



Working for a future without landfills...

AGENDA

ADVISORY COMMITTEE

TUESDAY, OCTOBER 27, 2020, 4:00 P.M.

ZOOM Meeting ID No. 861 4333 0872

Password: 713766

Important Notice on Page 2

Call to Order

Roll Call

Rob Cullen, President of the Committee

Nikki Cossio, Grower-Shipper Association

Keven McIntosh, Central Coast Builders Association

Grant Leonard, North County Chamber of Commerce

Marc Bloom, South County Chamber of Commerce

John Bailey, Salinas Valley Chamber of Commerce

Cesar Lara, Citizen from City of Salinas

Marty Horton Ramirez, Citizen from South County Cities

Paula Getzelman, Citizen from Unincorporated County

Brett Saunders, Cannabis Industry

Vacancies

Monterey County Farm Bureau

Public Comments

Receive public comment on topics which are not on the agenda. The public may comment on scheduled agenda items as the Committee considers them. Speakers are limited to three minutes at the discretion of the President of the Committee.

Meeting Topics

1. [Minutes of September 29, 2020 Meeting](#)
 - A. Public Comment
 - B. Committee Discussion
 - C. Recommended Action: Approval
2. [Presentation on the Demonstration of Agriculture Plastics to Transportation Fuel Project](#)
 - A. Receive Report from General Manager/CAO, Patrick Mathews, and Michael Brown of MDB Engineers
 - B. Public Comment
 - C. Committee Discussion
 - D. Recommended Action: Provide Input
3. [Update on the Opportunity for Regional Franchise Procurement Information](#)
 - A. Receive Report from General Manager/CAO, Patrick Mathews
 - B. Public Comment
 - C. Committee Discussion
 - D. Recommended Action: Provide Input
4. [Update on the Sun Street Transfer Station Relocation Project and the City of Salinas' One-year Notice of Intent to Withdrawal from the Joint Powers Agreement with the Salinas Valley Solid Waste Authority](#)
 - A. Receive Report from General Manager/CAO, Patrick Mathews
 - B. Public Comment
 - C. Committee Discussion

D. Recommended Action: Provide Input

5. [Discussion on Advisory Committee Reports to the Board of Director and Board Meetings Participation](#)

- A. Receive Report from General Manager/CAO, Patrick Mathews
- B. Public Comment
- C. Committee Discussion
- D. Recommended Action: Provide Input

Committee Comments

Adjournment

Important Notice

Due to State, County and local orders and recommendations on protocols to contain the spread of COVID-19, all of the Committee members will be attending remotely from various locations. Members of the public interested in observing the meeting may do so online at <https://svswa.org/live-stream-meetings/> or on our YouTube channel <https://www.youtube.com/user/svswa831>.

To make a general public comment, or to comment on a specific item on the agenda, you may do so by submitting your comment via email by 2 p.m. on Thursday, October 27, 2020 to the Clerk of the Board at comment@svswa.org. Comments should be limited to 250 words or less. Every effort will be made to read your comment into the record, but some comments may not be read due to time limitations. Comments received via e-mail after 2 p.m. will be made part of the record if received prior to the end of the meeting. To assist the Clerk in identifying the agenda item relating to your public comment please indicate in the Subject Line, the item number (i.e. Item No. 10).

To make a general comment or to comment on a specific agenda item as it is being heard, you may do so by participating via ZOOM. Join with computer audio at: <https://us02web.zoom.us/j/86143330872?pwd=MWwzVWRVNWNOZHd3UlgxL0RVSlpRQT09>. When you are ready to make a public comment, please click to Raise your Hand.

To participate by telephone dial any of the numbers listed below and enter the meeting ID number and passcode:

+1 669 900 9128	+1 253 215 8782	+1 346 248 7799
+1 301 715 8592	+ 1 312 626 6799	+ 1 646 558 8656
Enter Meeting ID: 861 4333 0872#		Passcode: 713766
To Raise your Hand press *9		To Mute and Unmute yourself press *6

Based on guidance from the California Department of Public Health and the California Governor's Officer, in order to minimize the spread of the COVID 19 virus by maintaining appropriate social distancing with a 6-foot distance between individuals and the limited space available there will be no observation room available for the public.

This meeting agenda was posted at the Salinas Valley Solid Waste Authority office at 128 Sun Street, Suite 101, Salinas, and on the Authority's Website on **Thursday October 22, 2020**. Any writing or documents provided to a majority of the Committee regarding topics on this agenda will be made available for public inspection at the Salinas Valley Solid Waste Authority office at 128 Sun Street, Suite 101, Salinas, California 93901, during normal business hours.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in the meeting, please contact Erika J. Trujillo, Clerk of the Board, at 831-775-3000. Notification 48 hours prior to the meeting will enable the Authority to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II)

**MINUTES OF
THE SALINAS VALLEY SOLID WASTE AUTHORITY ADVISORY COMMITTEE MEETING
SEPTEMBER 29, 2020**

128 Sun Street, Suite 101, Salinas, CA 93901

(All Advisory Committee members and staff attended remotely from various locations)

CALL TO ORDER

Meeting was called to order by President Cullen at 4:03 p.m.

MEETING COMMENTS

President Cullen announced that public comment can be submitted via email at comment@svswa.org, live via Zoom by clicking on the raise hand button, or via telephone by pressing *9 to raise hand.

ROLL CALL

Members Present

President of the Committee: *Rob Cullen*
 Grower-Shipper Association: *Nikki Cossio*
 No. Co. Chamber of Commerce: *Grant Leonard*
 So. Co. Chamber of Commerce: *Marc Bloom*
 Cannabis Industry: *Brett Saunders*
 Salinas Valley Chamber of Commerce: *John Bailey*
 City of Salinas Citizen: *Cesar Lara (logged in at 4:13)*
 Unincorporated County Citizen: *Paula Getzelman*

Members Absent

Central Coast Builders Association: *Keven McIntosh*
 South County Cities Citizen: *Marty H. Ramirez*

Staff Present

Patrick Mathews, General Manager/CAO
Mandy Brooks, Resource Recovery Manager
Rosie Ramirez, Administrative Assistant
Erika J. Trujillo, Clerk of the Board

PUBLIC COMMENT

None

MEETING TOPICS

1. Minutes of June 30, 2020 Meeting

(4:04)

Public Comment: None

Committee Discussion: The Committee discussed the presentation.

Motion: Committee Member Leonard made a motion to approve the minutes as presented. Committee Member Bailey seconded the motion.

Votes: Bailey, Bloom, Cossio, Cullen, Getzelmen, Leonard, Ramirez, Saunders

Noes: None

Absent: Horton, Lara, McIntosh

Abstain: None

2. 2019-20 Salinas Valley Solid Waste Authority Annual Report

(4:09) General Manager/CAO Mathews provided an overview of the report that highlighted many of the Agency's accomplishments for the past fiscal year. The report included statics on waste landfilled, diverted tonnage, customer trip counts, financial information, and the progress made on the expansion off the Organics programs. Mr. Mathews commended Adrianna Escobar, Administrative Assistant for being the lead on developing the report.

Public Comment: None

Committee Discussion: The Committee commended staff for the development of the report.

Motion: None; Informational Only

3. Opportunity for Regional Franchise Procurement Information

(4:32) General Manager/CAO Mathews provided a history on the Franchise agreements for garbage and recycling collection for all the Authority's member agencies. He informed the Committee that most franchise agreements are 25 years old, except for the County agreement of only 15 years old. He explained that with the alignment of the termination of all the agreements in the next five years it offers a one-time opportunity to benefit from Economies of Scale through a regional agreement, the ability to correct any out of balance rates, adjust all franchise agreements to be uniform and consistent with current laws and legislation, and explore new service ideas. Mr. Mathews reviewed in detail the rates for each waste hauler, and the four options for franchise services procurement; consolidated franchise services procurement, collective franchise services procurement, status quo franchise services procurement, and the extension of current franchise agreements.

Public Comment: None

Committee Discussion: The Committee discussed the presentation suggesting the addition of the option of Municipal Collection Services.

Motion: By consensus, the Committee recommended to forward the presentation to the Executive Committee with the inclusion of option five for the franchise services procurement.

4. Update on the Sun Street Transfer Station Relocation Project and on the City of Salinas' One-year Notice of Intent to Withdrawal from the Joint Powers Agreement with the Salinas Valley Solid Waste Authority

(5:11) President Cullen reported on the meeting held on September 25 between City of Salinas Mayor Pro Temp Cromeenes, Public Works Director David Jacobs, Senior Civil Engineer Brian Frus, Authority President Robert Cullen, Alternate Vice President Chris Lopez, and General Manger Patrick Mathews. He indicated the meeting was very positive and different from previous meetings held. He reported that a second meeting is scheduled to for the upcoming Friday, October 2 and potentially will be scheduling recurring meetings. President Cullen indicated the meeting topics where the following five in priority order: (1) Negotiations with Republic Services for the potential transfer of the Sun Street Transfer Station to the Madison Lane Transfer Station; (2) Identification of other potential properties for the relocation; (3) Leaving the Sun Street Transfer Station location; (4) The rescinding of the Notice of Intent to Withdraw, and (5) Reviewing the Governance of the Authority.

General Manager/CAO Mathews indicated he has a meeting scheduled with the Interim City Manager of Salinas Jim Pia, Public Works Director David Jacobs, Republic Services General Manager Luis Quiñonez to provide information on the current status of the relocation project and all pertaining matters.

Public Comment: None

Committee Discussion: The Committee discussed the report.

Motion: None

(5:29) President Cullen logged off.

(5:40) Committee Member Leonard logged off.

COMMITTEE COMMENTS

(5:49) None

ADJOURNED

Meeting was adjourned at 5:52 p.m.

APPROVED: _____
Robert Cullen, President

ATTEST: _____
Erika J. Trujillo, Clerk of the Board



Working for a future without landfills...

ITEM No. 2

ADVISORY COMMITTEE

Date: October 27, 2020
From: Patrick Mathews, General Manager/CAO
Title: Presentation on the Demonstration of Agriculture Plastics to Transportation Fuel Project

A presentation will be given at the meeting.

ADVISORY COMMITTEE

Date: October 27, 2020
From: Patrick Mathews, General Manager/CAO
Title: Update on the Opportunity for Regional Franchise Procurement

A presentation will be given at the meeting.

Attachment:

1. Franchise Collection Services for Garbage, Recycling & Organics - Future Opportunities & Options Presentation



FRANCHISE COLLECTION SERVICES FOR GARBAGE, RECYCLING & ORGANICS

FUTURE OPPORTUNITIES & OPTIONS

Advisory Committee: October 27, 2020

Presented By: Patrick Mathews, General Manger/CAO

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Franchise Background

- ▶ All Franchise Agreements co-terminate on June 30, 2025
- ▶ Presentation of options/timelines requested by SV City Managers
- ▶ Most agreements will be 25 years or older since last bid (with exception of County agreement at 15 years)
- ▶ Alignment of termination of all agreements offers one-time opportunity to:
 - Benefit from “Economies of Scale” through a regional vs. individual procurement processes
 - Chance to correct out-of-balance rates to align with current markets
 - Adjust all franchise agreements to be uniform and consistent with current law and legislation
 - Hear potential new service ideas from bidders and the public



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Sample Rate Comparison 2020

1 Pick-up per Week

<u>RESIDENTIAL</u>	<u>35/48-Gal Trash</u>	<u>64-Gal Trash</u>	<u>96-Gal Trash</u>
Waste Management (KC)	35.87	44.96	53.20
Waste Management (County)	38.32	60.09	75.11
Tri-Cities Disposal	31.01	48.72	66.50
Republic Services	26.76	36.97	48.83
<u>COMMERCIAL</u>	<u>1-CY Trash</u>	<u>2-CY Trash</u>	<u>3-CY Trash</u>
Waste Management (KC)*	150.75	240.86	340.91
Waste Management (County)*	218.10	348.96	503.79
Tri-Cities Disposal	186.35	301.45	436.91
Republic Services**	310.20	372.93	441.29

*Includes baseline recycling capacity with added charges for increased capacity

** Recycling service (mandated under AB 341) requires added charges not-to-exceed 75% of comparable Trash Service



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- ## 5 Options for Franchise Services Procurement/Administration
- ▶ Option 1: Consolidate and Bid services under single Regional Franchise
 - ▶ Option 2: Collective Bid with uniform agreements, terms and conditions, but award agreement(s) by individual member agency or groups of agencies
 - ▶ Option 3: Status Quo Bid agreements individually, but with uniform with agreements, terms and conditions
 - ▶ Option 4: Extension of existing agreements independently
 - ▶ Option 5: Municipal Collection by individual or groups of member agencies
- 

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Option 1: Consolidated Franchise Service Procurement

- ▶ PROS
 - ▶ Highest Economies of Scale
 - ▶ Broader outside vendor interest
 - ▶ One competitive procurement process for all
 - ▶ Reduced procurement costs and negotiations
 - ▶ Opportunity for Public and new vendor ideas/input
 - ▶ Single franchise oversight by SVR and Regional Committee
 - ▶ Agreement uniformity
- ▶ CONS
 - ▶ Reduced jurisdictional independence
 - ▶ May still be satisfied with current vendor and rates
 - ▶ Regional agreement transition more complex



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Option 2: Collective Franchise Service Procurement

- ▶ PROS
 - ▶ Second Highest Economies of Scale
 - ▶ Broader outside vendor interest
 - ▶ One procurement process for all
 - ▶ Reduced procurement costs
 - ▶ Opportunity for public and new vendor ideas/input
 - ▶ Retains jurisdictional independence
 - ▶ Agreement uniformity
- ▶ CONS
 - ▶ Increased negotiations required by jurisdiction(s)
 - ▶ Increased franchise oversight responsibility by each jurisdiction(s) and/or SVR
 - ▶ May still be satisfied with current vendor and rates
 - ▶ Multiple agreement transitions possibly more complex



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Option 3: Status Quo Franchise Service Procurement

- ▶ PROS
 - ▶ Retains jurisdictional independence
 - ▶ Some outside vendor interest
 - ▶ Opportunity for Public and new vendor ideas/input
 - ▶ Agreement uniformity
- ▶ CONS
 - ▶ Limited or no Economies of Scale
 - ▶ Multiple procurement processes and increased costs
 - ▶ Increased negotiations required by jurisdiction(s)
 - ▶ Increased franchise oversight responsibility by each jurisdiction(s) and/or SVR
 - ▶ May still be satisfied with current vendor and rates
 - ▶ Multiple agreement transitions possibly more complex



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Option 4: Extension of Current Franchise Agreements

- ▶ PROS
 - ▶ Easier without procurement process
 - ▶ Reduced cost
 - ▶ Less time required than competitive procurement
 - ▶ Still be satisfied with current vendor and rates
 - ▶ Agreement transitions simplified
- ▶ CONS
 - ▶ No competitive bid process
 - ▶ No economies of scale or outside vendor interest
 - ▶ Less agreement uniformity
 - ▶ Lesser opportunity for public ideas/input
 - ▶ No new outside vendor input
 - ▶ Increased negotiations required by jurisdiction(s)
 - ▶ Increased franchise oversight responsibility by each jurisdiction(s) and/or SVR



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Option 5: Municipal Collection Services

Individual member agencies or groups of agencies convert from private to public collection services. Regional examples: Cities of Watsonville and Santa Cruz

- ▶ PROS
 - ▶ Vertical integration can reduce system conflicts
 - ▶ Fully independent and in control of system
 - ▶ Can be evaluated in parallel with procurement or extensions

- ▶ CONS
 - ▶ Significant upfront capital and transitional effort
 - ▶ Requires study of long-range operational economics and feasibility
 - ▶ Challenging and complex transition(s)



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Franchise Service Administration Options

Under SVSWA Joint Powers Agreement, if authorized by member agency(s).

SECTION 12 - POWERS AND FUNCTIONS

The Authority shall have any and all powers authorized by law to any of the Parties hereto, and separately to the Authority herein created, relating, but not limited, to the:

- c. Provision of comprehensive solid waste management services, including, but not limited to, **collection**, transfer, disposal, source reduction, recycling, composting, and household hazardous waste programs



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Procurement Timelines

Actions	Timeline	Date
Secure each member agency commitment on desired procurement process(es)	10-12 months	Nov 2022
Hire consultant to assist with procurement process(es)	3-4 months	Mar 2022
Prepare template Franchise Agreement and Request for Proposal Document(s) (RFP)	4-6 months	Sept 2022
Issue RFP(s) and receive Proposal(s)	4-6 months	Mar 2023
Select Franchisee(s)	4-6 months	Sept 2023
Negotiate final Franchise Agreement(s)	4-6 months	Mar 2024
Award Franchise Agreement(s)	3-4 months	July 2024
Start New Franchise Service(s)	12 months(min)	July 2025



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QUESTIONS & FEEDBACK



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ADVISORY COMMITTEE

Date: October 27, 2020
From: Patrick Mathews, General Manager/CAO
Title: Update on the Sun Street Transfer Station Relocation Project and the City of Salinas' One-year Notice of Intent to Withdrawal from the Joint Powers Agreement with the Salinas Valley Solid Waste Authority

A report will be given at the meeting.



ADVISORY COMMITTEE

Date: October 27, 2020
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Title: Discussion on Advisory Committee Reports to the Board of Directors and Board Meetings Participation

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