



Office of the City Manager

CONSENT CALENDAR

July 10, 2007

To: Honorable Mayor and
Members of the City Council

From: *PK* Phil Kamlarz, City Manager

Submitted by: Claudette Ford, Director, Department of Public Works

Subject: Contract Amendment: Buyback and Drop-Off Operations at the Solid Waste Management Center

RECOMMENDATION

Adopt a Resolution amending Contract No. 6856 with Community Conservation Center to operate the buyback and drop-off program at the Solid Waste Management Center and extending the contract term one year to June 30, 2008 for a total amount not to exceed \$450,000 for FY 2008.

FISCAL IMPACTS OF RECOMMENDATION

The FY 2008 budget includes \$450,000 for Community Conservation Centers (CCC) in the Refuse Fund (820-5608-432-3038). The same amount was approved and budgeted for FY 2007. The CMS number is PT13M.

CURRENT SITUATION AND ITS EFFECTS

The City Manager has extended the current CCC contract term through June 30, 2008; this amendment contract provides sufficient funding for the services until staff can process a new recycling contract. This renewal is delayed because the City Attorney determined that the City must ensure that its refuse rate structure is reasonable and meets the evolving standards of applicable law before it enacts new recycling contracts. This amendment will allow CCC to continue to provide necessary recycling services until any rate structure issues are resolved.

The City has hired a consultant to analyze the rate structure. The recommended rates will be submitted to the City Council for adoption. Staff will prepare new recycling contracts based on the available revenue approved at that time.

BACKGROUND

On July 20, 1993, Council passed Resolution No. 57,120-N.S. authorizing a contract with CCC to operate the buyback and drop-off facilities at the Solid Waste Management Center, and to prepare material collected by the City's commercial recycling program and the Ecology Center's residential curbside program to market specifications. Council extended this contract to June 30, 2005 by Resolution No. 59,830-N.S. On May 10, 2005 by Resolution No. 62,901-N.S., Council approved a two-year extension to June 30, 2007, to allow the City time to complete the new

Solid Waste Plan and new program designs. By Resolution No. 63,346N.S., Council authorized an expenditure not to exceed \$450,000 for FY 2007. On June 8, 2007 the City Manager signed a letter extending the term of the contract to June 30, 2008.

Payments to CCC consist of sorting fees for recyclables the City collects from businesses and apartments, diversion fees for tons collected at the buyback and drop-off programs, and necessary equipment. The actual amount paid to CCC depends on the number of tons collected and sorted or diverted. CCC pays the City approximately \$135,000 for the tons of commercial recyclables. Although this reduces the net cost of the contract, the revenue becomes part of the Refuse Fund and is not used directly for CCC expenses.

CCC continues to provide exemplary service and to help the City in various ways. In addition to receiving the usual recyclable materials, CCC serves as a convenient location for transfer station customers to drop off scrap metal, bottles and cans, paper, cardboard, books and cell phones before entering the public dumping area. The City does not have sufficient staff to divert that material from the transfer station floor. In February 2006, CCC began accepting fluorescent bulbs, cell phones and batteries from Berkeley residents at no charge to residents or the City, helping the City comply with the new Universal Waste law that bans these items from landfill.

RATIONALE FOR RECOMMENDATION

This amendment provides continuity of necessary recycling services to the City and to the public.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Peter Holtzclaw, Manager, Division of Solid Waste and Recycling, 981-6359

Attachments:

1. Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT AMENDMENT: CONTRACT #6856A BUYBACK AND DROP-OFF
SERVICES AT THE SOLID WASTE MANAGEMENT CENTER

WHEREAS; the City has a contract with Community Conservation Centers to operate buyback and drop-off facilities and to process and market recyclable materials collected from residents and businesses; and

WHEREAS, execution of new contracts has been delayed until a rate structure analysis is completed by the Legal Department; and

WHEREAS, the City Manager has extended the contract to June 30, 2008 according to the provisions of the current contract; and

WHEREAS, the services performed by Contractor are essential to efficient operation of the City's recycling programs; and

WHEREAS, Community Conservation Centers provides excellent service and meets all contract obligations; and

WHEREAS, \$450,000 is available in the Refuse Fund (budget code 820-5608-432-3038) in FY 2008; CMS No. PT13M.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to Contract No. 6856A with Community Conservation Center to operate the buyback and drop-off program at the Solid Waste Management Center and extend the contract term one year to June 30, 2008 for a total amount not to exceed \$450,000 for FY 2008.

