



City Manager's Report
June 14, 2016 City Council Meeting
Prepared By: M. Cleve Morris
Item#: 12.1

Subject: Adopt a Resolution Approving a 10 year Extension to the Collection Franchise Agreement with El Dorado Disposal.

Background: In 1994, the City entered into a franchise agreement with El Dorado Disposal to collect solid waste within the City limits of Placerville. That agreement was to be for 20 years, expiring in 2013. In 2008 the City began to consider mandatory garbage service with the requirement of El Dorado Disposal provided containers. That service began in 2009. In order to assist with the cost of the new containers, the City extended the franchise agreement and additional 10 years to expire in 2023.

Discussion: The City has received the attached letter from El Dorado Disposal to consider an extension of their Franchise Agreement. The current agreement with El Dorado Disposal runs through June of 2023. If a 10 year extension was approved it would take the agreement through 2033. El Dorado Disposal is preparing for a \$12 million upgrade to the Materials Recovery Facility which will better provide for sorting and handling of recycled materials. It will also better handle household hazardous waste. This new facility will assist the City in reaching the state mandated goal of 75% reduction in solid waste disposal by 2020.

The agreement (see attached) is quite detailed and includes performance standards. In reviewing the performance of El Dorado Disposal over the past 5 years, they have met the standards every year except for one standard in 2015. That particular standard requires the average call time not to exceed 75 seconds. In 2015 the average call time was 97.5 seconds. As a result, the increase outlined in the contract was reduced by 20%. These provisions for standards insure that El Dorado Disposal is providing a good level of service.

On April 26, 2016, the City Council approved the purchase of new Trash/Recycling containers for Main Street. The total cost of the new containers is estimated to be \$48,231. The City and County have identified grant funding in the amount of \$22,500 toward this purchase. El Dorado Disposal has agreed to also participate and help fund the remaining amount. This amount is estimated at \$26,000.

El Dorado Disposal includes several services as part of their current contract. These services include the following:

- Weekly trash service with multiple cart offerings at variable rates dependent on size
- Every other week recycling and green waste services
- Extra pickups of any commodity type
- Voucher for bulky item pickup curbside
- Voucher for 2.5 cubic yards of any type of material for drop off at the MRF
- Oil/Oil Filter curbside pickup upon request
- Battery jugs and curbside pickup upon request
- Community Clean Up Days
- Pink 35 gallon carts for Breast Cancer Awareness

- Online bill pay, online scheduling of bulky items pickup, online calendars and reminders
- Neighborhood Watch Program
- AB341 Compliance Recycling Program for Commercial Customers
- Commercial Recycling and Outreach Program – Sustainability Coordinator
- Truck Wraps advertising Placerville community events
- Commercial food waste pilot program

For the coming year, starting in July, the following new programs will be offered:

- Mattress Recycling Program at the MRF
- Carpet Recycling Program at the MRF
- Textile Recycling at the Buy Back Center and at the MRF
- New Voucher for the curbside pickup of paint, florescent bulbs/tubes and e waste
- New Voucher for the curbside pickup of extra green waste in bags and bundles
- New Voucher for drop off of green waste at the MRF
- Partner with the City to provide new trash and recycling receptacles on Main Street

These are all good programs that will help us meet our recycling goals. From Staff's point of view, El Dorado has been a good partner in our community in helping us meet recycling goals and other City projects. They have assisted with several cleanup problems we have had and they were one of our sponsors for the Rise and Shine Cleanup Day in April.

Options:

1. Approve the extension as proposed.
2. Approve the extension with other changes to the agreement.
3. Approve a shorter extension.
4. Deny the extension.

Cost: There is no anticipated additional cost to the City as a result of the contract extension.

Budget Impact: No budget impact is anticipated.

Recommendation: Adopt a Resolution Approving a 10 year Extension to the Collection Franchise Agreement with El Dorado Disposal.



M. Cleve Morris, City Manager

Attachments:

--Resolution

1. 1994 Collection Franchise Agreement
2. 2008 Amendment to the Franchise Agreement
3. 2016 Proposed Amendment to the Franchise Agreement
4. Waste Connections Extension Request Letter

RESOLUTION NO. _____**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PLACERVILLE ADOPTING THE SECOND AMENDMENT TO THE COLLECTION
FRANCHISE AGREEMENT BETWEEN THE CITY OF PLACERVILLE AND
EL DORADO DISPOSAL**

WHEREAS, the City of Placerville and Waste Connections of California, Inc., doing business as El Dorado Disposal Services (“El Dorado”), have entered into a Collection Franchise Agreement, including Amendments thereto (“Agreement”), for the collection of solid waste within the City of Placerville; and

WHEREAS, the City and Grantee amended the 1994 Agreement in certain respects to, among other things, clarify the types of waste that are subject to the Agreement and to alter the rate structure for services under the Agreement; and

WHEREAS, the City and Grantee wish to implement a second amendment to the Agreement in certain respects to, among other things, add additional special programs and extend the term of the Agreement.

NOW THEREFORE BE IT RESOLVED by the City Council does hereby adopt the second amendment to the Collection Franchise Agreement between the City of Placerville and El Dorado Disposal Services and authorizes the City Manager to execute said agreement.

The foregoing Resolution was introduced at a regular meeting of the City Council of the City of Placerville held on June 14, 2016, by Councilmember _____, who moved its adoption. The motion was seconded by Councilmember _____. A poll vote was taken which stood as follows:

AYES:

NOES:

ABSTAIN:

ABSENT:

Vice-Mayor John Clerici

ATTEST:

Regina O’Connell, Interim City Clerk