



Legislation Details (With Text)

File #:	24-310	Version:	1	Name:	Approve Three Agreements for Garbage/Recycling/Organics Franchise Services
Type:	Staff Report	Status:		In control:	City Council
On agenda:	7/15/2024	Final action:		Enactment #:	
Enactment date:		Enactment #:		Title:	Adopt Three Resolutions to Approve and Authorize the City Manager to Execute 1) a Franchise Agreement for Collection of Solid Waste, Recyclables, and Organic Waste; 2) a Franchise Agreement for Post Collection Transportation Of Solid Waste and Organic Waste, and Post Collection Processing of Recycling, both between the City of San Leandro and Alameda County Industries, Inc.; and 3) a Franchise Agreement for Post Collection Processing and Disposal of Solid Waste and Organic Waste between the City of San Leandro and Waste Management of Alameda County, Inc
Sponsors:	Sheila Marquises				
Indexes:					
Code sections:					
Attachments:	1. A - Reso ACI Collection Agreement, 2. B - Reso ACI Post Collection Agreement, 3. C - Reso WM Post Collection Agreement, 4. D - Franchise Agreement ACI Collection, 5. E - Franchise Agreement ACI Post Collection, 6. F - Franchise Agreement WM Post Collection, 7. G - Presentation				

Date	Ver.	Action By	Action	Result
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Adopt Three Resolutions to Approve and Authorize the City Manager to Execute 1) a Franchise Agreement for Collection of Solid Waste, Recyclables, and Organic Waste; 2) a Franchise Agreement for Post Collection Transportation Of Solid Waste and Organic Waste, and Post Collection Processing of Recycling, both between the City of San Leandro and Alameda County Industries, Inc.; and 3) a Franchise Agreement for Post Collection Processing and Disposal of Solid Waste and Organic Waste between the City of San Leandro and Waste Management of Alameda County, Inc

COUNCIL PRIORITY

- Sustainability & Resiliency

SUMMARY

Authorizes execution of agreements to provide solid waste, recycling, and green waste collection, processing, and disposal for a period of ten years.

RECOMMENDATIONS

Staff recommends authorizing execution of the agreements presented with this staff report.

BACKGROUND

Efficient and dependable solid waste collection, processing, and disposal are core functions of

government and necessary for public and environmental health. The City is responsible for solid waste, recyclables, and compost collection within approximately 60% of the City that is served by the City's sanitary sewer collection system. The Oro Loma Sanitary District oversees solid waste, recyclables, and compost collection for the balance of City residents and businesses.

Within the City's solid waste collection area, the City has an agreement with Alameda County Industries (ACI), for solid waste, recyclables, and compost collection, processing, and disposal that was initiated in February 2000 and will expire at the end of January 2025.

ACI has been a reliable partner and on June 5, 2023, the City Council approved a two-step procurement process in which sole source negotiations were to be initiated with ACI, followed by a competitive procurement process if the sole source negotiations were not successful. In September 2023 the City opened negotiations with ACI for a new solid waste, recyclables, and compost collection agreement for a 10 year term with options to extend. The City's negotiating team includes HF&H, a consultant with long experience in the Bay Area solid waste industry.

The City issued a request for proposals for solid waste, recyclables, and compost processing and disposal, also known as post collection services, in December 2023. Post-collection services begin at a waste transfer station, of which there are two located in San Leandro. Both operators of the local waste transfer stations were invited to submit proposals for post-collection services.

Analysis

The negotiations with ACI have produced an agreement that continues current collection service, adds or enhances several services, and adequately accounts for the cost of service plus impacts to City infrastructure.

Two proposals for post collection service were received. Staff and HF&H reviewed the proposals and found that splitting post collection services between ACI and Waste Management will provide the lowest cost and best service for residents. Enhancements to existing services including convenient construction and demolition debris drop off, vouchers for residential dumping, and support to fulfill the City's SB 1383 recovered organic waste product procurement requirements.

ACI and Waste Management have agreed to the major terms of the proposed agreements; minor modifications to clarify language may be required.

Previous Actions

On July 17, 2023, by Resolution No. 2023-101, the City Council approved an amendment with HF&H to add negotiating a post collection agreement.

On June 5, 2023, by Resolution No. 2023-066, the City Council approved an amendment with ACI that provided for sole source negotiations for solid waste collection.

On February 6, 2023, by Resolution No. 2023-009, the City Council approved an agreement with HF&H for assistance with procurement and negotiation of a new solid waste agreement.

On January 23, 2023, by Resolution No. 2023-011, the City Council adopted a Communications and Integrity Policy to ensure transparency and fairness in procuring new solid waste services.

Financial Impacts

Costs of solid waste, recyclables, and compost collection, processing, and disposal will be paid by the rate payers. Monthly costs vary depending upon the level of service provided. The new service agreements contain a one time increase in rates of approximately 5%. There will be ongoing increases for inflation under the new contract.

A portion of the monthly waste collection rates will be remitted to the City to cover the cost of staff managing the solid waste, recyclables, and compost services provided within the collection area as well as the impact the contractor's operation has on City infrastructure.

ATTACHMENTS

Attachment A: Reso ACI Collection Agreement

Attachment B: Reso ACI Post Collection Agreement

Attachment C: Reso WM Post Collection Agreement

Attachment D: Franchise Agreement ACI Collection

Attachment E: Franchise Agreement ACI Post Collection

Attachment F: Franchise Agreement WM Post Collection

Attachment G: Presentation

PREPARED BY: Nick Thom, Assistant Public Works Director