



Folsom City Council Staff Report

MEETING DATE:	7/13/2021
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10667 – A Resolution Authorizing the City Manager to Execute an Agreement with California Wood Recycling, Inc. DBA Agromin for Organic Waste Diversion Services
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff recommends the City Council adopt Resolution No. 10667 – A Resolution Authorizing the City Manager to Execute an Agreement with California Wood Recycling, Inc. DBA Agromin for Organic Waste Diversion Services.

BACKGROUND / ISSUE

The City collects through its curbside green waste collection program approximately 10,000 tons per year of clean, source separated green waste from its residents. This green waste is currently being delivered to the Elder Creek Transfer Station where it is being processed and used for compost and mulch. The city receives from the recycling of this material credit toward its California Integrated Waste Management Act (AB 939) 50% diversion goal.

With the passage by the state of Senate Bill 1383 (SB 1383) the city will be required to provide a recycling program for residential food waste as well as green waste. These materials are defined in SB 1383 as organic waste. The city intends to add food waste to its residential green waste carts and pick the carts up weekly, as mandated, as opposed to the current every other week schedule. This program is scheduled to begin in July of 2022.

To address this requirement, in the fall of 2019, the City partnered with the City and County of Sacramento to obtain proposals from qualified vendors to provide residential organics waste diversion services (green waste and food waste). The successful vendor(s) from this

procurement is Agromin who is partnering with Republic Services (who owns and operates Elder Creek Transfer Station), for a short-term arrangement (six to ten years) that includes food waste recycling with the residential green waste.

This agreement is the result of that procurement and will provide the city with organic waste recycling/diversion services through 2027. The city will continue participating with Sacramento City and County in the procurement for a long-term solution to organics recycling.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, agreements costing \$62,657 or greater shall be approved by the City Council.

ANALYSIS

Agromin provides the most cost-effective short-term option for the recycling of the City's organic materials (food waste mixed with green waste). This contract will allow the City to continue to recycle green waste collected from its residents and businesses, achieve compliance with SB 1383, compost the organics collected within the city and reduce the short-lived climate pollutants (methane and carbon dioxide) targeted by the law.

FINANCIAL IMPACT

Based on actual tonnage, the Solid Waste Division collects approximately 10,000 tons per year of green waste. Based on a 2014 statewide waste characterization study, we project Folsom will collect about 1,500 tons per year of food waste. We will continue to recycle green waste only until we add food waste in 2022. The proposed per ton rate for recycling of uncontaminated green waste only will be \$77 per ton under this agreement. This rate will apply until we implement collection of food waste mixed with green waste. This is anticipated to commence in July of 2022. The per ton rate will increase to \$97 per ton for the recycling of food waste mixed with green waste. Contamination of the organic material is addressed in the agreement the cost of which will be calculated on a sliding scale. Typical contaminants include plastic bags, plastic cutlery, plastic coated packaging, trash, garbage, and treated wood. This contamination is projected at approximately 5% based on actual numbers provided by the Contractor. Based on these parameters, the projected annual expense for the recycling of green waste under this contract is approximately \$770,000.00. With the addition of food waste in 2022, the projected annual expense is approximately \$1,136,890.00.

Agromin Organics Diversion Expense Projection

Item	Cost per Ton	Quantity	Total
Clean Green Waste (Annually to July 2022)	\$ 77.00	10,000	\$ 770,000.00
Food w/Green Waste (Annually from July 2022)	97.00	11,500	1,115,500.00
5% Contamination	1.86	11,500	21,390.00
TOTAL Green Waste Only			\$ 770,000.00
TOTAL Food w/Green Waste			\$ 1,136,890.00

ENVIRONMENTAL REVIEW

The Project is exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3) (Review for Exemption) of the CEQA Guidelines.

ATTACHMENT

Resolution No. 10667 – A Resolution Authorizing the City Manager to Execute an Agreement with California Wood Recycling, Inc. DBA Agromin for Organic Waste Diversion Services

Submitted,

Dave Nugen, PUBLIC WORKS DIRECTOR

RESOLUTION NO. 10667

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH CALIFORNIA WOOD RECYCLING, INC. DBA AGROMIN FOR ORGANIC WASTE DIVERSION SERVICES

WHEREAS, the City of Folsom generates approximately 9,000 tons per year of green waste which is currently being used as compost and mulch; and

WHEREAS, the Integrated Waste Management Act (AB 939), requires that the City divert from landfill at least 50% of the solid waste it generates; and

WHEREAS, the City receives diversion credit for the green waste it collects; and

WHEREAS, the state passed Senate Bill 1383 (SB 1383) to reduce from landfill the disposal of organic materials generated in the state and, among other things, thereby reduce Short Lived Climate Pollutants; and

WHEREAS, the entity selected through the joint procurement, Agromin, has the expertise and the means to provide organic materials diversion services; and

WHEREAS, Agromin submitted the timeliest and most cost-effective proposal to divert the City's organic materials in the short term; and

WHEREAS, the agreement is based on a cost per ton of \$77.00 through July 2022 and then \$97.00 per ton after July 2022; and

WHEREAS, the City wishes to hire Agromin to manage the organic materials the City collects; and

WHEREAS, sufficient funds are available in the Solid Waste Fund 540; and

WHEREAS, the agreement will be in a form acceptable to the City Attorney: (as applicable to contracts)

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute an agreement with California Wood Recycling, Inc. DBA Agromin for Organic Waste Diversion Services; and,

PASSED AND ADOPTED this 13 day of July 2021, by the following roll-call vote:

AYES: Councilmember(s):
NOES: Councilmember(s):
ABSENT: Councilmember(s):
ABSTAIN: Councilmember(s):

Michael D. Kozlowski, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

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