



SANTA BARBARA COUNTY

Resource Recovery &

Waste Management Division

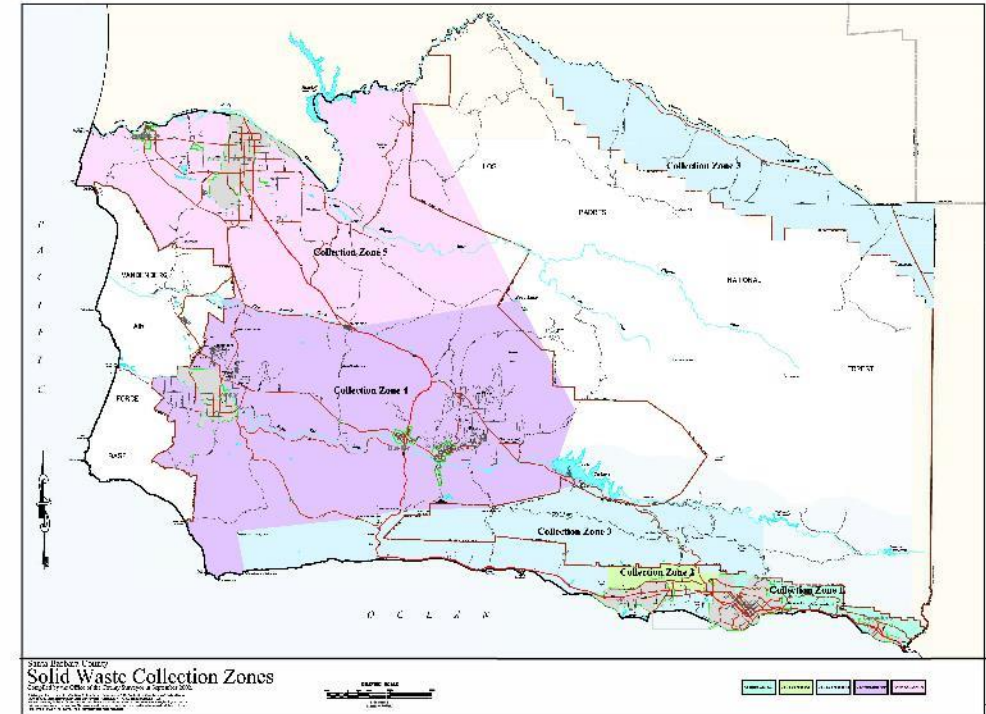
Innovative Environmental Solutions

Zones 4 & 5 Exclusive Solid Waste Collection Franchise Agreement

July 11, 2023

Background

- County currently contracts with Waste Management to provide trash, recycling, and organics collection to residential and commercial customers in Zones 4 and 5
- Includes unincorporated Santa Ynez Valley, Lompoc Valley, and Santa Maria Valley



Background

- In May 2022, the Board approved a two-year franchise agreement with Waste Management, which began in July 2022
- Also in May 2022, the Board authorized staff to issue a Request for Proposals (RFP) for franchised solid waste collection services in Zones 4 and 5 for service to begin in July 2024
- The County contracted with HF&H consultants to assist with the RFP process

RFP Timeline

- November 2022 – County issued RFP
- February 2023 – Proposals received from E.J. Harrison and Sons (Zones 4 & 5 together), MarBorg Industries (Zones 4 & 5 together or separately), Waste Connections (Zone 5), and Waste Management (Zones 4 & 5 together or separately)
- March 2023 – Haulers interviewed and proposals evaluated and scored

RFP Timeline

- April 2023 – Top two proposers (MarBorg and E.J. Harrison) were invited to finalize agreements
- May 2023 – Board approved update to Chapter 17 to allow a single franchised hauler in the unincorporated area
- June 2023 – Staff selected MarBorg Industries as the recommended hauler for Zones 4 & 5

Evaluation Criteria

Criteria Category	Weighting
Cost Competitiveness	40%
Experience and Qualifications	35%
Contract Exceptions	15%
Proposal Enhancements and Unique Services	10%

Evaluation Results

Criteria	MarBorg	Harrison	Waste Management	Waste Connections
Cost Competitiveness	8	6	4.8	2
Experience & Qualifications	6.65	6.65	6.65	5.95
Contract Exceptions	3	3	3	1.05
Enhancements & Unique Services	1.6	1.7	1	1.2
Total	19.25	17.35	15.45	10.2

Cost Comparison – Rate Revenue

Proposer*	Standard or Alternative Landfill	Proposed Annual Rate Revenue for Zones 4 & 5	Difference Compared to Current Rate Revenue	Percent Change Compared to Current Rate Revenue
MarBorg	Standard	\$ 13,948,000	\$ (777,000)	-5.3%
Harrison	Standard	\$ 14,214,000	\$ (511,000)	-3.5%
WM	Alternative	\$ 14,365,000	\$ (360,000)	-2.4%
Current Rate Revenue for FY 22/23	Standard	\$ 14,725,000	-	-
WM	Standard	\$ 14,858,000	\$ 133,000	0.9%

*Waste Connections only bid on Zone 5 and is not included in this comparison; their rate revenue for Zone 5 was 9.8% higher than current rate revenues using an alternative landfill and 18.7% higher using the standard landfill

Cost Comparison – Customer Rates*

Service Level	Current	MarBorg	Harrison	Waste Management	Waste Connections
Z4 – Lompoc Res (96 gal)	\$39.84	\$35.95	\$39.90	\$39.84	n/a
Z4 – Lompoc Comm Trash (2yd)	\$163.65	\$159.83	\$180.00	\$163.61	n/a
Z4 – Lompoc Comm Rec (2yd)	\$171.68	\$165.69	\$162.00	\$171.69	n/a
Z4 – Santa Ynez Res (96 gal)	\$52.51	\$46.48	\$52.51	\$52.60	n/a
Z4 – Santa Ynez Comm Trash (3yd)	\$351.60	\$332.50	\$344.45	\$351.63	n/a
Z4 – Santa Ynez Comm Rec (3yd)	\$324.57	\$315.52	\$292.78	\$324.59	n/a
Z5 – Santa Maria Res (96 gal)	\$40.32	\$38.21	\$40.32	\$40.32	\$49.32
Z5 – Santa Maria Comm Trash (2yd)	\$177.85	\$172.44	\$191.65	\$177.84	\$217.55
Z5 – Santa Maria Comm Rec (4yd)	\$263.39	\$251.49	\$222.99	\$263.39	\$337.17

*Rates listed are based on the use of standard (in-county) landfills

Rate Impacts

- Depending on zone and container size, residential rates will decrease 4%-13% when compared to the FY 22-23 rates
- Commercial trash and recycling bin service rates will decrease 2%-6% depending on zone, container size, and frequency
- Prior to July 1, 2024, the listed rates will be adjusted to incorporate CPI and any changes in tipping fees

Service Impacts

- The RFP and franchise agreement maintain current service offerings
- MarBorg will provide comprehensive and consistent reporting countywide
- MarBorg will work with staff to implement enhancements for increasing diversion at County solid waste facilities

Staff Recommendations

- Approve and authorize the Chair to execute the proposed Franchise Agreement with MarBorg Industries for Zones 4 and 5, effective July 1, 2024 and ending June 30, 2034
- Determine that approval of the proposed agreement is exempt from the California Environmental Quality Act, pursuant to 14 CCR 15301(b) (Existing Facilities) and 15308 (Actions by Regulatory Agencies for the Protection of the Environment), 15061(b)(3) and direct staff to file and post a Notice of Exemption on that basis

Thank you! Questions?



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