



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Public Works
Department No.: 054
For Agenda Of: 05/05/2020
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Director(s) Scott D. McGolpin, P.E. Director, (805) 568-3010
Contact Info: Leslie Wells, Deputy Director, (805) 882-3605

SUBJECT: County's Exclusive Franchise Agreements for Solid Waste, Recyclables, Green Waste, and Food Waste Collection, All Supervisorial Districts

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: N/A

As to form:

Recommended Actions:

That the Board of Supervisors:

- a) Direct staff to form a Franchise Procurement Project Team to assist in the process of evaluating and pursuing options to provide the collection of trash, recycling, green waste, and food waste from residents and businesses in the County unincorporated area following the expiration of the existing franchise agreements on July 1, 2021; and
- b) Find that the proposed recommendation does not constitute a "Project" within the meaning of the California Environmental Quality Act, pursuant to 14 CCR 15378 (b) (5), because it consists of organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

Summary Text:

This item is on the agenda in order to advance the formation of a Franchise Procurement Project Team for the process of securing solid waste, recyclables, green waste, and food waste collection services beyond the expiration date of July 1, 2021 for the current franchise agreements.

Background:

In December 1996, the Board approved five franchise agreements for the exclusive collection of solid waste materials, including trash, commingled recyclables, and green waste from residents and businesses in five zones established by the County. The agreements have been updated over the years; at this point MarBorg Industries services the South Coast (zones 1, 2 and 3) while Waste Management serves the North County (zones 4 & 5).

The franchises are divided into five geographic areas serving 32,000 residential single-family homes and 1,500 businesses and multi-family dwellings. They generate more than \$30 million in revenue per year, 11% of which goes to fund the County's solid waste programs. All of the solid waste franchises are due to expire on July 1, 2021. There is a provision in each agreement to extend the term by one year if needed.

The recommended procurement process benefits from the approach taken from 2009-2011, when the County faced the pending expiration of the franchise agreements for zones 2, 4 and 5. This most recent procurement process was very successful on a number of fronts. Standards for customer service, hauler safety, and diversion programs were increased. Enforcement mechanisms to ensure contract compliance were strengthened. Rates were reduced – in some cases substantially. Collection vehicles were required to operate on cleaner burning natural gas as opposed to diesel fuel. Finally, the haulers agreed to provide collection services for County buildings in the unincorporated areas at no charge, resulting in budgetary savings to the County now valued at more than \$500,000 per year.

The Resource Recovery & Waste Management Division (RRWMD) has already received substantial input regarding the next iteration of franchise agreements as part of the 2020 customer satisfaction survey referenced below. It is anticipated that the Project Team will solicit input from the offices of the Board of Supervisors in June 2020, and will submit a progress report on the procurement process in the fall of 2020.

RRWMD staff has been preparing for the upcoming procurement process by engaging a solid waste consultant to assist in a joint audit of many key aspects of the current franchise agreements. These elements include:

- a) Quality of service;
- b) Safety;
- c) Mandatory recycling and diversion programs;
- d) Accurate customer billing in relation to Board approved rates and the services provided;
- e) Correct calculation and remittance of program fees to the County; and
- f) Monthly tonnage reporting.

This comprehensive audit is expected to be completed by June 2020. One highlight that can be shared now is the overall measurement of customer satisfaction according to an online poll sent to nearly 18,000 customers earlier this year. The level of customer satisfaction is consistent with past surveys. Please see the results on the following page.

Hauler Customer Satisfaction Survey 2020					
County Overall	Waste Management		MarBorg Industries		
On a scale of 1 -10, how satisfied are you with the collection services you receive, including the reliability of pick-up and your interaction with field staff?					
Average	9.3	Average	9.1	Average	9.4
On a scale of 1 - 10, how satisfied are you with the administrative services you receive, including clarity of billing statements and your interaction with office staff?					
Average	9.2	Average	9.0	Average	9.4
On a scale of 1 -10, if you've contacted your current trash and recycling collection company regarding a concern, how satisfied were you with the response and follow-up?					
Average	9.1	Average	8.3	Average	9.5
Have you taken advantage of extra services offered, such as free bulky item collection, free mail-back containers for sharps, curbside battery recycling, and extra recycling containers at no cost?					
Yes	66%	Yes	48%	Yes	76%
No	34%	No	52%	No	24%

Formation of Project Team Recommendation

Staff recommends that the County form a Franchise Procurement Project Team to evaluate the options available for the provision of solid waste collection services after June 30, 2021. Recommended team members include representatives from the Public Works Department and an outside solid waste consultant. The core project team will confer and coordinate with County Counsel, Auditor-Controller, General Services, and Risk Management.

Staff also recommends that the Board find that the proposed recommendation does not constitute a “Project” within the meaning of the California Environmental Quality Act, pursuant to 14 CCR 15378 (b)(5), because it consists of organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

Performance Measure:

Franchised haulers are held to a wide range of performance measures designed to ensure that solid waste and diversion services are provided to the public with an emphasis on service, safety, diversion, and adherence to the terms of the agreements. Audits are conducted on an ongoing and periodic basis to verify contract compliance.

Fiscal and Facilities Impacts:

Budgeted: Yes

Fiscal Analysis:

Staff time has been allocated for the procurement process. Costs for a solid waste consultant are included in FY 19-20 and 20-21 budgets.

Special Instructions:

Please send an executed copy of the Minute Order to the Resource Recovery & Waste Management Division of the Public Works Department, Attn: Thomas Chiarodit.

Authored by:

Thomas Chiarodit, Senior Program Specialist, Resource Recovery & Waste Management (805-882-3624).