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Presentation of Terms for Solid Waste Collection, Processing, and Disposal Agreements

COUNCIL PRIORITY

- Sustainability & Resiliency
- Fiscal Sustainability and Transparency

SUMMARY

Representatives of HF&H, the City’s consultant, and City staff will present information about proposed agreements for solid waste, recycling, and compost collection, processing, and disposal.

This item is for information only, no action is required.

BACKGROUND

Efficient and dependable solid waste collection, processing, and disposal is a core function of government and is 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 Sewer District oversees solid waste, recyclables, and compost collection for the balance of City residents and businesses.

Within the City’s solid waste collection system, 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 the Fifteenth Letter Amendment to the Franchise providing for 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. It also provided the City Manager with the sole discretion to extend the term of the current Agreement during the process, to January 31, 2027, if needed. 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 a draft agreement that continues current service, adds or enhances several services, and adequately accounts for the cost of service plus impacts to City's infrastructure.

Two proposals for post collection service were received. Staff and HF&H have 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 and vouchers for residential dumping and support to fulfill the City's SB 1383 recovered organic waste product procurement requirements are included in the proposed agreements.

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 Impact

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.

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.

ATTACHMENT

Attachment A: Presentation

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