

BEFORE THE BOARD OF SUPERVISORS, COUNTY OF SAN BENITO

**A RESOLUTION OF THE SAN BENITO COUNTY
BOARD OF SUPERVISORS TO APPROVE A
RECOMMENDATION TO ENTER INTO EXCLUSIVE
NEGOTIATIONS WITH RECOLOGY SAN BENITO COUNTY
FOR A NEW FRANCHISE AGREEMENT FOR COLLECTION OF
RECYCLABLES, ORGANICS AND SOLID WASTE, CONTINGENT
UPON SPECIFIED CONDITIONS**

Resolution 2018 -

WHEREAS, the San Benito County Integrated Waste Management Regional Agency ("Regional Agency") is comprised of the City of Hollister, City of San Juan Bautista and the County of San Benito and is a joint powers authority established in 1995 to cost effectively coordinate all integrated waste management programs within the guidelines imposed by the California Integrated Waste Management Board (CalRecycle); and

WHEREAS, the RA Members have a joint Franchise Agreement with Recology which resulted from an 18-month joint competitive procurement process conducted in 2006/2007 between the County, Hollister and San Juan Bautista which agreed to have one joint Franchise Agreement with a one contractor. and

WHEREAS, as noted in the recitals to the current Franchise Agreement, "the RA Members determined to offer proposers this exclusive agreement with respect to each of their jurisdictions to offer the Contractor economies of scale and increase contract administration efficiency and reduced contract administrative cost"; and

WHEREAS, in 2007, the Regional Agency Members approved the current joint Franchise Agreement with Recology for an eight-year term (November 20, 2007 to June 30, 2015); and

WHEREAS, the Franchise Agreement had an option for a three-year term extension (June 30, 2015 to June 30, 2018) and that extension was approved in September 2014. Therefore, the current Agreement expires June 30, 2018; and

WHEREAS, the Regional Agency completed a review of the current joint Franchise Agreement between the City of San Juan Bautista, City of Hollister and San Benito County and Recology San Benito County through a Franchise Agreement Ad Hoc Committee with representation from all three RA Members at meetings held on March 9th, May 14th and June 28th of 2017; and

WHEREAS, each RA Member adopted a similar resolution in August 2017 approving the final RFP documents, including a new Franchise Agreement, and authorized RA staff to release such documents to initiate the contractor selection process for a new Franchise Agreement; and

WHEREAS, the On August 29, 2017 the RA released the Collection Services RFP. By the November 14, 2017 deadline, the RA received three (3) responsive proposals from companies capable and qualified to provide the collection services described in the RFP. The proposers are GreenWaste Recovery, Recology San Benito County, and RJR Resource Recovery; and

WHEREAS, the approved RFP Evaluation Committee completed from mid-November 2017 to January 2018 a multi-step evaluation process to review the three proposals; and

WHEREAS, the RFP Evaluation Committee prepared a Report detailing its evaluation findings and proposal scoring and presented the Report to the Franchise Agreement Selection Committee on February 13, 2018; and

WHEREAS, the RFP Evaluation Committee prepared a Report detailing its evaluation findings and proposal scoring and presented the Report to the Franchise Agreement Selection Committee on February 13, 2018 and the Selection Committee recommended that the Report be presented to the Franchise Agreement Ad Hoc Committee; and

WHEREAS, the Franchise Agreement Ad Hoc Committee with elected officials from all three RA Members convened on March 8, 2018 to hear a presentation on the Evaluation Committee Report and receive public comment; and

WHEREAS, a joint meeting of the RA Members with elected officials from all three RA Members was held on March 22, 2018 to hear a presentation on the Evaluation Committee Report findings, receive public comment including brief presentations from the three proposers and discuss next steps in the Franchise Agreement contractor selection process; and

WHEREAS, on March 28, 2018 representatives from the RFP Evaluation Committee and Selection Committee met and the Selection Committee formulated its recommendation; and

NOW, THEREFORE, BE IT RESOLVED, by the San Benito County Board of Supervisors:

1. Approve the Franchise Agreement Selection Committee recommendation to enter into exclusive negotiations with Recology San Benito County for a new Franchise Agreement for collection of recyclables, organics, and solid waste contingent upon the following items being addressed during negotiations:
 - Incorporating into the Franchise Agreement enhanced performance standards and liquidated damages related to meeting diversion requirements
 - Recology developing a detailed commercial recycling outreach plan to thoroughly outline how they will increase commercial diversion from the current commercial diversion rate of 6% and include two additional Recycling Outreach Coordinators in year 1 only of the contract at no cost to the ratepayers.
 - Recology modifying its proposed rates to reduce the commercial customer subsidy of residential customers while still maintaining the lowest proposed residential rates (for each of the three Regional Agency Members) compared to GWR and RJR RR
 - Recology agreeing to implement operational changes to reduce the carbon footprint of its proposed collection/hauling operations

If the above items are not successfully negotiated between the parties then the Selection Committee would then recommend terminating negotiations with Recology and entering into exclusive negotiations with GWR.

2. Appoint a contract negotiations team consisting of the Selection Committee and Kevin McCarthy who serves as the technical lead for the Franchise RFP process.
3. Authorize the Chair to sign the Resolution.

BE IT FURTHER RESOLVED that the Board of Supervisors reserves all rights to terminate the negotiation process for any reason and the action today does not constitute a binding agreement or commitment to enter into a franchise agreement with any specific party;

BE IT FURTHER RESOLVED that nothing in the Regional Agency's or the Board of Supervisors' decision to negotiate with Recology in any respect does or shall be construed to affect or prejudice the exercise of the county's or the Regional Agency's discretion concerning the consideration of any franchise agreement between the parties, or with any other responding party to the RFP, and further that the decision to enter into such negotiations does not constitute a commitment by the Board or the Regional Agency of any particular course of action and therefore does not require any further CEQA review at this time. If the Parties are successful at negotiating a franchise agreement, then the Regional Agency will conduct any environmental review on the proposed franchise agreement as may be required under applicable laws and regulations.

PASSED AND ADOPTED, by the San Benito County Board of Supervisors at a regular meeting of said Board held on the 17th day of April 2018, by the following vote:

AYES: SUPERVISORS
NOES: SUPERVISORS
ABSTAIN: SUPERVISORS

By: _____
Anthony Botelho, Chair
San Benito County Board of Supervisors

ATTEST:

By: _____
Janet Slibsager
Clerk of the Board

Date: _____

APPROVED AS TO LEGAL FORM:

By: _____
Barbara Thompson
County Counsel

Date: _____