

Award of Collection Services Agreement

Board of Directors Meeting
July 24, 2025

Summary

- Current agreement expires February 28, 2027
- Collection RFP Issued October 24, 2024
- We received two Proposals
 - Republic Services
 - Mt. Diablo Resource Recovery
- Republic's cost is 14% less
- The Committee recommends Republic
- Estimated rate impact = +26%

Timeline

- March 2015– Current agreement began
- December 2022– Current agreement extended
- March 2023– Franchise Design Ad Hoc Committee formed
- January 2024– Franchise Vendor Selection Ad Hoc Committee formed
- May 2024– Decision to conduct RFP
 - Two Step Process
 - Step One = Post Collection
 - Step Two = Collection

Post Collection: Transfer Station



Post-Collection: Landfill



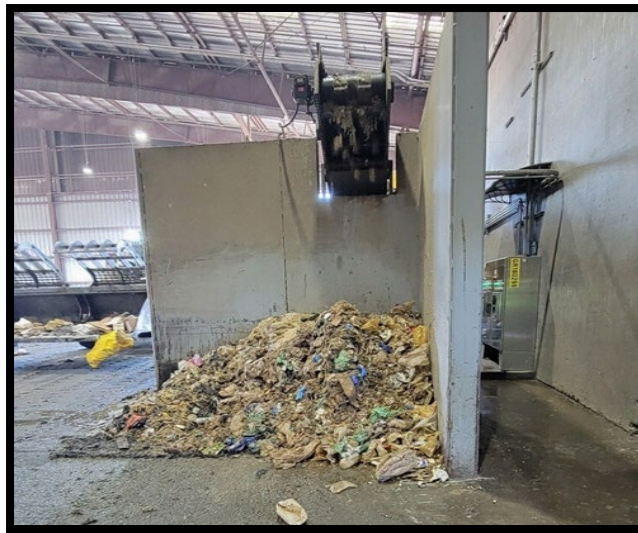
Post-Collection: Recyclables Processing



Post-Collection: Composting



Post-Collection: Commercial Food Scraps Processing



Timeline - Continued

- May 2024– Decision to conduct RFP
 - Two Step Process
 - Step One = Post Collection
 - Step Two = Collection
- June 2023– Process Integrity Policy
- March-September 2024– Customer Surveys
- March 2024– Issued Post Collection RFP
- May 2024– Received Five Proposals
- October 2024– Awarded Post-Collection Agreements

Post-Collection Agreements

- Transfer Station – MDRR
- Landfill – Republic
- Recyclables Processing – MDRR
- Composting – Recology
- Commercial Food Scraps Processing - Republic

Collection

Burro



Side-Loader



Front Loader



Rear-Loader



Roll-off



Curotto-Can



Vehicle Fuels

- There was a State requirement to transition to Zero Emissions Vehicles (ZEV's)
- In January 2025 we learned that the State ZEV mandate would not be implemented
- Our RFP did not require ZEV's
- Republic and MDRR both proposed Compressed Natural Gas (CNG) vehicles for their base bid
- Republic provided an alternative bid for electric vehicles: +\$87,000/truck/year

Timeline - Continued

- October 2024– Issue Collection RFP
- November 2024– Pre-Proposal Meeting
- December 2024– Deadline for written questions
- February 2025– Received two proposals
 - MDRR
 - Republic

Timeline - Continued

- March 2025– Proposer interviews
- April 2025– Proposer presentations
- February - July 2025– Negotiations
- July 24, 2025– Recommendation

Proposal Comparison

	Republic	MDRR	Difference
\$/Year for Base Services	\$58,578,089	\$68,177,150	\$9,599,061
Estimated Rate Impact	25%	37%	12%
Routes	86.5	89.8	3.3
Trucks	105	111	6
Drivers	119	111	8
Mechanics	16	8	8
Customer Service Reps	5	10	5
Sustainability Advisors	5	5	0

Single-Family Routes

Single-Family Routes						
Truck Type	Current	Republic		MDRR		MDRR - Republic
		Proposed	Increase	Proposed	Increase	
Burro	9	12	3	12	3	0
Side-Loader	40.4	44.4	4	48	7.6	3.6

Solid Waste Lifts/Route/Day		
Truck Type	Republic	MDRR
Burro	267	322
Side-Loader	776	796

Estimated Rate Impact

Republic's Proposal for Base Services

	Current \$/year	Proposed \$/year	Increase	
			\$/year	%
Collection Costs	\$39,762,912	\$58,578,089	\$18,815,177	47%
Other Costs	\$33,742,651	\$38,000,000	\$4,257,349	13%
Total	\$73,505,563	\$96,578,089	\$23,072,526	31%

Estimated Current Annual Rate Revenue	\$77,509,953
Total Proposed \$/year	\$96,578,089
Difference	\$19,068,136
Estimated Rate Impact	25%

Estimated Rate Impact

- Other Costs in Addition to Collection
 - Payments to post-collection contractors
 - Reuse & Cleanup Days
 - Authority costs
 - Member Agency fees
- Unknown at this time
 - Republic's new agreement with the Teamsters
 - Inflation to 2027
 - Use of Member Agency reserves to phase in the rate increase

Base Services

- Same as existing collection services except:
 - Increased credits for missed pick-ups
 - Friday missed pick-ups collected on Saturday
 - Courtesy collections for late set-outs
 - More on-call collections of extra recyclables and yard trimmings
 - Used cooking oil recycling
 - Smaller, 20-gallon organics carts available

Base Services - Continued

- At least one recycling container and one organics container at every commercial and multi-family solid waste service location
- Commercial organics bin service
- Hauler neutral replacement containers
- On-call dumpsters for Member Agencies
- Re-labeling commercial bins



Alternative Bids for Additional Services

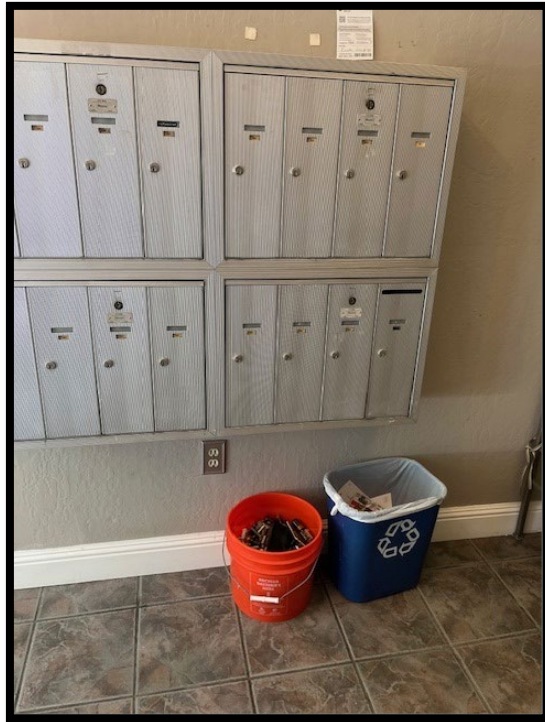
Estimated Impact of Base and Alternative Bids			
Base Bid	Annual \$ Impact	Estimated Rate Impact	Recommended
Base Collection Services + Other Costs	\$96,578,089	24.60%	Yes
Requested Alternative Bids			
Re-label Carts	\$123,053	0.16%	Yes
Replace Carts	\$1,002,389	1.29%	No
2nd Recycling Cart at no Additional Charge	\$269,266	0.35%	Yes
2nd Recycling Cart at no Additional Charge + Unlimited Recycling Overages	\$728,248	0.94%	No
2nd Organics Cart at no Additional Charge	\$319,653	0.41%	Yes
2nd Organics Cart at no Additional Charge + Unlimited Organics Overages	\$798,254	1.03%	No
Battery Collection at Multi-Family Dwellings (16+ unit complexes)	\$41,378	0.05%	Yes
Weekend Collection from Downtown Public Garbage Cans	\$106,600	0.14%	Yes
Republic Performs Annual SB 1383 Route Audits / "Lid Flipping"	\$0	0%	Yes
Cost Saving Ideas			
Don't Re-Label Commercial / Multi-Family Bins	(\$11,286)	-0.01%	No
Don't Add Cooking Oil Collection	(\$30,016)	-0.04%	No
Reduce Roll-Off Service to Member Agency Facilities	(\$187,118)	-0.24%	No
5-Year Phase in of New Vehicles	(\$760,207)	-0.98%	No
Total with Recommendations	\$97,438,039	25.71%	

Re-Label Carts

- Adhesive labels on existing cart lids
- All three types of carts
- When carts are set out for collection
- March 1, 2027 to June 30, 2028
- Update what is recyclable and compostable
- One-time cost of \$1,230,530
 - Allocated over 10 years
 - \$123,053 per year
- Estimated rate impact = +0.16%



Multi-Family Battery Recycling



Multi-Family Battery Recycling - Continued

- Collected in buckets in a common area
- Available to complexes with an on-site manager: 16+ Units
- On-call pick-up
- Pick-up location agreed to by manager and Republic
- Alternative is drop-off at retail stores
- Single-family homes have weekly curbside collection of batteries
- \$41,378 per year, estimated rate impact = 0.05%

# of complexes with 16 units or more	#
City of Lafayette	32
City of Orinda	4
City of Walnut Creek	149
Contra Costa County (RecycleSmart)	50
Town of Danville	14
Town of Moraga	27
Grand Total	276

Notable Changes to the Agreement

- Collection separated from other services
- Rate year will be July-June instead of March-February
- Cost-based rate adjustments every four years instead of every three years
- Annual compensation adjustments capped at 7% instead of 4% and 5%
- All customers receive a credit if their container is not emptied on the scheduled day: \$10 per container per day late

Recommendation

1. **Adopt Resolution 2025-03, in the form attached:**
 - A. Determining that the award of the recommended collection services agreement is not subject to the California Environmental Quality Act (CEQA) under Section 15061(b)(3) (Common Sense Exemption), and is exempt from CEQA pursuant to Section 15301 (Class 1) (Existing Facilities) and Section 15308 (Class 8) (Actions by Regulatory Agencies for Protection of the Environment); and
 - B. Awarding and Authorizing the Board Chair to execute the Franchise Agreement between the Central Contra Costa Solid Waste Authority and Allied Waste Systems, Inc. d/b/a Allied Waste Services of Contra Costa County d/b/a Republic Services of Contra Costa County, for Collection Services.