

**DATE:** May 18, 2008

**TO:** City Council

**FROM:** Jim Gustafson, Engineering Services Manager

SUBJECT: SOLID WASTE COLLECTION LEVEL OF SERVICE

## **RECOMMENDATION**

Motion: Referring potential level of service changes for solid waste wollection to the Environmental Committee for evaluation and a recommendation.

## **BACKGROUND**

The current franchise agreement for waste collection and transport with the Los Altos Garbage Company (LAGCO) is scheduled to end in September 2010. Disposal agreements with Zanker Resources and Allied Waste Systems for greenwaste processing and municipal solid waste disposal respectively expire in years 2011 and 2023. Residents and businesses in Los Altos are billed directly by LAGCO in an amount sufficient to recover the cost of collection and to fund other activities of the City's Solid Waste Fund such as disposal, recycling, streetsweeping, household hazardous waste collection, and other waste related activities.

The lead time for potential other providers of the solid waste collection franchise is one to two years due to the possible need to reconfigure or procure collection vehicles and deploy containers to the approximately 10,000 accounts in the service area should the services change and if a franchisee other than LAGCO is selected.

## **DISCUSSION**

During the past several years, staff has received numerous requests for a different type of collection service than LAGCO currently provides. In 2005, and most recently January 2008, Council has indicated that potential service improvements should be structured into a new agreement rather than incorporated by amendment into the existing agreement with LAGCO.

There are many services that could be changed to better serve the residents and businesses in Los Altos, each with cost and benefit considerations. For this reason, staff is recommending the Environmental Committee hear and consider the alternatives available, and recommend the services that should be incorporated into the Request for Proposals that will serve Los Altos when the current agreement ends. The most common observation from residents is that recycling bins

May 27, 2008 solid waste service changes

currently used are more difficult to transport to the curb than the rolling carts that have been recently deployed in other cities. Other frequent suggestions concern the collection frequency of recyclables, and the minimum size of the residential container, 32 gallon, upon which the residential collection rate is based.

There are several other issues that need to be considered as the City begins the process of updating the services to be included in a new franchise agreement. Although Los Altos has been achieving more than the 50% diversion of waste from landfills required by state law, an even higher recycling percentage is possible if Council chooses to make recycling easier and more available to residents and businesses. For example, recycling containers could be provided in public places such as parks and in the commercial areas. Pooled recycling containers might also be provided in the parking plazas to replace the many individual toters distributed outside individual commercial properties in view of the parking plazas.

A service that would lower costs to generators of small quantities of garbage would be to provide a minimum container of perhaps 20 gallons at a rate lower than the current 32 gallon size. An additional cost saving opportunity to some residents would be to charge a higher rate for those that use the sideyard service offered by LAGCO. Currently about two thirds of residents deliver their garbage container to the roadway edge, even though the current residential rates provide for side yard collection at no additional cost.

A list of the issues that are recommended for referral to the Environmental Committee for consideration for incorporation in a new franchise agreement are:

- 1. Smaller minimum residential can size option for generators of waste ie 20 gallon
- 2. Single stream recycling, allowing recyclables to be commingled in a rolling toter
- 3. Recyclables collection frequency. Weekly or bi-weekly
- 4. Recycling containers to be added to downtown areas
- 5. Recycling containers to be added to parks
- 6. Additional items desired for curbside pickup such as compact fluorescents, foodwaste.
- 7. Collection frequency of residential yardwaste. Weekly or bi-weekly
- 8. Rolling toters to replace resident owned containers
- 9. Need for sideyard/backyard garbage service
- 10. Level of City outreach on recycling / composting
- 11. Household Hazardous Waste Program annual event
- 12. 2 bulk item pickups/ year for residents included as a basic service
- 13. Pooled recyclables enclosures in downtown parking plazas for shared use by businesses
- 14. Free compost available to residents from the Sunnyvale SmartStation
- 15. Backyard composting bin purchase program

Mayt 27, 2008 solid waste service changes

City Council June 12, 2008 Page 3

There are several other issues related to the RFP that Council will ultimately need to decide upon that are not currently recommended for referral to the Environmental Committee. These include items that are not part of the service level, but potentially affect the general fund if items currently paid from the solid waste fund are shifted. Examples are street sweeping and collection of waste from receptacles in commercial areas and from city facilities such as parks and municipal buildings. Council will also need to decide on the franchise agreement duration and annual cost change mechanism that will be built into the new agreement.

The complexities of solid waste management, service levels, funding, the RFP process, and the transition to a newly constructed long duration agreement is normally done with the assistance of a consultant specializing in these matters. Staff recommends that the Environmental Committee begin the process with a well advertised study session to develop recommended services. The Environmental Committee will consider public input and formulate a recommendation for desired service changes. Staff would then return to Council with the Environmental Committee recommendation, and with a recommendation for a consultant to assist with the RFP process and agreement implementation.

## **ALTERNATIVES**

An alternative is to include referral of all issues involving the new franchise agreement and service funding to the Environmental Committee for a recommendation.

Another alternative is for Council to consider the issues of new service without Environmental Committee input. This alternative is not recommended because the Environmental Committee is comprised of citizens with a particular interest in these types of issues and staff believes the Committee is particularly suited to advise Council regarding solid waste and recycling.

Jim Gustafson Engineering Services Manager

solid waste service changes