



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: July 12, 2011

TO: Mayor and Councilmembers

FROM: Environmental Services, Finance

SUBJECT: Zone One Solid Waste Franchise Timeline And Ad Hoc Subcommittee

RECOMMENDATION: That Council:

- A. Review the revised Zone One 2013 Franchise Procurement Process Timeline; and
- B. Appoint a Zone One Solid Waste Franchise Ad Hoc Subcommittee of not more than three members for a limited purpose of providing input to staff on the procurement, negotiation, and transition to a new solid waste franchise contract for Zone One and for a limited time to end upon the implementation of the new franchise agreement effective June 8, 2013.

EXECUTIVE SUMMARY:

City staff and the City's solid waste consultant, HF&H, have developed an ambitious timeline for completion of the Zone One solid waste franchise renewal process. An Ad Hoc Subcommittee will provide a more focused and flexible environment for staff to be able to receive input from elected officials, as needed. It will also allow staff to receive input on sensitive negotiations without potential proposers present, as needed. The Ad Hoc Subcommittee may be the same members as the Sustainability Committee. The full Council will be asked to approve the work of staff and the Ad Hoc Subcommittee at key intervals.

DISCUSSION:

Since 2003, the City has had two "zones" for solid waste collection and disposal in the business, multi-unit residential, and single family residential sectors. The City's franchise contract with Allied Waste Services of North America, LLC ("Allied") for solid waste collection in Zone One will expire on June 7, 2013.

Allied recently requested the City's approval for the assignment of this agreement to MarBorg Industries ("MarBorg"), the current hauler for the City's solid waste Zone Two. However the assignment of this agreement alone would not affect the June 7, 2013

expiration date. For more information on the assignment request, see the separate item on July 12, 2011 Council Agenda addressing this topic.

Revised Timeline

Due to various delays from the initial Zone One 2013 Franchise Procurement Process timeline, staff is recommending a revised timeline that is now quite tight for completing the renewal process. This was developed by HF&H with input from staff and the Sustainability Committee. See Attachment 1.

Ad Hoc Subcommittee

City staff has, thus far, been working with the Sustainability Committee for input on the Zone One franchise procurement process. This has been cumbersome due to the wide variety of issues addressed by the Sustainability Committee and the need to coordinate dates with the availability of staff from many different divisions. In order to provide a more focused and flexible environment for this process, and to meet the timeline goals, staff recommends that Council appoint a Zone One Solid Waste Franchise Ad Hoc Subcommittee to focus on this issue alone. Council may choose to appoint members of the Sustainability Committee to the subcommittee.

Though staff intends to continue to hold open meetings and to invite interested parties to attend these meetings, an ad hoc committee will also allow staff to receive input on sensitive negotiations without proposers present, as needed. Staff worked with a similar Solid Waste Ad Hoc Subcommittee during the 2003 franchise procurement process.

Anticipated Role

The Ad Hoc Subcommittee will provide input to staff, as needed, in the development of the RFP. A few examples of larger policy questions involved in this process include:

- Whether to continue to include backyard service as a basic service, or make curbside service the basic service and provide backyard service for a premium;
- Whether to include services that are currently not franchised (e.g., roll off boxes) in the franchise;
- How ambitious the diversion goals set for the hauler should be;
- What new services should be required for public facilities, the single-family and multi-family residential sectors, or the commercial sector; and
- What optional services or facilities could proposers include in their proposals?

Once an RFP has been approved and released by the full Council, the Ad Hoc Subcommittee will provide necessary advice to staff during negotiations with the successful proposer. Finally, the Ad Hoc Subcommittee will provide input, as needed, during the transition of the franchise operations to the new hauler.

The full Council will be asked to approve the work of staff and the Ad Hoc Subcommittee at key intervals: before release of the RPF, upon selection of a hauler for further negotiations, and prior to award of the new negotiated franchise contract.

Impact of Assignment to MarBorg

The assignment of the franchise contract from Allied to MarBorg alone, if approved, should not affect the franchise renewal process. The contract will still expire in June 2013 and the City will still be looking to enter into a new agreement.

However, the potential assignment of both zones to a single hauler creates questions about what opportunities, if any, this change presents. If the assignment is approved, staff will explore with MarBorg, HF&H, and the City Attorney whether this assignment provides any additional opportunities for rate payers. The depth and breadth of the experience and expertise available from HF&H will be particularly helpful. The requirements of the City Charter and the best interests of City's solid waste customers will be foremost in this consideration.

ATTACHMENT: Revised Zone One 2013 Franchise Procurement Process
Timeline

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Matt Fore, Environmental Services Manager

SUBMITTED BY: Bob Samario, Finance Director

APPROVED BY: City Administrator's Office

Zone One 2013 Franchise Procurement Process Timeline

Revised 7/5/2011

	Activity	Party	Target date
1	Appoint Ad-Hoc Committee	City Council	July 5, 2011
2	Develop service / contract recommendations	HF&H / City staff	June / July 2011
3	Gather operating data	HF&H	June / July 2011
4	Provide direction on key services / terms	Ad Hoc Committee	July/Aug 2011
5	Prepare preliminary RFP and draft agreement	HF&H	Aug / Sept. 2011
6	Seek input from: City staff, Ad Hoc Committee and City Attorney	City / HF&H	Oct. / Nov. 2011
7	Seek input from potential proposers	Potential proposers	December 2011
8	Prepare revised RFP and draft agreement	HF&H	January 2012
9	Present RFP package to Ad Hoc Committee and Council for approval, and distribute to proposers	City Staff / HF&H	February 2012
10	Prepare proposals	Proposers	March / April 2012
11	Submit proposals	Proposers	May 2012
12	Evaluate proposals	City / HF&H	June / July 2012
13	Contact references and finalize evaluations	HF&H	August 2012
14	Select contractor(s) for negotiations & make recommendations to Ad Hoc Committee and Council	City	Sept. 2012
15	Conduct negotiations and resolve exceptions to agreement	HF&H / City / Proposer(s)	Oct. / Nov. 2012
16	Consider negotiated agreement for approval	City Council	December 2012
17	Order equipment	Contractor	Dec. 2012
18	Outreach campaign - Prepare and distribute educational materials, conduct informational meetings and prepare for transition	Contractor	Dec. 2012 through May 2013
19	Initiate roll-out of new service	Contractor	June 8, 2013