



FOURTH AMENDMENT TO SOLID WASTE
COLLECTION SERVICES AGREEMENT WITH
RECOLOGY SONOMA MARIN, DBA RECOLOGY SANTA
ROSA AND OMNIBUS AMENDMENT TO WASTE
DELIVERY AGREEMENT WITH REPUBLIC SERVICES
OF SONOMA COUNTY AND FRANCHISED HAULER
AGREEMENT BETWEEN REPUBLIC SERVICES OF
SONOMA COUNTY AND RECOLOGY SONOMA MARIN

City Council
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Zero Waste Coordinator, Transportation and Public Works

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BACKGROUND

- California is now experiencing the effects of a climate crisis
- Scientists tell us that greenhouse gases released by human activities, like landfilling food and yard waste, cause climate change
- Organic waste in landfills emits 20 percent of the state's methane, a climate super pollutant 84 times more potent than carbon dioxide
- Organics like food scraps, yard trimmings, paper, cardboard, etc. make up nearly half of what Californian's dump in landfills



BACKGROUND

- In September 2016, Governor Brown set methane emissions reduction targets for California (SB 1383, Lara, Chapter 395, Statutes of 2016) in a statewide effort to reduce emissions of short-lived climate pollutants
- The statewide targets enact policies designed to:
 - Reduce organic waste disposal 75% by 2025
 - Rescue for people to eat at least 20% of currently disposed surplus food by 2025



ACTION REQUIRED

- SB 1383 became effective on January 1, 2022
- Santa Rosa (along with all California jurisdictions) is responsible for complying with and implementing SB 1383 requirements
- Santa Rosa prefers to partner with Recology on certain SB 1383 implementation matters by amending the Solid Waste Collection Services Agreement
- 4th Amendment to the Solid Waste Collection Services Agreement will provide necessary amendments to memorialize this partnership

4TH AMENDMENT TO FRANCHISE AGREEMENT

- Increase citywide collection routes to provide mandatory organics collection service across all customer segments
- Perform route review inspections for prohibited container contaminants for each Santa Rosa hauler route annually
- Provide education and follow-up for any account found to have container contamination

4TH AMENDMENT TO FRANCHISE AGREEMENT

- Perform Commercial and Multi-Family account compliance reviews annually to determine adequate organics subscription
- Provide education and outreach on an annual basis to all customer segments regarding SB 1383 and the requirements to properly separate materials in appropriate containers (among additional targeted outreach and education)
- Provide required SB 1383 reporting figures to City during regular quarterly reporting



UNFUNDED MANDATE

- Authorizes local jurisdictions to charge fees to fund SB 1383 implementation
- CalRecycle's direction to California jurisdictions is you are responsible for funding SB 1383 implementation
- Santa Rosa will be funding our SB 1383 responsibilities through increases to our franchised hauler rates (Recology) and through increases to the Agency Surcharge Tipping Fee at County's waste management system (Zero Waste Sonoma)

PROJECTED PRICE INCREASES

- Santa Rosa has already signed a Memorandum of Understanding with Zero Waste Sonoma for their shared responsibilities under SB 1383
- Initial price increases forecasted at 2.0% to 3.0%



PROJECTED PRICE INCREASES

- Recology projects SB 1383 related price increases to be approximately 2.0% (over and above any other adjustment applicable under Agreement)

	Santa Rosa	
Additional Annual Expenses	Quant.	Total Cost \$
Amortized Capital Costs - 10 years -See spending detail below		\$ 161,854
FTE Driver(s)	2	345,059
Commercial compost tip fees (per year)-Incremental tonnage only**		185,325
Compost collection truck fuel (per year)		171,814
Contamination mailers + postage (per year) \$.40 each	4,000	1,991
Contamination tags (per year) \$.40 each	4,000	1,991
TOTAL COSTS		\$868,033
City Fees		141,308
TOTAL Required Revenue		\$1,009,341
Projected Annual Revenue for CY2021		\$54,302,136
SB1383 2021 Costs % of 2021 Revenue*		1.9%

Capital Resources	Quant.	Total Cost \$
2yd. compost bins w/ labels	309	\$ 256,470
96 gallon compost carts w/ labels	481	39,442
Additional FL compost collection trucks	1	386,000
Additional SL compost collection trucks	1	373,000
Capital Costs (Amortized Above)		\$ 1,054,912

OMNIBUS AMENDMENT TO WASTE DELIVERY AGREEMENT AND FRANCHISED HAULER AGREEMENT

- Omnibus Amendment between City, Republic Services of Sonoma County and Recology Sonoma Marin
- Proposal to amend Waste Delivery Agreement (WDA – a subcontract of Master Operations Agreement) with Republic Services of Sonoma County and Franchised Hauler Agreement (FHA) between Republic Services of Sonoma County and Recology Sonoma Marin to consolidate food waste programs



OMNIBUS AMENDMENT TO WASTE DELIVERY AGREEMENT AND FRANCHISED HAULER AGREEMENT

- Current programs required by Master Operations Agreement (MOA) and Franchised Hauler Agreement (FHA) do not require Recology to perform all duties required by SB 1383
- Proposal to amend the WDA and FHA to retire the existing commercial food waste / dry mixed waste program and eliminate the \$4.22/ton gate fee that funds the program

OMNIBUS AMENDMENT TO WASTE DELIVERY AGREEMENT AND FRANCHISED HAULER AGREEMENT

- Allows Santa Rosa to manage SB 1383 responsibilities directly with haulers through individual franchise agreements
- No additional impact placed on solid waste rates
- This solution avoids working through a patchwork of existing agreements that would need to be supplemented by yet created additional agreements in order to establish compliance under SB 1383

OMNIBUS AMENDMENT TO WASTE DELIVERY AGREEMENT AND FRANCHISED HAULER AGREEMENT

- Additional amendments proposed to the FHA to allow Recology to provide commingled food waste routing
- Recology will be allowed to collect up to 15% of the total tonnage of Commercial Food Waste (a Committed Waste under MOA) in residential organics service routes
- Recology will compensate Republic Services for the difference in tipping fees for the specific amount of commingled organic waste generated on a quarterly basis

OMNIBUS AMENDMENT TO WASTE DELIVERY AGREEMENT AND FRANCHISED HAULER AGREEMENT

- Cost Savings
- If compensation payable to Republic Services under this agreement were to exceed the cost of a new dedicated commercial food waste route, the City and Recology could opt to create such a new route



FISCAL IMPACT

- Approval of this action does not have a fiscal impact on the General Fund
- SB 1383 specific implementation costs expected to increase solid waste rates approximately five percent (5%)

RECOMMENDATION

It is recommended by the Transportation and Public Works Department that the Council, by two resolutions, 1. approve the Fourth Amendment to the Solid Waste Collection Services Agreement between the City of Santa Rosa and Recology Sonoma Marin, dba Recology Santa Rosa, adding Recology's requirements assisting the City comply with SB 1383 Regulations, and 2. approve the Omnibus Amendment to the Waste Delivery Agreement with Republic Services of Sonoma County and Franchised Hauler Agreement between Republic Services of Sonoma County and Recology Sonoma Marin, transferring fees for the commercial food waste/dry mixed waste program to the Solid Waste Collection Services Agreement in a revenue-neutral manner

QUESTIONS?