



City of Grass Valley City Council Agenda Action Sheet

Title: Amendments to the Waste Management Franchise Agreement tied to state-mandated implementation of SB 1383, AB 341, and AB 1826 (Recycling and Organic Waste programs)

CEQA: Not a project.

Recommendation: That Council adopt a resolution amending agreement between the City of Grass Valley and Waste Management for solid waste collection.

Prepared by: Zac Quentmeyer, Deputy Public Works Director

Council Meeting Date: 11/26/2024

Date Prepared: 11/20/2024

Agenda: Administrative

Background Information: In 2022, staff began contract amendment negotiations with Waste Management (WM) related to the implementation of SB 1383, AB 341 and AB 1826. A draft amended contract is included as an attachment to this report. Significant contract updates include fee schedule adjustment, compliance language with SB 1383, AB 1826, and AB 341, implementing WM Smart TruckSM technology, transitioning to electric notifications for customer set out violations, and an audit and review of free City services. Additionally, the contract now contains an addendum to include performance standards. Corresponding liquidated damage procedures and amounts have been added relative to specific performance measures.

Expanding collection services related to the new organics program required an adjustment to the fee schedule. Over the past several years, City committees and WM staff have diligently investigated various rate models in a concerted effort to minimize rate increases related to additional services required by SB 1383. After concluding this lengthy investigative process and considering cost, convenience to customers, logistics of implementing the organics collection services, staff recommend for council to replace the existing residential rate structure with a 3-cart bundled service rate model in the amended WM Agreement. This model provides every week garbage and organics collection and every other week recycling collection. Under this bundled model, customers who subscribe to WM services are automatically provided 3 bins (garbage, recycling and organics). Customers will not have the option to opt out of individual services if subscribed to WM services. Residents would have an option to apply for a waiver and choose to self-haul, opting out of all WM services.

Waste Management is prepared to begin delivering organic carts to customers who don't already have one in December. On January 6, 2025, Waste Management will begin the curbside collection of organic waste from residential and commercial customers.

Council Goals/Objectives: High performance government and quality service.

Fiscal Impact: The implementation of SB 1383 is an unfunded state-mandate and requires the City to dedicate staff and general fund money.

Funds Available: Implementation requires the City to fund this effort.

Account #: General Fund

Reviewed by: City Manager

Attachments: Resolution 2024-79 and Draft Contract Amendment