



**AGENCY:** City Council  
**MEETING DATE:** November 22, 2021  
**DEPARTMENT:** City Manager  
**PRESENTED BY:** Tabatha Miller  
**EMAIL ADDRESS:** [tmiller@fortbragg.com](mailto:tmiller@fortbragg.com)

## AGENDA ITEM SUMMARY

### **TITLE:**

**Receive Report and Consider Adoption of City Council Resolution Approving a 10-year Solid Waste Franchise Agreement with Redwood Waste Solutions, Inc. (dba C&S Waste Solutions) and Authorizing the City Manager to Execute and Implement the Agreement**

### **ISSUE:**

The City of Fort Bragg's Franchise Agreement with USA Waste of California, Inc., dba Empire Waste Management (WM) was to expire on June 30, 2021. The City Council approved the extension on February 8, 2021 and Amendment No. 7 extends the City's current Franchise Agreement with WM until June 30, 2022.

On June 14, 2021, the City Council approved issuing a Joint County of Mendocino and City of Fort Bragg Request for Proposals (RFP) for Solid Waste Refuse Collections. On June 15, 2021, the Joint RFP was issued with a closing date of August 3, 2021. The City and the County received three responses from:

- C&S Waste Solutions of California, Inc. (C&S)
- Solid Waste of Willits, Inc. (SWOW)
- Waste Management Collection and Recycling, Inc. (WM)

The City Council Solid Waste Franchise Agreement Ad Hoc Committee, comprised of Mayor Bernie Norvell, Councilmember Lindy Peters and the City Manager, reviewed the responses and rated each proposal based on predetermined criteria. On September 13, 2021 the City Council authorized the City Manager to enter into negotiations with C&S Waste Solutions of California, Inc. for residential and commercial garbage, recyclable materials and organic waste collection under an exclusive 10-year Franchise Agreement. Redwood Waste Solutions, Inc. (Redwood) is the entity that will contract with the City and the County for new Solid Waste services.

The City and Redwood have reached agreement on a final Franchise Agreement and staff recommends that the City Council adopt a Resolution approving the Agreement and authorizing the City Manager to execute and implement the same, with services to start July 1, 2022. Mendocino County also selected C&S Waste Solutions of California, Inc. and has negotiated an almost identical agreement with Redwood.

### **ANALYSIS:**

#### **Franchise Agreements**

The current Solid Waste Franchise Agreement was executed on January 8, 2007 and originally contained a termination date of June 30, 2014. In August of 2011, the Agreement

was extended to June 30, 2021 and as mentioned above, an additional 1-year extension was executed in February 2021, so that the agreement now expires on June 30, 2022.

[California Public Resources Code Section 40059](#) provides the City with the authority to determine all aspects of solid waste handling as it is of local concern, including the frequency of and means of collection, transportation, level of services, charges and fees and extent of providing such services. Section 40059 also allows cities to determine how services are procured; it allows cities to obtain services by using partially exclusive or wholly exclusive franchises, contracts, licenses or permits with or without competitive bidding. This code section also provides the City with the authority to establish its own terms for procuring solid waste services by resolution or ordinance.

[Fort Bragg Municipal Code Chapter 6.08 – Refuse and Recyclable Collections, Section 6.08.020](#) provides that no one can engage in refuse and recycling collection in the City except under contract with the City. That contract can be exclusive or nonexclusive and the City may regulate all aspects of collection. The chapter also provides regulation on how solid waste is prepared, contained, stored and collected within City limits.

#### C&S Waste Solutions

C&S Waste Solutions (C&S), based in Ukiah, is a group of companies with more than 20 years of experience in Northern California. The group of companies provides integrated waste services, including collection, transfer and disposal, recyclable collection and processing, green and wood waste collection and processing, landfill operations, sanitation services and scrap metal purchasing and marketing. They also have presence in southern Nevada. C&S currently provides services to the City of Ukiah, Lake County and Clearlake in our area.

C&S maintains a large facility in Ukiah that would support the facility proposed for the Fort Bragg Coastal area. The facility includes the large Material Recovery Facility (MRF) which can process commingled paper, aluminum, PET, LDPE, HDPE plastics (1-7), glass, cans and cardboard. The facility also houses the green and wood waste processing facility. Both operations have the capacity to add the City of Fort Bragg to their processing. C&S also operates transfer stations in Ukiah and Lake County.

C&S has secured property at 1280 N. Main Street, Fort Bragg to locate a direct (truck-to-truck) waste transfer operation, equipment storage and maintenance, and a customer service center. The property is zoned Light Industrial and is not located in the Coastal Zone. The facility would serve as a direct-haul transfer facility. The collector trucks, which collect refuse, recyclables and green waste from City and County customers, will transfer the waste directly into hauling trucks, which will transport waste to the SWOW facility in Willits per the City's existing contracts. A direct-haul transfer facility will move material from one covered vehicle to another so the material is never placed on the floor or ground. Improvements to the property are subject to the permit requirements of the City of Fort Bragg, which are well underway. The waste transfer operations WM conducts at the Pudding Creek facility are almost identical.

Although solid waste will continue to be collected at the same locations and in the same volume, C&S's collection within City limits will operate differently. Waste Management uses

three separate trucks to collect the refuse, recyclables and green waste and then transport it back to the Pudding Creek facility. C&S will use split-body side loading trucks that will allow it to collect recyclables and green waste in one pass per house, instead of two. In other words, instead of three trucks traveling to each residence on trash pickup day, only two trucks will be used by C&S. This difference will reduce the collector truck miles traveled in Fort Bragg. C&S's proposal includes new trucks and new bins, creating the presumption that the new trucks will improve air quality and operate more efficiently. Less collection trips will also reduce the wear and tear on City streets.

C&S's Diversion and Education and Outreach programs received high marks, as did the high-tech locally based customer service and collection systems. An experienced full-time Waste Diversion Coordinator will oversee the diversion programs. In order to aid in the transition from WM, C&S's transition team includes former WM District Manager, Bob Thornsberry.

Finally, the City Council Ad Hoc Solid Waste Franchise Committee was concerned for loss of employment by WM employees laid off as a result of the transition. One of the requirements in the RFP was a commitment by any selected provider to agree to retain the employees of the prior Vendor/Subcontractor for a period of not less ninety (90) days pursuant to sections [1072](#) and [1075](#) of the California Labor Code.

#### Environmental Analysis

City staff reviewed the proposed change in service provider for solid waste collection and transportation and determined that the awarding of a new Franchise Agreement will not result in significant environmental impacts and is categorically exempt from the California Environmental Quality Act (CEQA) under Section 15301 Class 1 Existing "Facilities," Section 15308 Class 8 "Actions By Regulatory Agencies for Protection of the Environment," and 15061(b)(3) the common sense exemption because the change in Franchise Agreement is essentially a "like-for-like" service provided by a different organization. (see Attachment 4).

#### **RECOMMENDED ACTION:**

Staff recommends the City Council adopt the Resolution approving the Exclusive Franchise Agreement for Solid Waste Refuse Collection for the Fort Bragg Service Area with Redwood Waste Solutions, Inc. authorizing the City Manager to sign and implement the terms of the Agreement.

#### **ALTERNATIVE ACTION(S):**

1. Do not approve the resolution and provide staff alternative direction.

#### **FISCAL IMPACT:**

The City will receive Franchise Fees at the same percent as set forth in the existing Agreement with Waste Management. The City receives a 10% franchise fee for administration of the Agreement and 10.96% for the continuing costs associated with closing the Caspar Landfill, which is owned jointly with Mendocino County.

#### Rate Comparison

The chart below provides selected proposed rates from the RFP respondents as a point of comparison. The figures on the right, compare the proposed C&S rates to the current rates

charged by WM.

Residential - Single Family	SWOW	WM	C&S	Current WM		
				Rate	Difference	%
Weekly Service						
20 Gallons	\$ 26.00	\$ 26.41	\$ 22.01	\$ 24.45	\$ (2.44)	-10.0%
32 Gallons	\$ 38.00	\$ 42.07	\$ 33.11	\$ 38.95	\$ (5.84)	-15.0%
64 Gallons	\$ 77.00	\$ 84.14	\$ 66.22	\$ 77.91	\$ (11.69)	-15.0%
96 Gallons	\$ 115.00	\$ 126.24	\$ 99.36	\$ 116.89	\$ (17.53)	-15.0%
Commercial & Multi-Family	SWOW	WM	C&S	Current WM		
1-Weekly Service						
32-Gallon Cart	\$38.00	\$37.93	\$39.99	\$37.37	\$ 2.62	7.0%
64-Gallon Cart	\$77.00	\$75.85	\$79.96	\$74.73	\$ 5.23	7.0%
96-Gallon Cart	\$115.00	\$113.79	\$119.95	\$112.11	\$ 7.84	7.0%
1 CY Bin	\$225.03	\$228.41	\$240.78	\$225.03	\$ 15.75	7.0%
1.5 CY Bin	\$299.91	\$306.31	\$322.90	\$301.78	\$ 21.12	7.0%
2 CY Bin	\$385.55	\$395.26	\$416.68	\$389.42	\$ 27.26	7.0%
3 CY Bin	\$452.41	\$463.83	\$488.97	\$456.98	\$ 31.99	7.0%
4 CY Bin	\$722.72	\$722.72	\$761.88	\$712.04	\$ 49.84	7.0%
6 CY Bin	\$954.80	\$927.66				
2 CY Compactor	\$452.41	\$625.77	\$678.17	\$616.52	\$ 61.65	10.0%
3 CY Compactor	\$516.72	\$682.27	\$739.41	\$672.19	\$ 67.22	10.0%
4 CY Compactor	\$578.29	\$806.65	\$874.20	\$794.73	\$ 79.47	10.0%

Costs associated with the RFP including the services of HDR Engineering and staff time will be borne by Redwood, as the successful provider.

**GREENHOUSE GAS EMISSIONS IMPACT:**

Changing solid waste providers by itself will have little impact on greenhouse gas emission, however, new equipment and trucks would positively reduce greenhouse gas emissions.

**CONSISTENCY:**

Securing a long-term contract with a provider is consistent with Chapter 6.08: Refuse and Recyclable Collection – of the Fort Bragg Municipal Code.

**IMPLEMENTATION/TIMEFRAMES:**

Service requirements would be effective July 1, 2022.

**ATTACHMENTS:**

1. Resolution
2. Franchise Agreement
3. Exhibits to Franchise Agreement
4. Memo CEQA Exemption

**NOTIFICATION:**

1. Bruce McCracken, C&S Waste Solutions