



FOLSOM
A COMMUNITY FIRST CITY

Folsom City Council Staff Report

MEETING DATE:	7/14/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10482 – A Resolution Authorizing the City Manager to Sign an Agreement with Elder Creek Transfer & Recovery, Inc. for the Receiving, Processing and Recycling of the City’s Green Waste
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

The Public Works Department recommends that the City Council pass and adopt Resolution No. 10482 – A Resolution Authorizing the City Manager to Sign an Agreement with Elder Creek Transfer & Recovery, Inc. for the Receiving, Processing and Recycling of the City’s Green Waste.

BACKGROUND / ISSUE

Through the City’s curbside green waste collection program, the City collects approximately 9,000 tons per year of clean, source separated green waste from its residents and businesses. This green waste is currently being delivered to Sacramento County’s Kiefer Landfill where it is being used for alternative daily cover (ADC) at the landfill. The City has been receiving diversion credit toward the State’s 50% recycling mandate (AB939) for this material. However, state Assembly Bill 1594 (AB1594) as of January 1, 2020, removed all diversion credit for any material used as ADC.

In addition, the State passed Senate Bill 1383 (SB1383) which will require recycling of residential food waste as well as green waste. This is anticipated to begin in Fiscal Year (FY) 2021-22. To address this requirement the City has partnered with the City and County of Sacramento to obtain proposals from qualified vendors to provide organics diversion services (green waste & food waste). The successful vendor(s) from this procurement is Agromin who is partnering with Republic Services (who owns and operates Elder Creek Transfer &

Recovery, Inc.), for a long-term arrangement that includes food waste recycling. That agreement is still being developed and will come before the City Council at a later date. The agreement being considered today is for short term green waste recycling only and it is expected to provide a lower cost alternative for the recycling of the City's green waste over Agromin until Agromin and the City are prepared to manage the green waste mixed with food waste in FY 2021-22.

POLICY / RULE

In accordance with Chapter 2.36 of the Folsom Municipal Code, agreements costing \$62,014 or greater shall be approved by the City Council.

ANALYSIS

Elder Creek Transfer & Recovery, Inc. provides the most cost-effective short-term option for the recycling of the City's green waste. This contract will allow the City to continue to recycle green waste collected from its residents and businesses, receive diversion credit, and save money over the long-term contract anticipated for implementation of SB1383.

FINANCIAL IMPACT

The Solid Waste Division collects approximately 9,000 tons of green waste per year. The proposed per ton rate for recycling of uncontaminated green waste is \$50 per ton. Contamination will be separated from the green waste and placed in 40 yard roll off containers dedicated to the City and will be charged at \$65 per ton. Typical contaminants include plastic bags, trash, garbage, and treated wood. This contamination is projected at approximately 5% based on actual numbers provided by the Contractor. Additionally, there will be a handling fee of \$120 per 40-yard container full of contaminants. Based on these numbers, the projected annual expense for the recycling of green waste under this contract is approximately \$470,310.

The funding for this agreement was included in the Fiscal Year 2020-21 Solid Waste budget and funds are currently available.

Elder Creek Transfer Station Green Waste Expense Projection

Item	Cost	Unit	Quantity	Total
Clean Green Waste	\$ 50.00	ton	8,550	\$ 427,500.00
Contamination @5%	\$ 65.00	ton	450	\$ 29,250.00
Handling @ 4 tons per box	\$ 120.00	bin	113	\$ 13,560.00
		TOTAL	Annual	\$ 470,310.00

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.

ATTACHMENTS

1. Resolution No. 10482 – A Resolution Authorizing the City Manager to Sign an Agreement with Elder Creek Transfer & Recovery, Inc. for the Receiving, Processing and Recycling of the City’s Green Waste.

Submitted,

A handwritten signature in blue ink, appearing to read "Dave Nugen", is written over a horizontal line.

Dave Nugen, Public Works Director

RESOLUTION NO. 10482

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH ELDER CREEK TRANSFER AND RECOVERY, INC. FOR THE RECEIVING, PROCESSING AND RECYCLING OF THE CITY'S GREEN WASTE

WHEREAS, the City of Folsom generates approximately 9,000 tons per year of green waste which is currently being used as alternative daily cover (ADC) at the Sacramento County Kiefer Landfill; and

WHEREAS, state law, AB 939, requires that the City divert from landfills at least 50% of the solid waste it generates; and

WHEREAS, pursuant to state law, AB 1594, as of January 1, 2020, ADC can no longer count toward the 50% diversion requirement; and

WHEREAS, the City wishes to receive diversion credit for the green waste it collects; and

WHEREAS, the City conducted a joint procurement together with the City and County of Sacramento and received proposals for organic material diversion services (food and green waste recycling); and

WHEREAS, the entity selected through the joint procurement, Agromin, is not prepared to provide organic materials diversion services at this time; and

WHEREAS, Elder Creek Transfer and Recovery (ECTR) submitted the timeliest and most cost-effective proposal to divert the City's green waste in the short term; and

WHEREAS, the City wishes to hire ECTR to manage the City's green waste; and

WHEREAS, sufficient funds are budgeted and available in the Solid Waste Fund (Fund 540) in Fiscal Year 2021 for this agreement; 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 Elder Creek Transfer and Recovery, Inc. for the receiving, processing, and recycling of the City's green waste.

PASSED AND ADOPTED this 14th day of July 2020, by the following roll-call vote:

AYES: Council Member(s):
NOES: Council Member(s):
ABSENT: Council Member(s):
ABSTAIN: Council Member(s):

Sarah Aquino, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK

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