including airport recycling and waste diversion goal (60 percent by 2020).
(5) Enhance airport aesthetics by updating receptacles to better align with current Airport architectural vision and new building designs.

JUSTIFICATION

Assessment of waste receptacles indicates the need for additions. Waste receptacles throughout the airport have been acquired over many years via multiple projects and efforts. This has resulted in a wide variety of types and sizes of receptacles, as well as varying

receptacle distribution, condition, and inconsistent labeling. Many areas of the existing facility need to have the receptacles replaced due to age and condition.

As new facilities become operational, additional receptacles will be required. It is preferable that waste receptacles be consistent in appearance throughout the airport. A cross-functional group of Aviation Division staff have embarked on an effort to update the existing waste container standards. In parallel with that effort, the procurement responsibility for waste receptacles has been consolidated within the Aviation Maintenance department.

By combining these efforts with the execution of a multi-year contract, a phased approach to waste receptacle replacement and addition can be executed.

DETAILS

The long-term strategy for this process is to procure up to 1,146 receptacles for replacement of existing units or additions for existing or new facilities. Through an assessment of receptacle allocations, approximately 65 percent of the $1.9 million is estimated to be utilized for receptacles in the terminal and approximately 35 percent of the anticipated expenditure is intended to provide receptacles for the Landside. Currently we have approximately 550 waste receptacle units available. With the passenger growth experienced over the last five years, we are faced with the increasing demand for more receptacles as well as needs to support new facilities.

The 550 units noted above include 467 terminal receptacles incorporated in the Sea-Tac Airport waste receptacle inventory that were bought and placed by other organizations in ad-hoc fashion for the Terminal and Landside and do not meet the current Port architectural standards.

In addition, there are 159 locations identified that are lacking waste receptacles inside the Terminal. Many of these locations require multiple receptacles. This current state does not include the number of waste receptacles needed for the International Arrivals Facility (IAF) or remaining NorthSTAR North Satellite expansion. A needs forecast for both the IAF and NorthSTAR has been performed and the value of those receptacles is included in the estimated receptacle total.

The airport does not currently have inventory on hand to support the areas in need or to replace worn or damaged receptacles. Over the past 15 months, a cross-section of Aviation staff including Aviation Maintenance, Facilities and Infrastructure, Environmental, Airport Dining and Retail and Public Affairs have collaborated to determine the preferred characteristics for waste containers to determine the specifications necessary for the procurement. Key areas of focus for that effort included:

(1) Receptacles manufactured of robust, sturdy, low-maintenance materials that can take the physical demands and high-usage rates that hub airport facilities place upon their equipment.
(2) Receptacles manufactured in an aesthetically pleasing fashion and with a design that is complimentary to the design aesthetic of the facility.
(3) Receptacles of sufficient size and capacity to allow for efficient custodial operations.
(4) Receptacles that are ergonomically designed for the custodial staff to reduce the impact of frequent lifting.
(5) Receptacles that easily and clearly identify the waste stream intended to reduce the amount of waste stream contamination.

Scope of Work

Through a competitive process, establish a five-year agreement for the provision of waste receptacles. The new standards developed will represent the style, dimensions, volume, capacity, and material of the receptacles and incorporate the Port-standard waste graphics. Port estimates contract value at $1.9 million.

Schedule

Activity

Commission authorization	2019 1st Quarter
Anticipated contract execution (likely September)	2019 3rd Quarter
Purchase	2019 4th Quarter
In-use date	2020 1st Quarter

ALTERNATIVES AND IMPLICATIONS CONSIDERED

Alternative 1 – Continue purchasing the existing standard receptacles through individual purchase requests.

Cost Implications: $2 million over five years

Pros:
(1) This eliminates the execution of a standardization process.
(2) This would allow for replacement of mismatched and damaged receptacles throughout the facility in limited scale.

Cons:
(1) This results in the Airport continuing to work with less functional receptacles.
(2) Does not allow the Port to reduce resources and supplies spent on waste container servicing due to inefficiencies with the current designs utilized.
(3) This would not enhance customer experience or increase staff efficiency.
(4) This would not integrate with new Airport design aesthetics.
(5) This does not give an opportunity to execute a multi-year contract that is efficient and economical for the Port.

This is not the recommended alternative.

Alternative 2 – Continue utilizing the existing receptacles. Repair units as necessary and as possible and purchase only to replace the units past a repairable state.

Cost Implications: Estimated $1.1 million

Pros:

(1) This alternative eliminates a standardization development process.

Cons:

(1) There would be an increase in need for unplanned repairs.
(2) This alternative will result in increased customer complaints and negative customer experiences during service down time while units are removed for repairs.
(3) This does not allow for the significant increase of waste containers as new facilities become operational. The quantities involved in providing receptacles for these new facilities may exceed the capacity to procure without Commission approval.
(4) This increases labor service requests for trash services. Waste receptacles need to be serviced more frequently due to fewer receptacles being available and the smaller size of the existing containers.
(5) This can give customers a negative impression of the facility as the receptacles are worn and mismatched.
(6) Multiple smaller procurement processes would need to be utilized on a case-by-case basis to replace or add waste receptacles as necessary. This may lead to higher unit costs due to the lack of economy of scale.
(7) Multiple procurements may lead to the purchase of receptacles in multiple different styles of the receptacles.

This is not the recommended alternative.

Alternative 3 – Develop standards and establish, through a competitive process, a long-term contract for waste receptacles at Sea-Tac Airport for commercial, office grade configuration made of different, lighter weight materials than of the preferred alternative.

Cost Implications: $1.5 million over five years

Pros:

(1) This contract will provide for standardization over a multi-year period to renew, replace, and add waste containers throughout the Airport.
(2) This alternative accommodates the airport growth, including the need for different types, sizes, functionalities, and quantities of receptacles.
(3) This would allow for replacement of mismatched, small capacity, and damaged receptacles throughout the facility.
(4) This satisfies the goals for the waste receptacle standardization efforts to:
    I. Increase functionality and efficiency for the customers and trash service teams.

II. Reduce time spent by custodial staff frequently emptying small receptacles and replacing can liners. These staff can be better utilized providing higher-value services cleaning restrooms and gate hold areas rather than repeatedly emptying undersized waste receptacles.
III. Reduce container liner consumption and liner waste, supporting the Port's sustainable Airport initiatives.

(5) This accommodates the Port's efforts to add or replace units in a timely and efficient manner.
(6) This gives an opportunity to execute a multi-year contract that is efficient and economical for the Port.
(7) This alternative has a lower first cost than the preferred alternative.

Cons:

(1) A new standard with lower-grade materials will not have the same useful life of the preferred alternative. Replacement of these units will be required sooner.
(2) A new standard with different features may not have the same functionality of the preferred alternative, increasing time spent emptying and replenishing the liners in those containers.
(3) Newer design alternatives may surface following this procurement effort, at which time the Airport may wish to revise some, or all, of the container standards before the five-year duration of this procurement expires.
(4) A new need may arise that was not considered in this procurement, resulting in the need to initiate a separate procurement.

This is not the recommended alternative.

Alternative 4 – Develop standards, advertise, award, and execute a contract for waste receptacles at Sea-Tac Airport via competitive bid.

Cost Implications: $1.9 million over five years

Pros:

(1) This contract will provide for standardization over a multi-year period to renew, replace, and add waste containers throughout the Airport.
(2) This alternative accommodates the airport growth, including the need for different types, sizes, functionalities, and qualities of receptacles.
(3) This would allow for replacement of mismatched, small capacity, and damaged receptacles throughout the facility.
(4) This satisfies the goals for the waste receptacle standardization efforts to:
I. Enhance the airport's aesthetics.
II. Increase functionality and efficiency for the customers and trash service teams.
III. Reduce time spent by custodial staff frequently emptying small receptacles and replacing can liners. These staff can be better utilized providing higher-value services cleaning restrooms and gate hold areas rather than repeatedly emptying undersized waste receptacles.

IV. Reduce container liner consumption and liner waste, supporting the Port's sustainable Airport initiatives.

(5) This accommodates the Port's efforts to add or replace units in a timely and efficient manner.

(6) This gives an opportunity to execute a multi-year contract that is efficient and economical for the Port.

Cons:

(1) Newer design alternatives may surface following this procurement effort, at which time the Airport may wish to revise some, or all, of the container standards before the five-year duration of this procurement expires.

(2) A new need may arise that was not considered in this procurement, resulting in the need to initiate a separate procurement.

This is the recommended alternative.

FINANCIAL IMPLICATIONS

Annual Budget Status and Source of Funds

The receptacles purchases will be included in Aviation Maintenance's annual expense budget, so the funding source will be the Airport Development Fund.

ATTACHMENTS TO THIS REQUEST

Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

None