

Background: The Integrated Waste Division of the Transportation and Public Works Department operates five transfer stations in Sonoma County. The four transfer stations located in Annapolis, Guerneville, Healdsburg and Sonoma are currently operated by West Sonoma County Disposal (WSCD) through an agreement which the Board approved in 2000. The transfer station located at the Central Disposal Site (CDS) is operated by county staff. All solid waste received at the five transfer stations, which is not re-used or recycled is currently transported out-of-county for disposal at several different landfills in the Bay Area through agreements, the Board approved in August 2005, with WSCD, USA Waste of California, Inc. and Redwood Landfill, Inc.(USA Waste) and Keller Canyon Landfill Company (Republic). These transport and disposal agreements were established through a competitive process which was initiated by a Request for Proposals (RFP) authorized by the Board on October 12, 2004.

Short Term Solid Waste Strategies.

All four of the agreements now in place for transfer station operation, transport and disposal of solid waste from the County disposal sites expire on August 31, 2010. With the Board's decision on October 27, 2009 not to go forward with the divestiture of the county's solid waste assets it is now critical to establish extended or new contracts that are effective by September 1, 2010, that will bridge the gap until a long-term solution can be identified which meets the community's needs. It is proposed that the extended or new contracts be for a term of two years with the option for one one-year extension so that the County has sufficient time to work with the cities, the community and other interested stakeholders on long-term solid waste options.

Due to the fact that the existing contracts expire in less than 10 months, staff is proposing to pursue two strategies simultaneously by entering into negotiations with our current service providers while at the same time proceeding with an RFP. Staff is proposing to spend no more than 30 days negotiating with existing service providers, while the RFP is being developed and released. Two of the three existing disposal contracts include put-or-pay provisions which staff is recommending eliminating in exchange for the extensions. If the negotiations with the current service providers are successful, contract amendments will be brought back to the Board for consideration. If the negotiations are not successful than the RFP process will have already commenced and can continue to completion.

Due to the very short time frame to secure the services and disposal capacity, staff does not recommend including specific requirements, standards or targets for new greenhouse gas (GHG) initiatives or diversion programs. Instead, staff is recommending that all proposers identify any diversion programs and climate protection initiatives that currently exist or that are planned to be implemented during the contracting period. In addition, staff is recommending that the proposed RFP allow for alternatives that address these issues to be submitted and evaluated. Staff's primary concern for the short-term interim period is ensuring that there are disposal and operation contracts in place prior to the expiration of the existing contracts so that waste does not pile up and create a public health issue. Given that there are only 10 months to get the contracts in place, there is insufficient time to have extensive negotiations on the implementation of new initiatives or programs. Moreover, new programs could likely lead to the need to amend operating permits which would take longer than the 10 months.

Staff is asking for Board direction on the following policy items related to development of a Request for Proposal for these services, several of these policy items are also applicable to the proposed contract extension negotiations with existing services providers:

1. Scope of services
2. Length of term
3. Waste commitment levels

Attachment A details the policy questions, the options and staffs' recommendation.

Alternatives.

It is staffs' opinion that there is only one other viable alternative to address our immediate needs for short term contracts other than our recommendation. The alternative is to separately pursue the contracts that were included in the divestiture purchase and sale agreement with Republic. The two agreements are the Amended and Restated Agreement for Interim Disposal and Transportation of Solid Waste with Keller Canyon Landfill Company and Republic Services, Inc. and the Agreement for Operation of the Central Landfill and the County Transfer Stations with Republic Services, Inc. While these agreements would require modifications to make them stand alone documents, they otherwise could retain the terms and conditions and pricing that was committed to by Republic Services for transfer station operations,

transport and out-of-county disposal. Republic Services has indicated their willingness to discuss this alternative with the County.

Long-Term Strategies.

Staff will come back to the Board in the near future to discuss strategies for facilitating county, city and community involvement for developing long term solid waste system alternatives.

Recommendation:

1. Direct staff to negotiate, within the next 30 days, short-term extensions of existing agreements for operations, transport and disposal with the existing parties, with similar terms and conditions; and
2. Provide policy direction to staff on various parameters to be included in a Request for Proposal (RFP) for Transfer Station Operations, Transport and Disposal of Refuse, and authorize staff to issue the RFP, once the policy directions are incorporated; and
3. Direct staff to report back to the Board on December 8, 2009 with either negotiated extension agreements or a recommendation to cease such negotiations and continue with the RFP process.

Attachments: Attachment A – Policy issues for RFP

On File With Clerk: Agreement between County of Sonoma and Keller Canyon Landfill Company, Inc. for the Disposal of Solid Waste; Agreement between County of Sonoma, USA Waste of California, Inc. and Redwood Landfill, Inc. for the Transport and Disposal of Solid Waste; Agreement between the County of Sonoma and West Sonoma County Disposal Service, Inc. for Transport and Disposal of Solid Waste; West Sonoma County Disposal Contract for Operation and Maintenance of Sonoma County Transfer Stations

CLERK OF THE BOARD USE ONLY

Board Action (If other than “Requested”)

Vote: