

TOWN OF LOS ALTOS HILLS
Staff Report to the City Council

February 9, 2015

SUBJECT: THREE YEAR EXTENSION OF GARBAGE, RECYCLABLE AND
COMPOSTABLE MATERIALS COLLECTION SERVICES
FRANCHISE AGREEMENT WITH GREENWASTE RECOVERY, INC.

FROM: Carl Cahill, City Manager *C.C.*

RECOMMENDATION: That the City Council:

Approve the request of GreenWaste Recovery, Inc. that the term of the Franchise Agreement be extended for one additional three-year period.

BACKGROUND:

On July 1, 2008, the Town of Los Altos Hills entered in to an 8-year exclusive Agreement with GreenWaste Recovery, Inc. for the collection of trash, recyclables and compostable materials. The current Agreement expires on June 30, 2016. In December, 2014, GreenWaste Recovery requested via written notice a three-year extension pursuant to Section 2.2 of the current Agreement. The Agreement stipulates that the Town shall notify the Franchisee of its intent within 60 days of notice from Franchisee.

DISCUSSION:

By all accounts, GreenWaste Recovery has provided excellent trash collection service to the Town and has consistently met or exceeded recycling goals. Attached is a report by GreenWaste that shows amounts of recyclable materials captured from the waste stream and diverted from the landfill since the start of the Agreement. Customer service complaints received by the Town have been few and far between and those complaints have been quickly rectified by GreenWaste customer service staff. In accordance with the Agreement, GreenWaste has also been committed to public education and outreach. This commitment includes regular attendance by GreenWaste staff at Town events and cooperatively working with parks and recreation staff to schedule and host on-site tours of their state of the art processing facility in San Jose. To date, seven tours have been hosted and two more are scheduled/

In December 2014, Town management met with GreenWaste representatives to discuss some possible alternatives to the rate structure of the current Agreement that would enable some rates to be scaled more in proportion to the actual cost of providing certain labor intensive VIP services. Also discussed, were some possible enhancements to existing services such as a seasonal “walk-on” collection service and pickup of certain materials not regulated as hazardous waste. Staff will return to the City Council with a

proposed amendment to the current Agreement at such time as details are worked out with GreenWaste.

FISCAL IMPACT

There is no fiscal impact associated with this recommendation.

ATTACHMENTS

1. Resolution approving extension
2. Letter from GreenWaste Recovery requesting 3-year extension of Agreement dated December 29, 2014
3. Section 2.2 of Current Agreement
4. GreenWaste Recycling Report

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF LOS ALTOS HILLS APPROVING A THREE YEAR EXTENSION OF THE AGREEMENT WITH GREENWASTE RECOVERY, INC.

WHEREAS, the City Council of the Town of Los Altos Hills regulates the collection and disposal of garbage to protect the physical health and safety of its inhabitants; and, Town is acting under clearly expressed policies of the State of California empowering Cities to regulate the collection and disposal of Garbage, and Town and Franchisee desire to extend the term of the current Franchise Agreement for the collection of garbage, recyclable and compostable materials generated in Town; and

WHEREAS, the collection services provided by the Franchisee GreenWaste Recovery continues to be responsive, high quality, and cost effective; and

WHEREAS, the Agreement was entered into on May 22, 2008 and is for an 8-year period terminating on July 1, 2016; and

WHEREAS Section 2.2 of the Agreement authorizes one additional 3-year extension of the Agreement upon the request of the Franchisee and the approval of the Town;

NOW THEREFORE, the City Council of the Town of Los Altos Hills does hereby approve a 3-year extension to the Agreement.

REGULARLY PASSED AND ADOPTED this 9th day of February, 2015.

BY: _____
Courtenay Corrigan, Mayor

ATTEST:

Deborah Padovan, City Clerk



December 29, 2014

Mr. Carl Cahill, Town Manager
Town of Los Altos Hills
26379 Fremont Road
Los Altos Hills, CA 94022

Re: Request for Consideration of Three (3) Year Extension to Franchise Agreement

Dear Mr. Cahill:

GreenWaste Recovery, Inc. has been honored to provide collection and processing services to the residents and customers of the Town of Los Altos Hills since October 1, 2008. Over the past eight (8) years, we believe the Town and its residents have been very pleased with GreenWaste Recovery as the exclusive service provider and that we have provided exceptional service and accomplished outstanding material diversion rates at an extremely competitive price.

Accordingly, pursuant to Section 2.2 of the Franchise Agreement between the Town of Los Altos Hills and GreenWaste Recovery, Inc. for Collection of Garbage, Recyclable and Compostable Material (May 22, 2008), please let this letter serve as our formal request for your consideration to extend the term of the Agreement. The three (3) year extension will change the current termination date of June 30, 2016 to June 30, 2019.

Pursuant to ongoing discussions, GreenWaste also looks forward to working with you and your staff in early 2015 to exploring opportunities to further enhance services, update the rate structure to better reflect the state-of-the-art collection and processing programs, increase sustainability and further minimize the overall carbon footprint, reduce opportunity for customer-to-customer subsidies. It is our hope to schedule a meeting in the first few weeks of 2015 to review and discuss the operational information requested in previous meetings.

Thank you for the opportunity to continue to serve the Town of Los Altos Hills and for your thoughtful consideration of this request to extend the Agreement through June 30, 2019.

Yours very truly,

A handwritten signature in black ink, appearing to read "Frank Weigel", written over a white background.

Frank Weigel
Chief Operating Officer

- 1.27. Service Rates - "Service Rates" means the rates charged to a Service Recipient for services provided by Franchisee pursuant to this Agreement. Service Rates shall be set by the City Council. Service Rates in effect at the beginning of this Agreement are provided in EXHIBIT B.
- 1.28. Service Recipient - "Service Recipient" means any residence or business located in Town which subscribes to collection services by Franchisee pursuant to Article 4 of this Agreement.
- 1.29. Town - "Town" means the Town of Los Altos Hills.
- 1.30. Town Representative - "Town Representative" means the City Manager, or such Town employee as the City Manager may designate.
- 1.31. Walk-up Service - "Walk Up Service" means service provided to residential Service Recipients wherein Franchisee's drivers will walk up to the residence, roll out collection containers for Garbage, Recyclable and Compostable Materials, dump the contents of the containers into the truck, and return the collection containers to the residence.
- 1.32. Working Day - "Working Day" means Monday through Saturday.

ARTICLE 2 TERM OF AGREEMENT

2.1 Term - The term of this Agreement shall be from July 1, 2008 to June 30, 2016, inclusive, subject to Article 16 of this Agreement. Collection services shall commence on October 1, 2008.

→ 2.2 Option to Extend Term - Franchisee shall have the option to request an extension of this Agreement for one three-year period. On or before December 31, 2014, Franchisee shall provide Town written notice of its desire to extend or not extend the Term of this Agreement. Town, at its sole discretion, may choose to extend or not extend the Term of this Agreement, and shall notify Franchisee of its intent within 60 days of notice from Franchisee.

ARTICLE 3 EXCLUSIVE PRIVILEGE

3.1 Grant of Exclusive Franchise to Franchisee - Pursuant to California Public Resources Code Section 40059 and 49300, Town hereby grants to Franchisee the exclusive franchise to perform the Residential, Non-residential and Debris Box collection services described in Article 5 for the term of this Agreement.

- A. Collect and transport to the Designated Disposal Site and/or process for recycling and composting all Garbage generated in the Franchise Area, subject to the conditions, restrictions and covenants of this Agreement.
- B. Collect and transport for processing all Recyclable Materials generated in the Franchise Area, subject to the conditions, restrictions and covenants of this Agreement.
- C. Collect and transport for processing all Compostable Materials generated in the Franchise Area, subject to the conditions, restrictions and covenants of this Agreement.

GreenWaste Recovery: Hauler-Controlled Collection & Diversion

	2012	2013
Los Altos Hills	98.25%	97.92%
Woodside	86.91%	91.47%
Portola Valley	85.85%	90.57%
Atherton	79.27%	81.94%
Hillsborough	69.50%	72.93%
Palo Alto	58.64%	59.63%

NOTE: This table only includes materials handled by the franchised hauler.

Diversion Comparison - Per CalRecycle Current Diversion Calculation

	<i>BASE YEAR (PPD)</i>	50% Disposal Reduction Goal	75% Disposal Reduction Goal	2012 Actual Disposal (PPD)	Reduction Required to Achieve 75% Goal	<i>Diversion Rates Based on PPD Reductions</i>
Woodside	27.4	13.7	6.9	4.8	(2.05)	82.48%
Los Altos Hills	6.8	3.4	1.7	1.3	(0.40)	80.88%
Monte Sereno	7.8	3.9	2.0	1.5	(0.45)	80.77%
Atherton	22.8	11.4	5.7	4.5	(1.20)	80.26%
Palo Alto	16.4	8.2	4.1	3.8	(0.30)	76.83%
Hillsborough	13.0	6.5	3.3	3.1	(0.15)	76.15%
Portola Valley	12.0	6.0	3.0	3.1	0.10	74.17%

NOTE: This table is NOT limited to materials handled by the franchised hauler. The table reflects CalRecycle numbers and include all materials collected in the jurisdiction (*whether under the exclusive franchise, collected under limitations to the exclusive franchise or self-haul*).



Annual Report

January - December 2014

Town of Los Altos Hills Refuse, Recyclables, Yard Trimmings and Street Sweeping Contract

Created on February 4, 2015



February 4, 2015

Yulia Rasulova
Town of Los Altos Hills
26379 Fremont Road
Los Altos Hills, CA 94022

Dear Ms. Rasulova,

Enclosed is the GreenWaste Annual 2014 report as required by the Collection of Garbage, Recyclables and Yard Trimmings Agreement between the Town of Los Altos Hills and GreenWaste Recovery, Inc.

The following are highlights of this report:

1. Annual Summary
2. Sales of Recyclables Materials
3. Contaminants
4. Problems Encountered
5. Public Education Activities
6. Telephone Log & Missed Pickups
7. New Service Recipients
8. Public Awareness

It has been a pleasure servicing the Town of Los Altos Hills and its residents. We're pleased with the positive response we have had from the residents and look forward to continuing to service the Town of Los Altos Hills.

Sincerely,

A handwritten signature in cursive script that reads "v. chavez".

Valerie Chavez
GreenWaste Recovery, Inc.
Direct: (408) 938-4925
Email: vale@greenwaste.com

1. ANNUAL SUMMARY

Los Altos Hills Compostable and Recycling Collections 2014 Summary

	Compostables (Garbage & Yard Trimmings)		Recycling	
	Tons Collected	Tons Recycled	Tons Collected	Tons Recycled
Jan	487.87	473.09	138.44	137.47
Feb	446.65	433.12	120.03	119.19
Mar	468.99	454.78	129.78	128.87
Apr	495.36	480.35	129.11	128.21
May	485.49	470.78	131.50	130.58
Jun	466.63	452.49	136.29	135.34
Jul	488.90	474.09	134.42	133.48
Aug	465.73	451.62	130.25	129.34
Sep	493.99	479.02	129.15	128.25
Oct	530.41	514.34	140.28	139.30
Nov	496.17	481.14	130.11	129.20
Dec	665.98	645.80	179.14	177.89
Total:	5992.17	5810.62	1628.50	1617.12

During 2014, GreenWaste collected **5,992.17** tons of compostables and **1,628.50** recyclables. All materials were transported to the GreenWaste Recovery, Inc MRF located at 625 Charles St. in San Jose.

GreenWaste experienced a 99.30% recycling rate and 96.97% compostable rate for the entire 2014 year.

During 2014, GWR provided street sweeping service to the Town of Los Altos Hills and the amount of residual collected was **10.02** tons.

	<u>Street Sweeping Residue Tons Collected</u>
Jan	0.63
Feb	1.96
Mar	0.00
Apr	0.83
May	0.53
Jun	0.28
Jul	0.00
Aug	0.00
Sep	0.13
Oct	1.39
Nov	1.59
Dec	2.68
Total:	10.02

2. SALES OF RECYCLABLES MATERIALS

GreenWaste Recovery collected **1,628.50** tons of recyclables in 2014. All recyclables were sorted by categories: film plastic, HDPE Mix 2-7, steel can, mixed paper, OCC, rigid plastic, HDPE natural, HDPE color, aluminum cans, scrap aluminum foil and PET. Collected recyclables were processed and sold.

	Sale of Recyclables Collected
Jan	138.44
Feb	120.03
Mar	129.78
Apr	129.11
May	131.50
Jun	136.29
Jul	134.42
Aug	130.25
Sep	129.15
Oct	140.28
Nov	130.11
Dec	179.14
Total:	1628.50

3. CONTAMINANTS

During 2014, GreenWaste collected 1,628.50 tons of recyclables. Of the 1,628.50 collected, GreenWaste experienced less than **5%** or 96.97% tons of contaminants. All contaminants were removed, mixed with our garbage and transported to Newby Island Landfill located at 1601 Dixon Landing Rd, Milpitas, CA 95035.

4. PROBLEMS ENCOUNTERED

To our knowledge, there was no problem encountered or scavenging occurring during the 2014 year to report to the Town of Los Altos Hills.

5. EDUCATION AND OUTREACH

In 2014, GreenWaste Recovery focused on improved service to the residents of the Town of Los Altos Hills. We will continue to implement new programs to keep residents informed of the services offered by GreenWaste Recovery, Inc.

In an effort to continue to increase recycling rates, GreenWaste followed the outreach plan for 2014.

2014 Outreach Schedule
Quarterly Bill Inserts
Town Newsletters
Recycling Guides mailed to new accounts
Update to GreenWaste Website
Compost Giveaways
Town Wide Clean-ups
Fire Prevention Clean-ups
Youth Education Programs

Town-Wide Clean-Up Summary:

Date	Town-Wide Clean-up Tons Collected
Apr 26	88.89
Jul 26	68.97
Oct 25	64.90
Total:	222.76

Fire Prevention Services Summary:

Date	Fire Prevention Clean-up Yard Trimmings Collected
Jan 18	7.90
Feb 15	8.76
Mar 15	8.99
Apr 19	8.66
May 17	6.60
Jun 21	19.08
Jul 19	3.84
Aug 16	5.49
Sep 20	7.93
Oct 18	4.90
Nov 15	5.28
Dec 20	7.17
Total:	94.60

6. TELEPHONE LOG & MISSED PICKUPS

In 2014, GreenWaste received **2,936** calls and there were **152** reports of missed pick-ups. Many of these reported missed pick-ups were results of the resident not setting out the material on time and or drivers not aware of the setout location of carts on the property.

All missed material was picked up on the day reported or within a 24-hour period from the time it was called in and resolved immediately.

	Call Log	Missed Collections
Quarter 1	497	41
Quarter 2	739	49
Quarter 3	887	34
Quarter 4	813	28
Total:	2,936	152

7. NEW SERVICE RECIPIENTS

In 2014, GreenWaste setup **284** new customer accounts. A breakdown by month is below:

	New Service Recipients
Jan	11
Feb	19
Mar	17
Apr	20
May	21
Jun	36
Jul	21
Aug	30
Sep	28
Oct	40
Nov	24
Dec	17
Total:	284

8. PUBLIC AWARENESS

Newsletters/Bill Inserts

During 2014, GreenWaste distributed the informational town newsletters along with the quarterly invoices on February 1, May 1, August 1 and November 1. Each newsletter focused on important recycling topics occurring during that season, special announcements, holiday collection schedule and promoting any town clean-ups and fire prevention events.

Compost Delivery

GreenWaste throughout the year, delivered 40 yards of compost every Tuesday and 40 yards of compost every Friday to an area off the side of the road at the intersection of Elena Rd and Purissima Rd.

Earth Day Celebration - April 19, 2014

GreenWaste attended the Los Altos Hills Earth Day Celebration located at the Westwind Barn. GreenWaste also provided a 6yd trash bin for the event at no charge.

Annual Town Picnic – May 31, 2014

GreenWaste hosted a booth at the event. Provided handouts such as coloring books, recycle guides, pencils, rulers and flower bookmarks. GreenWaste also provided trash and recycling services for the event at no charge.

School Presentation

April 24, 2014, 11:30am to 1:00pm attended Gardner Bullis Earth Day Event. GreenWaste displayed a table with recycling guides and displayed garbage monster. Giveaways, such as pencils, rulers and coloring books were available and students participated in the GreenWaste Recycling Relay Race game.

November 5, 2014, 12:45pm to 2:45pm (four sessions) attended Gardner Bullis School. Co-presentation with the school's Green Team committee on the importance of recycling and review on what common items are considered trash or recycling as a Power Point presentation.

Calendar Year: **2014**

	Curbside Collection						Miscellaneous Collections				Summary				Miscellaneous		
	Single Stream			Garbage + Yardwaste			Debris Box		Clean Up Day Collections		Total Generated	Total Recycled	Total Recycled	Total Landfill	Motor Oil	GHG Reduct'n	Bio Diesel
Month	Total (Tons)	Recycled (%)	Recycled (tons)	Total (Tons)	Recycled (%)	Recycled (tons)	Total (Tons)	Recycled (%)	Total (Tons)	Recycled (Tons)	(Tons)	(Tons)	(%)	(Tons)	(Gal)	CO2 (Tons)	(Gal)
Jan	138.44	99.30	137.47	487.87	96.97	473.09	176.48	75.00	0.00	0.00	802.8	742.9	92.5	59.9	38	0	2681.4
Feb	120.03	99.30	119.19	446.65	96.97	433.12	99.96	75.00	0.00	0.00	666.6	627.3	94.1	39.4	32	0	1604.8
Mar	129.78	99.30	128.87	468.99	96.97	454.78	101.83	75.00	0.00	0.00	700.6	660.0	94.2	40.6	35	0	1760.6
1st Qtr Tot.	388.25	99.30	385.53	1403.51	96.97	1360.98	378.27	75.00	0.00	0.00	2170.0	2030.2	93.6	139.8	105.0	0.0	6046.8
Apr	129.11	99.30	128.21	495.36	96.97	480.35	101.13	75.00	88.89	68.76	814.5	745.5	91.5	69.0	28	0	1872.0
May	131.50	99.30	130.58	485.49	96.97	470.78	91.68	75.00	0.00	0.00	708.7	670.1	94.6	38.6	35	0	2083.0
Jun	136.29	99.30	135.34	466.63	96.97	452.49	89.23	75.00	0.00	0.00	692.2	654.7	94.6	37.4	21	0	1972.6
2nd Qtr Tot.	396.90	99.30	394.12	1447.48	96.97	1403.62	282.04	75.00	88.89	87.00	2215.3	2070.4	93.5	144.9	84.0	0.0	5927.6
Jul	134.42	99.30	133.48	488.90	96.97	474.09	97.37	75.00	68.97	54.83	789.7	718.4	91.0	71.3	15	0	2560.2
Aug	130.25	99.30	129.34	465.73	96.97	451.62	126.50	75.00	0.00	0.00	722.5	675.8	93.5	46.6	13	0	2330.0
Sep	129.15	99.30	128.25	493.99	96.97	479.02	99.11	75.00	0.00	0.00	722.3	681.6	94.4	40.6	8	0	2450.9
3rd Qtr Tot.	393.82	99.30	391.06	1448.62	96.97	1404.73	322.98	75.00	68.97	54.83	2234.4	2075.8	92.9	158.5	36.0	0.0	7341.1
Oct	140.28	99.30	139.30	530.41	96.97	514.34	344.00	75.00	64.90	49.94	1079.6	944.0	87.4	135.5	6	0	2658.1
Nov	130.11	99.30	129.20	496.17	96.97	481.14	84.00	75.00	0.00	0.00	710.3	673.3	94.8	36.9	8	0	2273.3
Dec	179.14	99.30	177.89	665.98	96.97	645.80	233.87	75.00	0.00	0.00	1079.0	999.1	92.6	79.9	2	0	2650.0
4th Qtr Tot.	449.53	99.30	446.38	1692.56	96.97	1641.28	661.87	75.00	64.90	49.94	2868.9	2616.5	91.3	252.4	16.0	0.0	7581.4
Totals	1628.50	99.30	1617.10	5992.17	96.97	5810.61	1645.16	75.00	222.76	58.96	9488.6	8792.9	92.7	695.7	241.0	0.0	26896.9