



## Legislation Text

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**File #:** 11-332, **Version:** 1

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Staff Report for Authorization of the City Manager to Execute a Memorandum of Understanding with the Oro Loma Sanitary District for Refuse, Green Waste, and Recycling Services in the L-3 Area

### **RECOMMENDATIONS**

Staff recommends authorizing the City Manager to execute a Memorandum of Understanding with the Oro Loma Sanitary District. The agreement would allow the Oro Loma Sanitary District to provide refuse, green waste and recycling services in the L-3 area of San Leandro through the term of their contract with Waste Management of Alameda County which will expire on August 31, 2024. As part of the agreement with the City, the District agrees to offer additional organics and recycling services to customers in the L-3 area including free garbage and recycling services to public schools.

### **BACKGROUND**

In 2006, the City of San Leandro ("City") and the Oro Loma Sanitary District ("District") entered into an agreement for refuse, green waste, and recycling services in the L-3 area. The agreement provided for the terms of service and a City-imposed franchise fee for the term of the District's contract with Waste Management of Alameda County (WMAC) which was originally set to expire on August 31, 2012 with two one year options to renew.

On June 6, 2011, the District provided written notification to the City that they were in discussion with WMAC to renew their contract prior to the September 1, 2012 expiration date (see Attachment 1). The District also stated that they will make efforts to incorporate additional services levels into their new contract as part of the discussion.

On July 13, 2011, the City provided the District with a list of all desired service level changes or enhancements for the L-3 area to include in subsequent contract extensions between the District and WMAC (see Attachment 2).

In the original agreement presented to the Council on October 17, 2011, the District offered the following enhancements into their contract with WMAC:

- Free recycling and organics collection to commercial customers.
- Free curbside collection of batteries and cell phones.
- Provision of quarterly data reports to City.
- Free recycling services to public schools within the L-3 area.
- Recycling of materials collected from curbside bulky goods program.
- Distribution of outreach to customers about new and existing services.

The following requested enhancements were not offered in the original agreement:

- WMAC will not provide weekly recycling services to single-family residents. They will continue to provide the service on a bi-weekly basis.
- WMAC will not provide unlimited yard trimmings/food waste for single-family residents, but

limit the service to up to (2) 96-gallon carts.

- WMAC will not offer all services to public schools for free but will offer free recycling services to public schools in the L-3 area if they subscribe to, and pay for refuse collection services. Organics collection services will not be offered.
- WMAC will not change cart colors to grey for garbage and blue for recycling but maintain existing cart colors.

On October 17, 2011, the Council moved to “table” the item to the November 7 meeting to allow staff time to renegotiate the agreement with the District to include free garbage collection services for public schools in the L-3 area. The District has agreed to offer free garbage and recycling services to schools provided that the schools implement recycling in every classroom, meeting room, and office at all of the school districts’ facilities. The District will not offer organics collection at schools.

As part of the consideration for providing free services in the L-3 area, the City must indemnify the District for any claims that arise related to providing the free services. Thus, if the City accepts the tender of defense to such a claim, then the City is expressing its desire that the District continue to provide the free services, unless or until the City stops its defense, or loses on the claim such that there is a determination that the District cannot continue to provide the free services. Alternatively, if the City refuses the District’s tender of such a claim, then the District will simultaneously stop providing the free services, and will accept and defend the claim itself. In such case, the City will have no responsibility or duty to assist the District in its defense.

The District has agreed to work with the City toward achieving the 75% diversion goal by providing additional education and outreach to customers and by working with the City to implement programs approved by the Alameda County Waste Management Authority as part of the Strategic Plan. If approved by the Oro Loma Sanitary District Board, the new contract with WMAC will be in effect through August 31, 2024.

### **Previous Actions**

Council adopted Resolution 2006-061 authorizing a first amended Agreement between the City of San Leandro and the Oro Loma Sanitary District for refuse, green waste and recycling; and establishing a franchise fee on refuse services in the L-3 area.

### **Committee Review and Actions**

The item was reviewed by the Business and Housing Development Committee on June 9, 2011. The Committee received the list of desired service level changes and enhancements for the L-3 area for subsequent contract extensions between the District and WMAC and recommended adding free service to public schools in the L-3 area and conducting education and outreach about services available to customers.

### **ATTACHMENTS**

- Attachment 1 - Letter from the District dated June 6, 2011
- Attachment 2 - Letter from the City dated July 13, 2011

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