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MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Home of the Lost Chama Mercantile

Corrected

SPECIAL MEETING NOTICE & AGENDA

Wednesday
January 8, 2014

Seaside City Hall
Council Chambers
440 Harcourt Avenue, Seaside, CA 93955

CALL TO ORDER AT 5:00 PM

ROLL CALL AND ESTABLISHMENT OF QUORUM

PLEDGE OF ALLEGIANCE

PUBLIC COMMUNICATIONS

Anyone wishing to address the Board on the matter listed on the Agenda may do so. *Please limit comments to a maximum of three (3) minutes.*

ITEM FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

- 1) Receive Recommendation from MRWMD's Technical Advisory Committee to Select GreenWaste Recovery of San Jose, CA, as the Solid Waste, Recycling, and Organics Collection Franchisee for the Seven Participating Agencies of the District (The Cities of Carmel-by-the-Sea, Del Rey Oaks, Marina, Pacific Grove, Sand City, Seaside, and the Pebble Beach Community Services District), for a Ten Year Contract Beginning at the Conclusion of the Current Refuse and Recycling Collection Contracts in 2015.

DATE OF NEXT REGULAR MEETING: JANUARY 17, 2014

This agenda was posted at the District offices at 14201 Del Monte Blvd, Marina, CA. Staff reports and additional information regarding these agenda items are available on the District website (www.mrwmd.org) and at the District offices during regular business hours (additional fee for copying). Information distributed after distribution of Board packets will be made available in the same manner. **Americans with Disabilities Act (ADA):** In compliance with the ADA, if you need special assistance to participate in this meeting, please contact Becky Aguilar at 831-384-5313 or baquilar@mrwmd.org. Notification in advance of the meeting will enable District to make reasonable arrangements to ensure accessibility.



Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

Reviewed by: LO mm Date: 1.3.14
General Manager

Date: January 3, 2014
To: General Manager
From: Deputy General Manager for Community Programs
Subject: Recommendation of Franchisee for New Solid Waste, Recycling, and Organics Collection Agreements

EXECUTIVE SUMMARY

Following the development of a model franchise agreement, the Technical Advisory Committee (TAC) of the Monterey Regional Waste Management District (District) drafted and issued a competitive request for proposals (RFP) that resulted in proposals from four qualified firms. The evaluation committee of the TAC extensively reviewed and discussed those proposals, and now recommends that GreenWaste Recovery of San Jose be selected as the new solid waste, recycling, and organics collection franchisee in each of the seven participating member agencies of the District for a ten-year term beginning in 2015. The TAC found GreenWaste Recovery's proposal provided the greatest overall value relative to the stated objectives of the RFP process, as approved by each of the participating agencies. Some of the key distinguishing characteristics of GreenWaste Recovery's proposal that form the basis for this recommendation include:

1. GreenWaste Recovery generally offers the lowest overall cost of service for the base and alternative proposals (NOTE: there are some conditions and communities where Waste Management offered lower cost options).
2. GreenWaste Recovery, uniquely, took no significant exceptions to the draft franchise agreement that was approved by each of the participating agencies. This ensures that the participating agencies will get the business terms that they wanted. Additionally, neither the agency nor the customer will be required to assume more risk.
3. GreenWaste Recovery demonstrated a commitment to the communities' goal of reaching a 75% recycling rate by 2020 – consistent with the state goal established in AB 341 and the local 75% recycling goal adopted by the District. The TAC believes that GreenWaste Recovery will provide leadership in this area, working proactively with the participating agencies to promote continual improvement to achieve this goal.
4. GreenWaste Recovery demonstrated flexibility in its partnership with the communities. This was evidenced in several ways, including: their options for processing recyclables, desire to partner with the District on aspects of their proposal, willingness to serve any number of the participating agencies, and a variety of approaches to community engagement and outreach.
5. A smooth transition between service providers. GreenWaste Recovery has demonstrated success in implementing services and particularly in transitioning franchise services from other contractors, while retaining local drivers. They described transitioning seven franchises from Waste Management and two from Recology since 2007. In their 2007 Santa Cruz County transitions from Waste Management, GreenWaste Recovery reports hiring 54 drivers from the previous operation and notes that all of those drivers remain employed with them today.

Assuming that each agency accepts and approves the recommendation of the TAC, the next step in the process is for the participating agency staff to meet with the identified service provider to finalize the negotiation of rates to be charged to customers and any other contractual terms. Each participating agency's acceptance and approval of this recommendation is only an authorization for their staff to proceed with the negotiation – it is specifically not an authorization to enter into the franchise agreement.

PROCESS OVERVIEW

The District TAC, on behalf of the cities of Carmel-by-the-Sea, Del Rey Oaks, Marina, Pacific Grove, Sand City, Seaside, and the Pebble Beach Community Services District (hereinafter "Participating Agencies"), requested proposals for the collection of solid waste, recyclable materials, and organic materials. While the District has facilitated the process, through its TAC, each participating agency will enter into a separate franchise agreement with the service provider that is selected.

Each participating agency wanted to ensure the rates charged in their community reflect their specific cost of service and are not subsidizing (or being subsidized by) other communities. As such, the participating agencies requested that each proposer provide separate proposal cost forms, specific to each participating agency, along with a proposed cost savings resulting from the award of multiple agreements to one company.

The process began in January 2011 when the District enlisted the professional services of HF&H Consultants. This firm is recognized as a leader in the State in working with public agencies and local government to develop state-of-the-industry franchise agreements, competitively select service providers, and negotiate fair contracts. Next, the District funded development of a model franchise agreement for member agency use. The terms of the new agreement were developed and agreed upon by all participating agency TAC members.

After the model franchise agreement was finalized by the participating agencies, it was circulated to potential proposers to solicit their feedback. The purpose for soliciting this input was to ensure any significant issues, from the industry's perspective, were addressed in advance of the proposal process. The TAC considered the comments received and made appropriate adjustments to the model franchise agreement.

The District and TAC began developing the RFP in October 2012. One of the approaches to the RFP process was that the base services requested in the RFP were programs and services similar to the current services provided in each participating agency. The RFP relied heavily on the District's July 2012 waste characterization analysis when considering system design. This characterization study helped the TAC understand the constituent parts of the waste stream and to develop programs to target the largest remaining recyclable or compostable material types. This resulted in four optional alternative services:

1. **Residential Mixed Organics Collection:** This program allows residents to recycle their food scraps and food-soiled paper by placing them in their green cart along with yard trimmings for composting.
2. **Commercial Organics Collection:** This would expand the current pilot program to include any food generating business that wanted to participate in recycling their food waste.
3. **Expanded Bulky Item Collection:** This would expand the current bulky item program frequency and range of acceptable materials, and would reorient the collection program to partner with the District's Last Chance Mercantile to maximize re-use.

4. **Enhanced Public Education and Outreach:** This would significantly increase the volume, frequency, and effectiveness of communication with the public with the goal of increasing participation among residential and commercial customers while minimizing contamination in waste reduction, recycling, reuse, and composting programs.

Each alternative service was priced separately as an option to provide transparency to elected officials and the public when making program and service choices that could impact rates. The RFP also asked proposers for cost savings proposals, if appropriate.

The final RFP was approved by the District Board as well as each of the participating agency's individual elected bodies in April and May 2013. The RFP was issued on May 28, 2013 to eight potential service providers and two statewide industry associations. The RFP, model franchise agreement, and all attachments were posted to the HF&H website for download.

A pre-proposal meeting was held at the District's offices on June 20, 2013. It was mandatory for all interested parties to attend and the District reserved the right to reject proposals received from proposers that did not attend. The interested parties were asked to submit any questions regarding the RFP by July 12 via email. There were four addenda distributed to interested parties between June 27 and July 19. The addenda responded to questions from interested parties, clarified data, and provided additional information that became available after the issuance of the RFP.

In response to requests from proposers, the proposal deadline was extended from the original due date of August 16 to September 13, 2013. The District received proposals from four companies: Bayside Sanitation of Santa Clara, GreenWaste Recovery of San Jose; Monarch Resource Recovery of Fresno; and, Waste Management, Inc. of Houston, Texas.

An evaluation committee was assembled by the District TAC to perform a detailed evaluation of the proposals. This included a comprehensive review of the proposals received. The factors that were considered by the evaluation committee when evaluating each proposal included: responsiveness to the RFP; the company's collection experience, key personnel, performance record, and financial stability; the technical proposal for base services; technical proposal for alternative services; implementation plan, acceptance of the RFP and franchise terms; environmental considerations; and, cost proposals.

The evaluation committee was comprised of the following: at least one staff person from each participating agency; senior District staff; the District's HF&H consultant; an outside agency expert from the City of Monterey; and, an outside industry expert from the South Bayside Waste Management Authority who recently went through a similar multi-agency competitive procurement.

Interviews of all four proposers were conducted at the District's offices on October 30, 2013. Each team of proposers was interviewed for 90 minutes by the evaluation committee.

Public presentations were made by all four proposers at Seaside City Hall on November 18, 2013. The goal of these presentations was to communicate the highlights of each proposal to the public and to help the public understand the companies, their capabilities, and their approaches to providing service. The evaluation committee conducted two additional meetings to discuss the proposals and develop recommendations to the District Board and the elected body of each of the participating agencies.

SUMMARY OF PROPOSALS RECEIVED

As noted above, proposals were received from four companies (Bayside Sanitation, GreenWaste Recovery, Monarch Resource Recovery, and Waste Management). Each of the four companies is qualified and financially capable of performing the work described in the RFP and each has demonstrated experience providing similar services in other communities.

The following presents a brief summary of the distinguishing elements of each proposal. The proposals received include descriptions of the operational, staffing, capital, implementation, customer service, public outreach, and other plans of the proposer that are necessary elements of performing the work. In the interest of transparency and to provide the public with the full and unabridged details of each proposal, they have been made available to the public at www.hfh-consultants.com/MRWMD/. Printed copies of the proposals may also be reviewed during MRWMD office hours, by appointment.

Bayside Sanitation

- **Recycling and Public Outreach:** Bayside Sanitation believes that they would be capable of achieving the recovery rate requested in the RFP, if the alternative services identified in the RFP were adopted and if the participating agencies took a more exclusive approach to the management of construction and demolition debris.
- **Facilities:** Bayside Sanitation would lease space for vehicle parking, vehicle maintenance, and administrative/customer service offices from the District. In addition, Bayside Sanitation would deliver recyclables collected under these contracts to the District's MRF.
- **Vehicles & Fueling:** Bayside Sanitation would utilize a Compressed Natural Gas (CNG) fleet and would establish a CNG fueling station at the vehicle parking area leased from the District. Bayside Sanitation has experience with three similar fueling stations and CNG equipment.
- **Implementation:** The implementation plan provided by Bayside Sanitation was thorough and demonstrated their data-driven and technology-oriented approach to understanding the service requirements and ensuring the success of the roll-out. During the interview, the owners committed to being personally focused on the transition and start-up. They gave an example of this dedication in a previous roll-out. In the City of Livermore, the owners provided their personal cell phone numbers to customers who had problems to ensure satisfactory resolution of their issues.
- **Labor:** Bayside Sanitation has expressed their interest in retaining the employees that are currently providing service in the area (especially the drivers, supervisors, and customer service staff). Bayside Sanitation also stated their willingness to sign a Memorandum of Understanding with the employee bargaining groups to demonstrate their commitment to working with the local labor organization.
- **Local Presence:** Bayside Sanitation would establish a local presence at the District's facility and would do as much local purchasing as economically feasible. The owners of the company are located in the Bay Area and a local management team would be hired.

- **Cost of Service:** Bayside Sanitation was generally a higher-cost proposal, being the most expensive in the combined (all participating agencies) base proposal and second most expensive in the proposal including all alternate services. They did offer the lowest cost of service for the two smallest communities: Del Rey Oaks and Sand City; however, they stated in their interview that it would be impractical for them to receive and execute the contract for a small portion of the service area because of the facility requirements and their need to reallocate certain overhead and facility costs.
- **Contract Exceptions:** Bayside Sanitation took 18 exceptions to the draft franchise language (the second most of any proposal) with half of those exceptions representing issues of medium or high significance to the participating agencies. Notably, they asked that the compensation methodology be revised such that all wage and benefit expenses for unionized workers be passed through to the ratepayers and not indexed.

GreenWaste Recovery

- **Recycling and Public Outreach:** The evaluation committee felt that GreenWaste Recovery's recycling, public education, and outreach plans were superior to any of the other proposals. GreenWaste Recovery included all of the education and outreach requirements of proposal alternative #4 in their base proposal at no additional cost. Their stated reason for this is that they believe the education and outreach is critical to achieving a 75% recycling rate by 2020, consistent with the state goal established in AB 341 and the local 75% recycling goal adopted by the District. GreenWaste Recovery demonstrated through the interview, public presentation, and examples of their activities in other communities that they will provide proactive leadership for regional recycling and waste reduction efforts.
- **Facilities:** GreenWaste Recovery would lease space for vehicle parking, vehicle maintenance, and administrative/customer service offices from the District. GreenWaste Recovery will either: transfer recyclables at the District's facility and process them at their recycling facility in San Jose, resulting in a guaranteed \$30/ton rebate to customers for the life of the agreement(s); or, deliver the recyclables to the District for processing.
- **Vehicles & Fueling:** GreenWaste Recovery would utilize a CNG fleet and would establish a CNG fueling station at the vehicle parking area leased from the District.
- **Implementation:** GreenWaste Recovery provided a thorough and well-documented implementation plan that clearly identifies the major issues that are likely to occur during the transition and their approach to resolving those issues. During their interview, GreenWaste Recovery talked about how their focus during a transition is primarily to ensure the material is collected and that the company's internal issues have to be secondary to the customers' need. GreenWaste Recovery illustrated their service transition capability by noting that they have successfully transitioned seven franchises from Waste Management and two from Recology during a recent seven-year period.
- **Labor:** GreenWaste Recovery expressed their desire to retain the current labor force that provides service to the community currently and noted their success in transitioning former Waste Management organized labor forces in previous transitions. In fact, GreenWaste Recovery reports that they continue to employ 100% of the work force (54 employees) that they transitioned from Waste Management in their Santa Cruz County, Capitola, Scotts Valley, and State Beach contracts in 2007.
- **Local Presence:** GreenWaste Recovery is currently providing service in several jurisdictions in Santa Cruz County and at CSUMB. They would establish a local operations and customer service presence for these contracts at the District's facility. GreenWaste Recovery would establish relationships locally for purchasing

the goods, services, and supplies needed to provide service under the agreement. GreenWaste Recovery has been actively involved in the community for the past several years and would expand their support and involvement in local environmental activities and community groups. The General Manager (GM) that will be responsible for these contracts was previously Waste Management's local manager for operations in Monterey and Santa Cruz counties. Notably, the GM would split time between Santa Cruz County operations and the Peninsula communities.

- **Cost of Service:** Looking at all of the service areas as a whole, GreenWaste Recovery offers the lowest cost of service for the base and alternate service packages. GreenWaste Recovery was more expensive than Waste Management in the individual communities of Carmel and Sand City for both the base and alternative services.
- **Contract Exceptions:** GreenWaste Recovery took only one exception to the draft franchise agreement which the evaluation committee considers insignificant (a minor change to a noticing requirement on insurance). The ability to proceed on the business terms and under the risk allocation that the agencies defined at the outset of the process is a significant distinguishing factor for GreenWaste Recovery.

Monarch Resource Recovery

- **Recycling and Public Outreach:** Monarch Resource Recovery offered a very robust recycling and public outreach program. This program includes the use of a recycling outreach consulting group to train local college interns to provide technical assistance to each and every business and multi-family property in the service area. In addition, Monarch's proposal provides for the most staffing for the public education and outreach efforts that will be needed to achieve the recycling goals of the agencies.
- **Facilities:** Monarch Resource Recovery would lease space for vehicle parking, vehicle maintenance, and administrative/customer service offices from the District. In addition, Monarch Resource Recovery would deliver recyclables collected under these contracts to the District's MRF and has arranged for back-up capacity with A&S Metals of Castroville.
- **Vehicles & Fueling:** Monarch Resource Recovery would utilize a CNG fleet and would establish a CNG fueling station at the vehicle parking area leased from the District.
- **Implementation:** Monarch Resource Recovery prepared a thorough transition plan that clearly articulates their process and includes frequent meetings with participating agency staff to ensure that they are aware of issues and involved in the process. Monarch Resource Recovery illustrated their experience with complex transitions in their recent two-month transition in the City of Fresno where the company assumed the City's former employees, vehicles, containers, and customer data and had to quickly prepare for and implement the new services.
- **Labor:** Monarch Resource Recovery expressed their desire to retain the current employees who are providing service to ensure continuity and described a number of previous transitions where retaining the employees was critical to the success of the transition. Monarch Resource Recovery is willing to work with an organized labor group and assumed the costs of the current collective bargaining agreement in their estimate of labor costs, however none of their current labor force is represented.
- **Local Presence:** Monarch's owners are located in Kerman, California (near Fresno) and they would establish a local management team that would be dedicated to the operations in Monterey County. The company would engage in local purchasing for the services, goods, and supplies required to provide service under this agreement.

- **Cost of Service:** Monarch Resource Recovery was generally the highest-cost proposal. Monarch Resource Recovery presented a significant discount for the award of combinations of multiple participating agencies, the biggest discount coming from the award of all contracts. Even with the significant discount for the award of multiple participating agencies, Monarch Resource Recovery was still the most expensive.
- **Contract Exceptions:** Monarch Resource Recovery took 13 exceptions to the draft franchise agreement with 8 of those exceptions being in areas that the evaluation committee believed to be of medium or high significance to the participating agencies.

Waste Management

- **Recycling and Public Outreach:** Waste Management is the only company under Alternative #2 to offer universal rollout of commercial organics collection service to all businesses (as opposed to targeting food generating businesses only). This comes at an expense nearly double that (approximately \$400,000/year) of what is assumed by GreenWaste Recovery. In addition, Waste Management (under Alternative #4) is proposing the highest spending (though not the highest staffing) on enhanced public education. The evaluation committee is concerned that Waste Management did not understand the participating agencies' goals for an improved recycling system. This concern comes from several issues in their proposal, interview, and public presentation:
 - Waste Management did not initially understand that the Cities of Marina and Seaside would implement universal green waste collection in an effort to increase diversion.
 - Waste Management initially proposed a 10% per year increase in the number of customers participating in the commercial food waste program. When pressed for the current participation, they identified only 10 current customers. Adding one customer per year is inconsistent with the goal of having all food generating businesses participate in this program. Once these assumptions were questioned by the evaluation committee, Waste Management did revise their proposal to have the most robust commercial organics collection program of any of the proposers.
 - Waste Management offered a cost saving proposal that would reduce recycling and green waste collection frequency from weekly to every-other-week. The evaluation committee believes that this reduced collection frequency would have a negative impact on diversion of between 2,000 and 5,000 tons per year and considered that this alternative was not responsive to the diversion goal stated in the RFP.
 - Waste Management offers no financial value for the recyclables collected in the community and will not deliver those recyclables to the District's material recovery facility (MRF) for processing, given their ownership of a preexisting MRF in Castroville.
 - During the interviews and public presentation, Waste Management presented an overview of the programs it currently provides and did not explain in detail any new programs or services necessary to help achieve the community's recycling diversion goals. The committee believes that this perspective is contrary to the community's desire to be sustainability leaders and to continuously improve programs aimed at increasing recycling and sustainability.
- **Facilities:** Waste Management would operate out of their current facility in Castroville. Waste Management would process recyclables at the Castroville MRF. Waste Management offered to establish a local call center for customer service; however, that option would add \$685,000 per year to their proposed cost of service for the whole service area (and, depending on how that cost was allocated, would change their overall cost ranking in several communities).

- **Vehicles & Fueling:** Waste Management has already begun to convert their fleet to CNG, using landfill gas produced at the Altamont Landfill, located in Alameda County. The balance of the fleet would be converted to CNG under these agreements.
- **Implementation:** Waste Management is in the unique position of having a much smaller scale implementation, given that the facilities, some equipment, customer data, and routing are already in place. They could, uniquely, begin implementation in advance of the expiration of the current contracts. Waste Management's initial implementation plan submittal was a high-level outline that did not provide sufficient detail for the evaluation committee to understand if they would be adequately prepared for the transition. Upon request, Waste Management prepared a much more thorough implementation plan documenting the details of their approach and their resource capacity.
- **Labor:** Waste Management would utilize their current labor force.
- **Cost of Service:** Waste Management offered the second lowest cost of service, overall, for the base and alternative proposals. They were the lowest cost base and alternate proposal for Carmel and the lowest viable proposal for Sand City (note: Bayside was the absolute lowest, but they stated that they could not offer that pricing on a stand-alone basis if only awarded one participating agency's franchise agreement). In addition, Waste Management submitted two cost saving proposals, which allowed for a lower cost. The committee does not believe that these cost saving approaches, especially Cost Saving Proposal #2, are consistent with the communities' desires and the goals of the RFP:
 - **Cost Saving Proposal 1 – Existing Capital:** Waste Management proposed to phase in new trucks and containers at a rate of approximately 10% per year. This would result in used equipment being in place for nearly all of the term of the new franchise agreements. The committee included a requirement in the RFP and franchise for the selected contractor to implement brand new equipment throughout the service area that establishes a uniform container color coding scheme matching the approach of other communities throughout the state (blue for recycling, green for green waste, and black or grey for waste). The committee believes (and other proposers reinforced) that the current container inventory is dilapidated and does a poor job of communicating to the customer what materials are placed in which container. The committee believes that this is an impediment to the "high quality and consistent services" and the achievement of "high levels of customer engagement" in recycling that were stated goals in the RFP. A survey was done to document the condition of the existing container inventory and that research is presented in Attachment B.
 - **Cost Saving Proposal 2 – Every Other Week Recycling/Green Waste:** Waste Management proposed to modify the current program of collecting recycling and green waste on a weekly basis. Waste Management proposed to establish a program where customers would alternate collection weeks with one week being a green waste week and the next week being a recycling week. The committee believes that this is a significant step backwards and would have a significant and negative impact on the level of recycling in the community. Accordingly, the committee considered the proposal to be unresponsive to the RFP recycling goal.
 - **Contract Exceptions:** Waste Management took the largest number of exceptions (48) and the most significant exceptions (30) to the model franchise agreement. When questioned about some of the specific terms, Waste Management was willing to withdraw its position on many of the most severe issues. While the severity and number of the contract issues has been reduced by their clarifications, the number of issues remaining to be negotiated with Waste Management is significant and the risk allocation they have proposed places the most risk on the participating agencies of any of the proposers.

BASIS FOR EVALUATION COMMITTEE RECOMMENDATION

The evaluation committee considered each of the evaluation criteria identified in Section 6.2 of the RFP as well as the goals and objectives of the RFP process in making their recommendation. The basis for the committee's recommendation of GreenWaste Recovery is presented below with regard to each of the goals and objectives of the process.

1. Maximizing Quality and Consistency of Services

Service quality is one of the consistent features of the solid waste collection industry and most companies do a very good job at providing responsive customer-service. All four proposers highlighted their focus on service quality through their proposals, interviews, and public presentations. All proposers have implemented systems for tracking the quality of service provided by their drivers and customer service teams.

The evaluation committee felt that the significant distinguishing factor in this objective was Waste Management's Cost Savings #1 proposal utilizing the equipment (particularly the containers) currently in service for a significant period of time before purchasing new equipment. This approach, while producing cost savings, does not meet the goal of maximizing quality and consistency of service. Based on the survey of conditions in each of the communities, it is clear to the evaluation committee that Waste Management's existing equipment is of poor quality (e.g. broken lift bars, cracked lids, vandalized carts and bins, etc.) and functionality (e.g. numerous and inconsistent color coding, incorrect labeling, containers with other communities' branding, etc.). The committee believes that accepting Waste Management's Cost Savings #1 proposal would be contrary to the stated objective.

An additional distinguishing factor was the inclusion of a local customer service call center in the base proposals for Bayside, GreenWaste, and Monarch to ensure familiarity with local communities and conditions. Waste Management would require an additional \$685,000 per year to establish a local call center for all seven participating agencies. The committee believes that this local familiarity is an important element of service quality.

2. Minimizing Cost of Services to Customers

GreenWaste Recovery offers the lowest overall pricing for the system that was requested in the RFP, \$16,104,824 (base proposal or \$16,522,778 for Recycling @ District MRF scenario) vs. Waste Management at \$16,734,782. In addition, GreenWaste Recovery provided the most favorable responses to interview questions about the dynamics of negotiating future changes to services that may save money for customers.

Waste Management offers a lower cost option in Carmel and Sand City for both the base and alternative services and in Del Rey Oaks for the base services. If the \$685,000 annual cost to establish a local call center was included in their proposal, Waste Management would likely not have the lowest cost in Del Rey Oaks or Sand City. If one of Waste Management's cost saving alternatives were selected they would be the lowest cost option in nearly every agency. As noted above, the evaluation committee does not recommend that the participating agencies consider either of the two "cost saving" proposals from Waste Management because those approaches do not meet the stated objectives of: 1) maximizing quality and consistency of services; 2) meeting the state and local 75% recycling goal; and, 3) providing state-of-the-industry services that maximize resource value and customer involvement.

It is worth noting that while Waste Management offers a lower cost under certain pricing scenarios, the committee is concerned that those costs may not accurately reflect true costs given the number of contractual exceptions taken by the company. The contractual issues that remain to be negotiated with Waste Management could result in a significant increase in risk (especially future rate escalation) to the participating agencies and customers, relative to GreenWaste Recovery who has accepted all of the terms of the draft agreement. Additionally, it should be noted that Waste Management's annual costs for alternative programs specified in the RFP are approximately \$1.2 million or double that of GreenWaste Recovery.

Attachment A presents a series of tables illustrating the proposed pricing options, in aggregate and for each of the participating agencies. The percentages presented at the bottom of each table indicate the estimated percentage change relative to the current revenue received by the current service provider in each community. The current revenues presented are estimated based on Waste Management's representations in their franchise fee payments to each agency. These estimates are based on historical reporting of revenues (some going back to 2012) and do not accurately reflect the current customer base, subscription level, and rates charged. The percentages presented are specifically not the rate adjustment that will be experienced by customers. The specific rate impact to each sector and service level remains to be negotiated with the selected service provider and may be significantly different from the percentages identified here, either in total or for given service levels.

3. Meeting the State's 75% Recycling Goal Locally by 2020

The evaluation committee believes that GreenWaste Recovery demonstrated through their proposal, interview, and public presentation that they would be a good partner to move the communities to the 75% recycling goal. GreenWaste Recovery was the only company that acknowledged the hauler-controlled recycling rate requirement in their proposal and specifically identified how that requirement would be achieved. GreenWaste Recovery demonstrated their commitment to achieving this goal by including all of the recycling education and outreach (requested as Alternative #4 in the RFP) in their base pricing, noting that if this community wants to get to a 75% diversion level, the education and outreach cannot be a stand-alone option and needs to be included in the overall cost of services. During the public presentations when other companies focused on service delivery, internal systems, or productivity issues, GreenWaste Recovery focused on their vision for the recycling system and the innovative nature of their company in working with communities to move to higher levels of recycling.

While the committee felt that Monarch Resource Recovery would provide a similarly beneficial partnership with regard to recycling, the difference in cost between the two firms was significant.

4. Providing State-of-the-Industry Services that Maximize Resource Value and Customer Involvement

GreenWaste Recovery and Monarch Resource Recovery both provided significant value relative to this objective. Both companies took an aggressive approach to engaging customers in the system. One element of this approach was their focus on being community partners and providing the education, outreach, and hands-on technical assistance to make sure that the community understands how best to participate in the system. Both GreenWaste Recovery and Monarch Resource Recovery focused on the "maximize resource value" portion of this objective by emphasizing monitoring and customer feed-back systems that would help to minimize the contamination of recyclables; thereby increasing the value of those recyclables in the commodity markets.

The committee was impressed with the systems integration approach proposed by Bayside and appreciated the company's willingness to share their computer systems in a transparent way with agency staff.

While Waste Management described the modernization and integration of their information systems, the systems demonstrated were focused on internal issues like driver productivity and safety and were not generally customer-facing. Waste Management's Cost Saving #2 proposal would reduce recycling and green waste service to customers by 50% – the reverse of a twenty five-year trend in the industry to offer greater levels of recycling and green waste service.

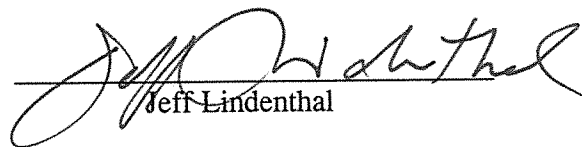
5. Receiving Franchise Fees

All proposers agreed to pay the franchise fees that were identified in the RFP and none of the proposers offered additional incentives, therefore this objective did not ultimately provide any differentiation among proposers.

CONCLUSION

Current franchise collection agreements are based on a contract nearly twenty years old. Public education, customer service, reporting standards, rate adjustment methodology, and diversion activities have evolved over the years to a standard that, by comparison, makes current franchise contracts in this community appear nearly obsolete. After decades where local collection contracts were simply extended with the existing provider, this RFP process marks the first time that local franchise agreements have been subject to a competitive procurement process.

Over the ten year base-term of these agreements, the collective value of the collection contracts among the seven participating agencies exceeds \$170,000,000. This process is intended to ensure that the participating agencies receive excellent service, value, and an overall collection and diversion system most responsive to community needs and desires. With the selection of GreenWaste Recovery, the TAC believes the participating agencies will receive the highest level of service at the most competitive cost while providing the greatest overall benefit to the participating agencies, residents and businesses. The TAC believes the selection of GreenWaste Recovery is in the best interest of the participating agencies.


Jeff Lindenthal

**Attachment A
Cost Proposal Comparison**

ALL AGENCIES

	BSI	GWR		MRR	WMI		
	Base Proposal	Base Proposal	Recycling @ MRWMD	Base Proposal	Base Proposal	Cost Saving 1	Cost Saving 2
Annual Cost of Operations							
Labor-Related Costs	\$4,431,376	\$2,595,418	\$2,595,418	\$3,257,577	\$2,679,762	\$2,601,533	\$2,183,091
Vehicle-Related Costs	\$815,122	\$325,335	\$325,335	\$611,400	\$846,957	\$902,210	\$691,253
Fuel Costs	\$214,931	\$470,724	\$470,724	\$609,115	\$454,474	\$817,353	\$656,162
Other Costs	\$399,604	\$502,111	\$502,111	\$171,820	\$181,758	\$179,198	\$167,646
Direct Depreciation	\$2,235,224	\$1,445,145	\$1,445,145	\$1,584,488	\$1,854,708	\$1,061,393	\$906,851
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$2,704,332	\$3,784,131	\$3,784,131	\$4,621,279	\$2,649,460	\$2,492,172	\$2,126,319
Total Allocated Costs - Depreciation & Start-Up	\$333,561	\$454,263	\$454,263	\$128,123	\$0	\$0	\$0
Total Annual Cost of Operations	\$11,134,150	\$9,577,126	\$9,577,126	\$10,983,802	\$8,667,119	\$8,053,857	\$6,731,322
Profit	\$1,237,128	\$1,609,346	\$1,609,346	\$1,220,422	\$3,370,546	\$2,684,619	\$2,553,260
Pass-Through Costs							
Disposal Cost	\$2,033,185	\$2,124,485	\$2,124,485	\$2,046,122	\$2,033,154	\$2,033,154	\$2,033,154
Net Processing Costs	\$684,464	\$291,575	\$664,878	\$696,829	\$693,332	\$693,332	\$677,807
Interest Expense	\$520,397	\$310,706	\$310,706	\$737,426	\$0	\$0	\$0
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$250,000	\$306,728	\$306,728	\$250,000	\$0	\$0	\$0
Total Pass-Through Costs	\$3,488,045	\$3,033,495	\$3,406,797	\$3,730,377	\$2,726,486	\$2,726,486	\$2,710,961
Total Costs before City Fees*	\$15,859,324	\$14,219,967	\$14,593,270	\$15,934,602	\$14,764,151	\$13,464,963	\$11,995,544
City Fees							
Franchise Fee	\$1,938,473	\$1,744,524	\$1,786,242	\$1,770,494	\$1,832,301	\$1,676,154	\$1,499,578
Litter Abatement Fee	\$147,056	\$140,333	\$143,267	\$164,224	\$138,330	\$110,392	\$101,117
Total City Fees	\$2,085,528	\$1,884,857	\$1,929,508	\$1,934,718	\$1,970,631	\$1,786,546	\$1,600,695
Total Proposed Annual Costs	\$17,944,852	\$16,104,824	\$16,522,778	\$17,869,319	\$16,734,782	\$15,251,509	\$13,596,239
Alternative 1 - SFD Mixed Organics	(\$2,711)	\$14,250	\$14,250	\$286,637	\$88,086	\$88,086	\$88,086
Alternative 2 - Commercial Organics	\$387,297	\$423,175	\$423,175	\$194,191	\$817,039	\$817,039	\$817,039
Alternative 3 - Expanded Bulky Item Events	\$253,933	(\$3,179)	(\$3,179)	\$537,353	\$22,517	\$22,517	\$22,517
Alternative 4 - Enhanced Public Education/Outreach	\$90,659	\$184,600	\$184,600	\$209,594	\$305,556	\$305,556	\$305,556
Local Call Center	Included	Included	Included	Included	\$685,000	\$685,000	\$685,000
Total Proposed Annual Costs - Base + Alternatives	\$18,674,030	\$16,723,669	\$17,141,623	\$19,097,096	\$18,652,981	\$17,169,707	\$15,514,437
\$15,370,850	Impact vs. Estimated Current Revenues						
Base Services vs. Est. Current Revenue	17%	5%	7%	16%	9%	-1%	-12%
Base & Alternate Services vs. Est. Current Revenue	21%	9%	12%	24%	21%	12%	1%

**Attachment A
Cost Proposal Comparison**

CARMEL

	BSI	GWR		MRR	WMI		
	Base Proposal	Base Proposal	Recycling @ MRWMD	Base Proposal	Base Proposal	Cost Saving 1	Cost Saving 2
Annual Cost of Operations							
Labor-Related Costs	\$1,210,390	\$556,705	\$556,705	\$716,939	\$355,244	\$355,244	\$278,539
Vehicle-Related Costs	\$144,086	\$63,169	\$63,169	\$114,400	\$107,455	\$107,455	\$79,112
Fuel Costs	\$36,896	\$62,419	\$62,419	\$106,800	\$59,941	\$120,128	\$90,441
Other Costs	\$68,976	\$73,596	\$73,596	\$39,120	\$11,351	\$11,351	\$9,623
Direct Depreciation	\$296,798	\$184,627	\$184,627	\$241,479	\$203,648	\$136,345	\$111,826
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$304,576	\$636,068	\$636,068	\$1,011,313	\$364,220	\$363,420	\$302,909
Total Allocated Costs - Depreciation & Start-Up	\$37,567	\$58,516	\$58,516	\$26,000	\$0	\$0	\$0
Total Annual Cost of Operations	\$2,099,288	\$1,635,100	\$1,635,100	\$2,256,050	\$1,101,858	\$1,093,943	\$872,451
Profit	\$233,254	\$268,854	\$268,854	\$250,672	\$428,501	\$364,648	\$330,930
Pass-Through Costs							
Disposal Cost	\$167,138	\$186,544	\$186,544	\$167,656	\$167,153	\$167,153	\$167,153
Net Processing Costs	\$91,495	\$26,311	\$90,027	\$95,914	\$93,455	\$93,455	\$77,930
Interest Expense	\$92,496	\$39,695	\$39,695	\$52,163	\$0	\$0	\$0
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$28,156	\$43,233	\$43,233	\$250,000	\$0	\$0	\$0
Total Pass-Through Costs	\$379,285	\$295,783	\$359,499	\$565,732	\$260,607	\$260,607	\$245,082
Total Costs before City Fees*	\$2,711,827	\$2,199,736	\$2,263,453	\$3,072,455	\$1,790,966	\$1,719,197	\$1,448,462
City Fees							
Franchise Fee	\$301,284	\$244,415	\$251,494	\$341,350	\$198,976	\$191,003	\$160,924
Total City Fees	\$301,284	\$244,415	\$251,494	\$341,350	\$198,976	\$191,003	\$160,924
	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Total Proposed Annual Costs - Base	\$3,013,111	\$2,444,151	\$2,514,947	\$3,413,804	\$1,989,942	\$1,910,200	\$1,609,386
Alternative 1 - SFD Mixed Organics	(\$1,544)	\$1,800	\$1,800	\$140,290	\$19,562	\$19,562	\$19,562
Alternative 2 - Commercial Organics	\$53,243	\$44,695	\$44,695	\$132,437	\$256,903	\$256,903	\$256,903
Alternative 3 - Expanded Bulky Item Events	\$32,421	(\$95)	(\$95)	\$129,420	\$0	\$0	\$0
Alternative 4 - Enhanced Public Education/Outreach	\$18,463	\$34,143	\$34,143	\$149,137	\$31,142	\$31,142	\$31,142
Local Call Center	Included	Included	Included	Included	\$ 87,085	\$ 93,042	\$ 88,783
Total Proposed Annual Costs - Base + Alternatives	\$3,115,693	\$2,524,693	\$2,595,489	\$3,965,088	\$2,384,634	\$2,310,850	\$2,005,777
\$2,011,280	Impact vs. Estimated Current Revenues						
Base Services vs. Est. Current Revenue	50%	22%	25%	70%	-1%	-5%	-20%
Base & Alternate Services vs. Est. Current Revenue	55%	26%	29%	97%	19%	15%	0%

**Attachment A
Cost Proposal Comparison**

DEL REY OAKS

	BSI	GWR		MRR	WMI		
	Base Proposal	Base Proposal	Recycling @ MRWMD	Base Proposal	Base Proposal	Cost Saving 1	Cost Saving 2
Annual Cost of Operations							
Labor-Related Costs	\$96,642	\$58,888	\$58,888	\$158,926	\$78,364	\$78,364	\$66,576
Vehicle-Related Costs	\$20,056	\$7,901	\$7,901	\$43,550	\$21,879	\$21,879	\$16,127
Fuel Costs	\$5,284	\$13,950	\$13,950	\$40,380	\$14,109	\$17,042	\$14,896
Other Costs	\$9,864	\$12,648	\$12,648	\$20,580	\$2,609	\$2,609	\$2,278
Direct Depreciation	\$56,810	\$42,664	\$42,664	\$113,245	\$62,676	\$50,780	\$43,438
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$68,595	\$119,802	\$119,802	\$328,863	\$64,683	\$63,423	\$52,211
Total Allocated Costs - Depreciation & Start-Up	\$8,461	\$14,110	\$14,110	\$12,000	\$0	\$0	\$0
Total Annual Cost of Operations	\$265,712	\$269,963	\$269,963	\$717,544	\$244,320	\$234,097	\$195,525
Profit	\$29,524	\$71,677	\$71,677	\$79,727	\$95,013	\$78,032	\$74,165
Pass-Through Costs							
Disposal Cost	\$52,537	\$55,675	\$55,675	\$52,538	\$52,526	\$52,526	\$52,526
Net Processing Costs	\$11,857	(\$6,646)	\$11,551	\$11,412	\$12,099	\$12,099	\$12,099
Interest Expense	\$12,658	\$9,173	\$9,173	\$29,799	\$0	\$0	\$0
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$6,341	\$8,450	\$8,450	\$250,000	\$0	\$0	\$0
Total Pass-Through Costs	\$83,392	\$66,652	\$84,849	\$343,749	\$64,625	\$64,625	\$64,625
Total Costs before City Fees*	\$378,628	\$408,292	\$426,489	\$1,141,021	\$403,959	\$376,755	\$334,315
City Fees							
Franchise Fee	\$42,066	\$45,365	\$47,387	\$126,767	\$44,880	\$41,857	\$37,142
Total City Fees	\$42,066	\$45,365	\$47,387	\$126,767	\$44,880	\$41,857	\$37,142
	10%	10%	10%	10%	10%	10%	10%
Total Proposed Annual Costs	\$420,693	\$453,657	\$473,876	\$1,267,788	\$448,839	\$418,612	\$371,458
Alternative 1 - SFD Mixed Organics	(\$26)	\$300	\$300	\$51,921	\$1,973	\$1,973	\$1,973
Alternative 2 - Commercial Organics	\$10,172	\$3,197	\$3,197	\$81,699	\$8,487	\$8,487	\$8,487
Alternative 3 - Expanded Bulky Item Events	\$6,425	(\$12)	(\$12)	\$135,170	\$1,287	\$1,287	\$1,287
Alternative 4 - Enhanced Public Education/Outreach	\$2,090	\$330	\$330	\$134,010	\$6,753	\$6,753	\$6,753
Local Call Center	Included	Included	Included	Included	\$ 19,310	\$ 19,911	\$ 19,897
Total Proposed Annual Costs - Alternatives	\$439,355	\$457,472	\$477,691	\$1,670,589	\$486,648	\$457,022	\$409,854
\$423,200	Impact vs. Estimated Current Revenues						
Base Services vs. Est. Current Revenue	-1%	7%	12%	200%	6%	-1%	-12%
Base & Alternate Services vs. Est. Current Revenue	4%	8%	13%	295%	15%	8%	-3%

**Attachment A
Cost Proposal Comparison**

MARINA

	BSI	GWR		MRR	WMI		
	Base Proposal	Base Proposal	Recycling @ MRWMD	Base Proposal	Base Proposal	Cost Saving 1	Cost Saving 2
Annual Cost of Operations							
Labor-Related Costs	\$720,325	\$469,587	\$469,587	\$661,330	\$442,579	\$442,579	\$364,232
Vehicle-Related Costs	\$150,791	\$58,791	\$58,791	\$139,800	\$160,992	\$185,923	\$137,767
Fuel Costs	\$39,829	\$89,921	\$89,921	\$132,600	\$78,283	\$187,439	\$154,180
Other Costs	\$74,006	\$96,733	\$96,733	\$47,270	\$14,517	\$14,517	\$12,278
Direct Depreciation	\$443,745	\$274,407	\$274,407	\$349,305	\$362,139	\$180,843	\$153,450
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$518,455	\$681,730	\$681,730	\$980,657	\$473,926	\$457,577	\$384,563
Total Allocated Costs - Depreciation & Start-Up	\$63,948	\$91,702	\$91,702	\$18,050	\$0	\$0	\$0
Total Annual Cost of Operations	\$2,011,099	\$1,762,871	\$1,762,871	\$2,329,011	\$1,532,434	\$1,468,877	\$1,206,471
Profit	\$223,455	\$238,255	\$238,255	\$258,779	\$595,947	\$489,626	\$457,627
Pass-Through Costs							
Disposal Cost	\$452,466	\$470,617	\$470,617	\$452,474	\$452,450	\$452,450	\$452,450
Net Processing Costs	\$100,501	\$43,156	\$98,006	\$101,124	\$101,121	\$101,121	\$101,121
Interest Expense	\$96,382	\$58,997	\$58,997	\$122,300	\$0	\$0	\$0
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$47,928	\$57,166	\$57,166	\$237,500	\$0	\$0	\$0
Total Pass-Through Costs	\$697,276	\$629,937	\$684,786	\$913,398	\$553,571	\$553,571	\$553,571
Total Costs before City Fees*	\$2,931,830	\$2,631,062	\$2,685,912	\$3,501,188	\$2,681,952	\$2,512,074	\$2,217,669
City Fees							
Franchise Fee	\$325,726	\$292,332	\$298,434	\$388,982	\$297,965	\$279,091	\$246,383
Total City Fees	\$325,726	\$292,332	\$298,434	\$388,982	\$297,965	\$279,091	\$246,383
	10%	10%	10%	10%	10%	10%	10%
Total Proposed Annual Costs	\$3,257,557	\$2,923,395	\$2,984,346	\$3,890,170	\$2,979,917	\$2,791,165	\$2,464,052
Alternative 1 - SFD Mixed Organics	\$350	\$2,700	\$2,700	\$114,868	\$5,516	\$5,516	\$5,516
Alternative 2 - Commercial Organics	\$129,760	\$96,346	\$96,346	\$150,140	\$144,637	\$144,637	\$144,637
Alternative 3 - Expanded Bulky Item Events	\$51,019	(\$1,102)	(\$1,102)	\$183,961	\$4,685	\$4,685	\$4,685
Alternative 4 - Enhanced Public Education/Outreach	\$17,116	\$34,838	\$34,838	\$187,841	\$66,997	\$66,997	\$66,997
Local Call Center	Included	Included	Included	Included	\$ 121,115	\$ 124,932	\$ 122,774
Total Proposed Annual Costs - Alternatives	\$3,455,802	\$3,056,176	\$3,117,128	\$4,526,981	\$3,322,867	\$3,137,931	\$2,808,661
	\$2,938,781	Impact vs. Estimated Current Revenues					
Base Services vs. Est. Current Revenue	11%	-1%	2%	32%	1%	-5%	-16%
Base & Alternate Services vs. Est. Current Revenue	18%	4%	6%	54%	13%	7%	-4%

**Attachment A
Cost Proposal Comparison**

PACIFIC GROVE

	BSI	GWR		MRR	WMI		
	Base Proposal	Base Proposal	Recycling @ MRWMD	Base Proposal	Base Proposal	Cost Saving 1	Cost Saving 2
Annual Cost of Operations							
Labor-Related Costs	\$791,533	\$527,001	\$527,001	\$828,707	\$602,779	\$524,550	\$452,779
Vehicle-Related Costs	\$163,944	\$68,278	\$68,278	\$172,000	\$183,755	\$184,531	\$163,543
Fuel Costs	\$43,945	\$107,845	\$107,845	\$208,200	\$84,073	\$115,319	\$85,187
Other Costs	\$81,341	\$116,254	\$116,254	\$53,400	\$117,284	\$114,723	\$112,918
Direct Depreciation	\$469,991	\$332,495	\$332,495	\$380,175	\$420,097	\$199,671	\$177,975
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$626,780	\$811,889	\$811,889	\$1,151,204	\$627,170	\$471,638	\$400,846
Total Allocated Costs - Depreciation & Start-Up	\$77,309	\$100,151	\$100,151	\$20,000	\$0	\$0	\$0
Total Annual Cost of Operations	\$2,254,842	\$2,063,913	\$2,063,913	\$2,813,686	\$2,035,158	\$1,610,432	\$1,393,247
Profit	\$250,538	\$394,740	\$394,740	\$312,632	\$791,450	\$536,811	\$528,473
Pass-Through Costs							
Disposal Cost	\$381,276	\$400,572	\$400,572	\$381,795	\$381,294	\$381,294	\$381,294
Net Processing Costs	\$154,315	\$86,626	\$151,187	\$157,398	\$155,804	\$155,804	\$155,804
Interest Expense	\$104,910	\$71,486	\$71,486	\$77,842	\$0	\$0	\$0
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$57,942	\$70,663	\$70,663	\$250,000	\$0	\$0	\$0
Total Pass-Through Costs	\$698,444	\$629,347	\$693,907	\$867,034	\$537,098	\$537,098	\$537,098
Total Costs before City Fees*	\$3,203,824	\$3,088,000	\$3,152,561	\$3,993,351	\$3,363,705	\$2,684,340	\$2,458,817
City Fees							
Franchise Fee	\$372,283	\$358,861	\$366,364	\$443,661	\$389,115	\$310,526	\$284,437
Litter Abatement Fee	\$147,056	\$141,750	\$144,714	\$164,224	\$138,330	\$110,392	\$101,117
Total City Fees	\$519,338	\$500,611	\$511,078	\$607,886	\$527,446	\$420,918	\$385,555
	14%	14%	14%	13%	14%	14%	14%
Total Proposed Annual Costs	\$3,723,162	\$3,588,612	\$3,663,639	\$4,601,237	\$3,891,151	\$3,105,258	\$2,844,372
Alternative 1 - SFD Mixed Organics	(\$1,825)	\$4,200	\$4,200	\$27,946	\$34,929	\$34,929	\$34,929
Alternative 2 - Commercial Organics	\$103,072	\$89,880	\$89,880	\$141,417	\$153,072	\$153,072	\$153,072
Alternative 3 - Expanded Bulky Item Events	\$63,963	(\$77)	(\$77)	\$144,968	\$6,152	\$6,152	\$6,152
Alternative 4 - Enhanced Public Education/Outreach	\$29,554	\$73,157	\$73,157	\$157,202	\$74,534	\$74,534	\$74,534
Local Call Center	Included	Included	Included	Included	\$ 160,847	\$ 136,971	\$ 141,781
Total Proposed Annual Costs - Alternatives	\$3,917,927	\$3,755,772	\$3,830,798	\$5,072,769	\$4,320,685	\$3,510,916	\$3,254,840
\$4,022,990	Impact vs. Estimated Current Revenues						
Base Services vs. Est. Current Revenue	-7%	-11%	-9%	14%	-3%	-23%	-29%
Base & Alternate Services vs. Est. Current Revenue	-3%	-7%	-5%	26%	7%	-13%	-19%

**Attachment A
Cost Proposal Comparison**

PEBBLE BEACH

	BSI	GWR		MRR	WMI		
	Base Proposal	Base Proposal	Recycling @ MRWMD	Base Proposal	Base Proposal	Cost Saving 1	Cost Saving 2
Annual Cost of Operations							
Labor-Related Costs	\$449,596	\$344,283	\$344,283	\$441,340	\$352,516	\$352,516	\$290,394
Vehicle-Related Costs	\$93,134	\$43,201	\$43,201	\$96,250	\$109,057	\$115,868	\$81,447
Fuel Costs	\$24,807	\$64,693	\$64,693	\$118,200	\$70,032	\$102,540	\$83,852
Other Costs	\$46,047	\$61,265	\$61,265	\$34,250	\$11,947	\$11,947	\$9,424
Direct Depreciation	\$261,897	\$189,330	\$189,330	\$223,895	\$228,470	\$156,629	\$121,958
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$351,993	\$463,230	\$463,230	\$798,756	\$307,522	\$311,355	\$253,707
Total Allocated Costs - Depreciation & Start-Up	\$43,416	\$60,256	\$60,256	\$19,000	\$0	\$0	\$0
Total Annual Cost of Operations	\$1,270,889	\$1,226,258	\$1,226,258	\$1,731,691	\$1,079,543	\$1,050,855	\$840,780
Profit	\$141,210	\$200,200	\$200,200	\$192,410	\$419,822	\$350,285	\$318,917
Pass-Through Costs							
Disposal Cost	\$162,262	\$181,471	\$181,471	\$162,780	\$162,236	\$162,236	\$162,236
Net Processing Costs	\$130,105	\$38,689	\$128,576	\$110,614	\$131,932	\$131,932	\$131,932
Interest Expense	\$58,796	\$40,706	\$40,706	\$46,705	\$0	\$0	\$0
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$32,540	\$41,676	\$41,676	\$250,000	\$0	\$0	\$0
Total Pass-Through Costs	\$383,703	\$302,542	\$392,429	\$570,098	\$294,168	\$294,168	\$294,168
Total Costs before City Fees*	\$1,795,801	\$1,728,999	\$1,818,886	\$2,494,199	\$1,793,534	\$1,695,308	\$1,453,865
City Fees							
Franchise Fee	\$89,790	\$91,118	\$95,855	\$131,195	\$94,397	\$89,227	\$76,519
Total City Fees	\$89,790	\$91,118	\$95,855	\$131,195	\$94,397	\$89,227	\$76,519
	5%	5%	5%	5%	5%	5%	5%
Total Proposed Annual Costs	\$1,885,591	\$1,820,117	\$1,914,742	\$2,625,394	\$1,887,930	\$1,784,534	\$1,530,384
Alternative 1 - SFD Mixed Organics	\$113	\$2,220	\$2,220	\$136,440	\$23,855	\$23,855	\$23,855
Alternative 2 - Commercial Organics	\$15,219	\$38,459	\$38,459	\$80,523	\$28,254	\$28,254	\$28,254
Alternative 3 - Expanded Bulky Item Events	\$28,842	(\$57)	(\$57)	\$143,793	\$3,061	\$3,061	\$3,061
Alternative 4 - Enhanced Public Education/Outreach	\$5,740	(\$1,943)	(\$1,943)	\$151,980	\$25,474	\$25,474	\$25,474
Local Call Center	Included	Included	Included	Included	\$ 85,321	\$ 89,378	\$ 85,560
Total Proposed Annual Costs - Alternatives	\$1,935,506	\$1,858,796	\$1,953,421	\$3,138,129	\$2,053,894	\$1,954,555	\$1,696,588
\$1,500,000	Impact vs. Estimated Current Revenues						
Base Services vs. Est. Current Revenue	26%	21%	28%	75%	26%	19%	2%
Base & Alternate Services vs. Est. Current Revenue	29%	24%	30%	109%	37%	30%	13%

**Attachment A
Cost Proposal Comparison**

SAND CITY

	BSI	GWR		MRR	WMI		
	Base Proposal	Base Proposal	Recycling @ MRWMD	Base Proposal	Base Proposal	Cost Saving 1	Cost Saving 2
Annual Cost of Operations							
Labor-Related Costs	\$64,999	\$52,896	\$52,896	\$77,964	\$109,970	\$109,970	\$109,527
Vehicle-Related Costs	\$13,986	\$6,510	\$6,510	\$29,670	\$18,044	\$18,044	\$17,747
Fuel Costs	\$3,381	\$9,201	\$9,201	\$33,420	\$8,989	\$19,761	\$19,679
Other Costs	\$6,589	\$7,226	\$7,226	\$14,290	\$2,504	\$2,504	\$2,497
Direct Depreciation	\$39,772	\$30,657	\$30,657	\$65,678	\$50,693	\$29,174	\$28,918
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$23,801	\$109,377	\$109,377	\$313,391	\$62,792	\$60,168	\$59,861
Total Allocated Costs - Depreciation & Start-Up	\$2,936	\$5,648	\$5,648	\$6,000	\$0	\$0	\$0
Total Annual Cost of Operations	\$155,464	\$221,516	\$221,516	\$540,413	\$252,993	\$239,622	\$238,228
Profit	\$17,274	\$158,593	\$158,593	\$60,046	\$98,386	\$79,874	\$90,362
Pass-Through Costs							
Disposal Cost	\$54,441	\$59,041	\$59,041	\$54,959	\$54,441	\$54,441	\$54,441
Net Processing Costs	\$17,547	\$10,485	\$17,466	\$1,418	\$18,592	\$18,592	\$18,592
Interest Expense	\$8,357	\$6,591	\$6,591	\$20,490	\$0	\$0	\$0
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$2,200	\$4,212	\$4,212	\$250,000	\$0	\$0	\$0
Total Pass-Through Costs	\$82,546	\$80,328	\$87,310	\$326,866	\$73,033	\$73,033	\$73,033
Total Costs before City Fees*	\$255,284	\$460,437	\$467,419	\$927,325	\$424,412	\$392,529	\$401,624
City Fees							
Franchise Fee	\$28,362	\$51,160	\$51,935	\$103,035	\$47,152	\$43,610	\$44,620
Total City Fees	\$28,362	\$51,160	\$51,935	\$103,035	\$47,152	\$43,610	\$44,620
	10%	10%	10%	10%	10%	10%	10%
Total Proposed Annual Costs	\$283,646	\$511,597	\$519,355	\$1,030,360	\$471,564	\$436,139	\$446,244
Alternative 1 - SFD Mixed Organics	(\$333)	\$30	\$30	\$38,879	\$14	\$14	\$14
Alternative 2 - Commercial Organics	\$37,667	\$14,685	\$14,685	\$73,658	\$31,091	\$31,091	\$31,091
Alternative 3 - Expanded Bulky Item Events	\$4,849	(\$15)	(\$15)	\$114,633	\$212	\$212	\$212
Alternative 4 - Enhanced Public Education/Outreach	\$5,384	\$5,958	\$5,958	\$123,010	\$1,322	\$1,322	\$1,322
Local Call Center	Included	Included	Included	Included	\$ 19,995	\$ 20,380	\$ 24,243
Total Proposed Annual Costs - Alternatives	\$331,214	\$532,254	\$540,012	\$1,380,540	\$524,198	\$489,158	\$503,126
\$438,565	Impact vs. Estimated Current Revenues						
Base Services vs. Est. Current Revenue	-35%	17%	18%	135%	8%	-1%	2%
Base & Alternate Services vs. Est. Current Revenue	-24%	21%	23%	215%	20%	12%	15%

**Attachment A
Cost Proposal Comparison**

SEASIDE

	BSI	GWR		MRR	WMI		
	Base Proposal	Base Proposal	Recycling @ MRWMD	Base Proposal	Base Proposal	Cost Saving 1	Cost Saving 2
Annual Cost of Operations							
Labor-Related Costs	\$1,097,892	\$612,275	\$612,275	\$745,563	\$738,310	\$738,310	\$621,044
Vehicle-Related Costs	\$229,127	\$80,771	\$80,771	\$178,200	\$245,775	\$268,510	\$195,511
Fuel Costs	\$60,790	\$127,449	\$127,449	\$183,000	\$139,048	\$255,124	\$207,929
Other Costs	\$112,781	\$139,460	\$139,460	\$57,010	\$21,547	\$21,547	\$18,629
Direct Depreciation	\$666,211	\$405,561	\$405,561	\$451,795	\$526,985	\$307,950	\$269,285
Total Allocated Costs - Labor, Vehicle, Fuel & Other	\$810,132	\$1,000,259	\$1,000,259	\$1,468,423	\$749,147	\$764,591	\$672,222
Total Allocated Costs - Depreciation & Start-Up	\$99,924	\$128,469	\$128,469	\$32,000	\$0	\$0	\$0
Total Annual Cost of Operations	\$3,076,857	\$2,494,245	\$2,494,245	\$3,115,991	\$2,420,812	\$2,356,032	\$1,984,620
Profit	\$341,873	\$293,283	\$293,283	\$346,221	\$941,427	\$785,344	\$752,787
Pass-Through Costs							
Disposal Cost	\$763,065	\$792,026	\$792,026	\$790,467	\$763,054	\$763,054	\$763,054
Net Processing Costs	\$178,645	\$95,900	\$174,780	\$184,214	\$180,331	\$180,331	\$180,331
Interest Expense	\$146,799	\$87,196	\$87,196	\$152,523	\$0	\$0	\$0
Direct Lease Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Allocated Costs - Lease	\$74,892	\$84,427	\$84,427	\$250,000	\$0	\$0	\$0
Total Pass-Through Costs	\$1,163,400	\$1,059,549	\$1,138,429	\$1,377,203	\$943,385	\$943,385	\$943,385
Total Costs before City Fees*	\$4,582,130	\$3,847,077	\$3,925,957	\$4,839,415	\$4,305,623	\$4,084,760	\$3,680,792
City Fees							
Franchise Fee	\$778,962	\$678,894	\$692,814	\$853,818	\$759,816	\$720,840	\$649,551
Total City Fees	\$778,962	\$678,894	\$692,814	\$853,818	\$759,816	\$720,840	\$649,551
	15%	15%	15%	15%	15%	15%	15%
Total Proposed Annual Costs	\$5,361,092	\$4,525,971	\$4,618,771	\$5,693,233	\$5,065,439	\$4,805,600	\$4,330,343
Alternative 1 - SFD Mixed Organics	\$553	\$3,000	\$3,000	\$160,937	\$2,237	\$2,237	\$2,237
Alternative 2 - Commercial Organics	\$38,163	\$135,914	\$135,914	\$174,135	\$194,596	\$194,596	\$194,596
Alternative 3 - Expanded Bulky Item Events	\$66,414	(\$1,821)	(\$1,821)	\$224,733	\$7,121	\$7,121	\$7,121
Alternative 4 - Enhanced Public Education/Outreach	\$12,311	\$38,117	\$38,117	\$208,596	\$99,333	\$99,333	\$99,333
Local Call Center	Included	Included	Included	Included	\$ 191,327	\$ 200,386	\$ 201,961
Total Proposed Annual Costs - Alternatives	\$5,478,533	\$4,701,180	\$4,793,981	\$6,461,635	\$5,560,053	\$5,309,274	\$4,835,591
\$4,036,034	Impact vs. Estimated Current Revenues						
Base Services vs. Est. Current Revenue	33%	12%	14%	41%	26%	19%	7%
Base & Alternate Services vs. Est. Current Revenue	36%	16%	19%	60%	38%	32%	20%

ATTACHMENT B

Survey of Collection Container Inventory

Refuse, Recycling and Yard Waste Container Visual Assessment Report for Seaside

Conducted December 5 & 10, 2013

The purpose of this visual assessment was to survey the general condition of carts and bins used for the collection of refuse, recycling and yard waste in the City of Seaside. Student interns assisted MRWMD staff in the visual assessment of residential and commercial carts and bins and reported their observations.

RESIDENTIAL: While photographing refuse carts in Seaside, inconsistencies were noticed in the labeling of the carts. Color used for the residential carts seemed arbitrary in relation to whether the cart was meant for recycling or garbage. There were grey, blue, black and green carts with a variety of lid colors in these areas. They have different uses depending on the residence. Some labels indicated whether the cart was for recycling or garbage, but in some cases, cart color was the only identifier.

COMMERCIAL: Commercial labeling in Seaside appeared to be consistent with green bins: Labeling was not consistent; garbage labeled "trash only", recycling was not always labeled. Those labeled had the mixed material label.

Commercial Location: Behind Noodle Bar on Fremont St.

Comments: Garbage bin labeled "Trash Only," other bin unlabeled. Garbage bin in good condition, unlabeled bin had some graffiti.



Residential Location: Highland St.

Comments: Green cart used for garbage. Green cart with brown lid for recycling, though recycling label is extremely faded. Both in good condition, otherwise.



Residential Location: Elm St.

Comments: Blue cart used for recycling. Black carts and green carts used for garbage.



Commercial Location: 1130 Fremont Blvd. Adjacent to Breakfast Club restaurant.

Comments: Green bins used for both trash and recycling. Label on left indicates mixed recycling.



Refuse, Recycling and Yard Waste Container Visual Assessment Report for Sand City

Conducted December 5 & 10, 2013

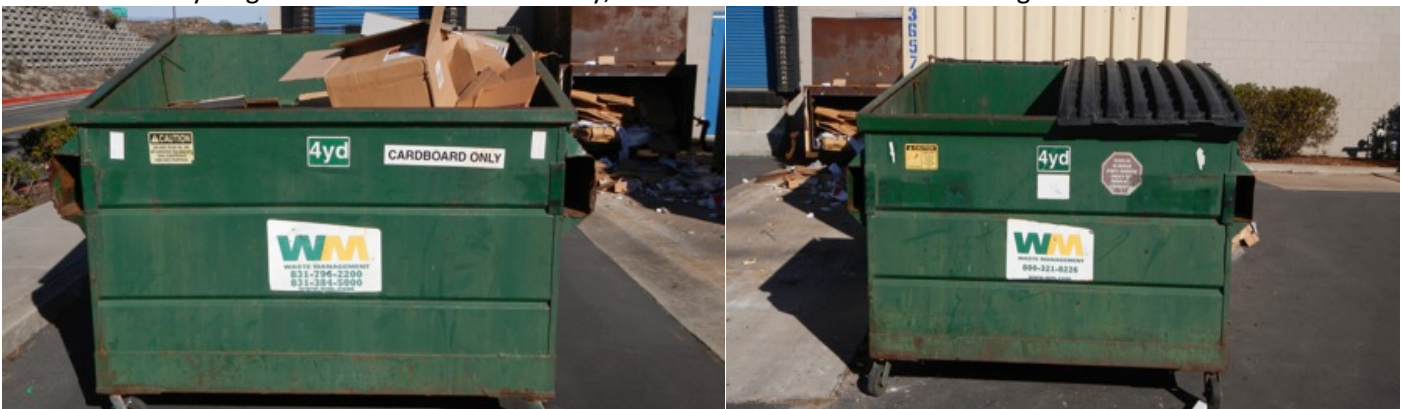
The purpose of this visual assessment was to survey the general condition of carts and bins used for the collection of refuse, recycling and yard waste in Sand City. Student interns assisted MRWMD staff in the visual assessment of residential and commercial carts and bins and reported their observations.

RESIDENTIAL: Only two sets of residential collection containers were observed in Sand City; the Multi-Family Residence at the “Independent” building and one private residence. Containers were not consistent, and not all were labeled.

COMMERCIAL: In Sand City, the commercial garbage bins were all green. Green bins are also provided for recycling. Carts were also seen in the commercial area, both green w/ brown lid and blue for recycling. Labels for the most part indicated “trash” or “recycling”. However, the method of labeling was inconsistent. Behind Petsmart, the garbage bin is labeled garbage only, while the recycling bin is unlabeled. Behind Orchard Supply Hardware (OSH), the recycling bin is labeled recycling only, while the garbage bin is unlabeled.

Commercial Location: Behind OSH

Comments: Recycling bin labeled “Cardboard Only,” other bin unlabeled. Both are in good condition.



Commercial Location: California Ave., Behind Petsmart

Comments: Garbage bin labeled “Trash Only,” and label is difficult to read due to scrapes. Other bin appears to be recycling, unlabeled. Both a bit scraped and rusted. Labeling is inconsistent with the other commercial bins.



Residential Location (Multi-family): Independent apartment complex

Comments: Single bin, unlabeled. Plus a green cart labeled "Yard Waste Only". Both in good condition



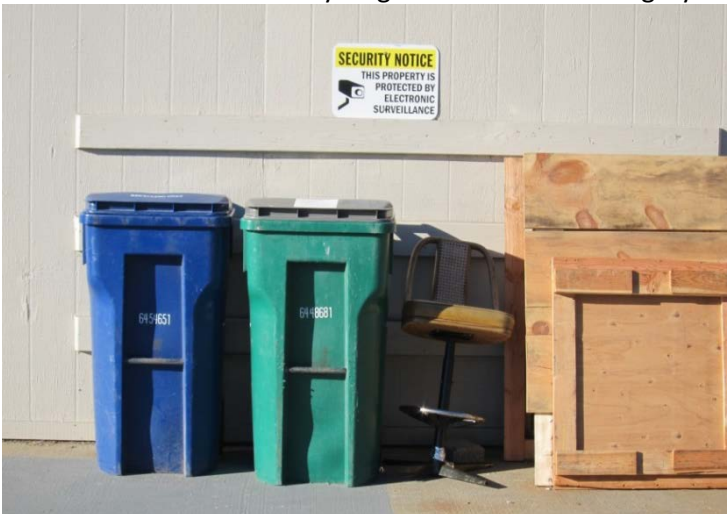
Residential Location:

Comments: Black cart used for garbage. Green cart with brown lid used for recycling. Both were labeled.



Commercial Location: Left is across from city hall in Sand City.

Comments: Blue cart is recycling and Green cart with grey lid is for garbage. Both were labeled.



Commercial Location: California Ave.

Comments: Another variation of the recycling cart - Labeled Mixed Recyclables.



Refuse, Recycling and Yard Waste Container Visual Assessment Report for Pacific Grove

Conducted November 29 & December 12, 2013

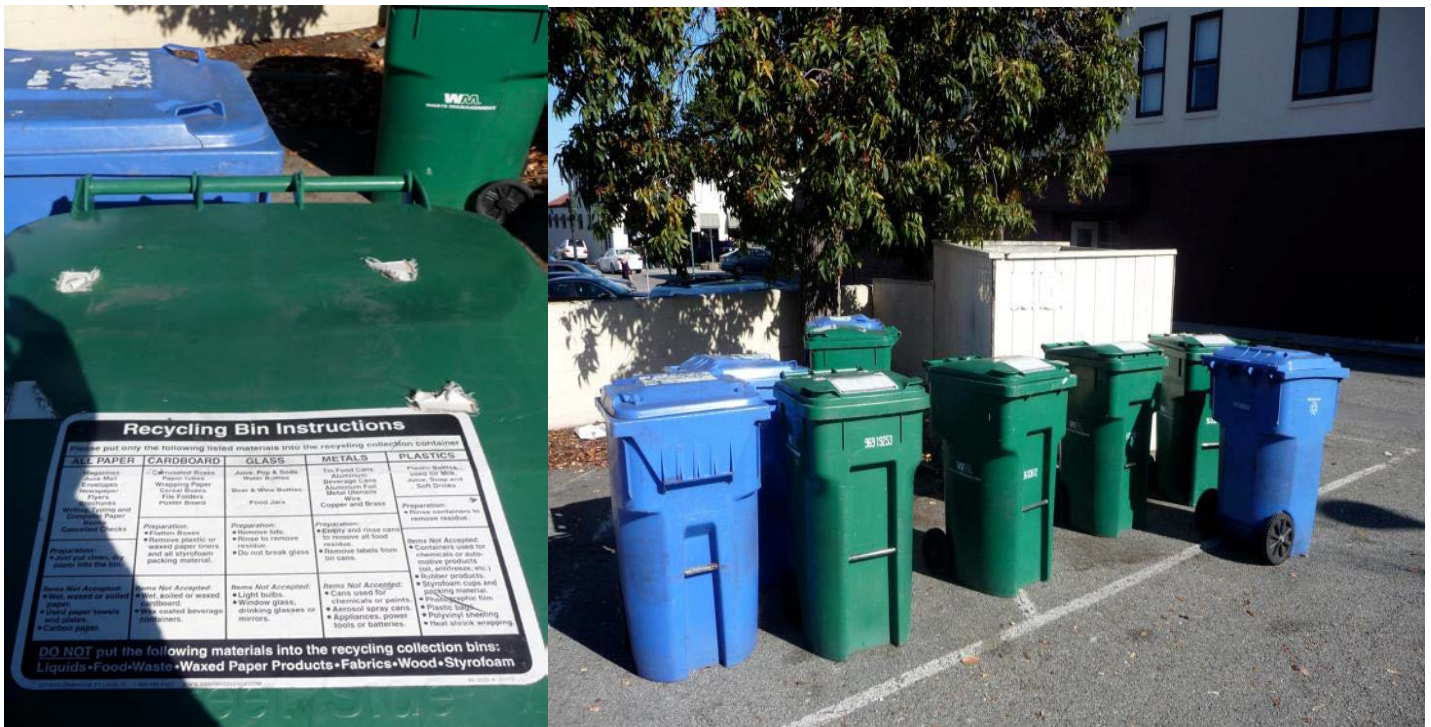
The purpose of this visual assessment was to survey the general condition of carts and bins used for the collection of refuse, recycling and yard waste in the City of Pacific Grove. Student interns assisted MRWMD staff in the visual assessment of residential and commercial carts and bins and reported their observations.

RESIDENTIAL: Carts were seen in a range of colors. Cart colors used in Pacific Grove are not always consistent with those used in neighboring cities. Issues that could lead to confusion were noted, including the use of varying container colors, degraded labels as well as mislabeling or lack of labels.

COMMERCIAL: The 2 and 4-yard commercial bins and carts are used in the Pacific Grove business area. Containers for the most part appeared to be in good condition, however inconsistency in colors was observed, and labels were mostly in poor condition. Several of the trash bins observed had no labels.

Commercial Location: 16th St. and Lighthouse Ave located behind Bank of America Parking lot.

Comments: Blue and green carts both being used for recycling. Most labels are in good condition but some are aged and unreadable.



Commercial Location: 222 Forest Ave next to The Healing Collaborative

Comments: Green cart with brown lid was labeled "Trash Only".



Commercial Location: 16th St and Laurel Ave

Comments: Green lid for "trash only" cart is not consistent. Other "trash only" carts were seen with brown lid.



Commercial Location: Grand Ave and Laurel Ave

Comments: There is a black garbage only container. This is the third color combination for garbage. Previous cans were labeled "trash only" and could be a point of confusion. Is "trash only" and "garbage only" the same thing? Worn and hard to read Recycle label.



PACIFIC GROVE

Commercial Location: Grand and Central Ave behind Holman Building

Comments: Recycling is collected in labeled green bin (right) and blue and green carts which are labeled, but labels are mostly older and faded.



Residential Location: Forest Ave hill across from 76 gas station.

Comments: The "Trash Only" stickers seen on previous green carts with brown lid are not present.



Commercial Location: Grand Ave. between Lighthouse & Laurel

Comments: Green cart is garbage, brown cart labeled for recycling.



Residential Location (Multi-Family): 2905 David Ave The Norwood Apts

Comments: There appears to be no consistency in container color and designated usage. Green containers with brown lid used previously as "trash only" are now labeled "recycling".



Commercial Location: Grand Ave. and Central behind Natural History Museum

Comments: Not all cart labels are legible



Refuse, Recycling and Yard Waste Container Visual Assessment Report for Marina

Conducted December 4 & 10, 2013

The purpose of this visual assessment was to survey the general condition of carts and bins used for the collection of refuse, recycling and yard waste in Marina. Student interns assisted MRWMD staff in the visual assessment of residential and commercial carts and bins and reported their observations.

RESIDENTIAL: In Marina the color used for the residential bin seemed arbitrary in relation to whether the bin was meant for recycling or garbage. There were grey, blue, black and green bins with a variety of lid colors in these areas. They have different uses depending on the residence. Some labels indicated whether the bin was for recycling or garbage, but in some cases bin color was the only identifier.

COMMERCIAL: Different types of commercial bins and carts were seen in Marina for recycling. Green bins labeled with both "Mixed Recyclables" and "Cardboard Only" and blue carts, green carts w/brown lids and unlabeled green carts were seen used for recycling. The garbage collection units were consistently 2yd. and 4yd. green bins, some labeled "trash" and some without labels.

Commercial Location: Marina Dental on Reindollar

Comments: Blue and unmarked green cart for recycling. Green carts marked "Trash Only". All in good condition.



Residential Location: Reindollar Ave.

Comments: Green cart with brown lid for recycling. Green cart with grey lid for garbage. Both had label on the lids, but fading a bit- both in good condition otherwise. Color scheme is inconsistent with Commercial receptacles.



Commercial Location: DUNES Shopping Center

Comments: Green Bins used for both Recycling and Garbage. Both were labeled clearly.



Commercial Location: Marina Civic Center Hillcrest Ave.

Comments: Green Bin used for Garbage. No recycle bin or cart so recyclables/cardboard left uncontained. Recycling carts in front of Community center.



Refuse, Recycling and Yard Waste Container Visual Assessment Report for Del Rey Oaks

Conducted December 2 & 10, 2013

The purpose of this visual assessment was to survey the general condition of carts and bins used for the collection of refuse, recycling and yard waste in the City of Del Rey Oaks. Student interns assisted MRWMD staff in the visual assessment of residential and commercial carts and bins and reported their observations.

RESIDENTIAL: Carts were seen in a range of colors. Cart colors are not always consistent with those used in neighboring cities. Issues that could lead to confusion were noted, including the use of varying container colors, degraded labels as well as mislabeling or lack of labels.

COMMERCIAL: Commercial bins and carts were observed in Del Rey Oaks. The commercial bins observed at the Stone Creek Complex Off Hwy 68 were all green. Labels were either not present or visible.

Commercial Location: Del Rey Park

Comments: Varying container color combinations including green container with brown lid and no label as well as a green container with grey lid and no label.



Residential Location: Two residences near 930 Angelus Way

Comments: Blue recycling cart is inconsistent color relative to other carts in the area.



Commercial Location: Altura Place and Angelus Way

Comments: Poor yard waste cart condition with partially missing lid.



Commercial Location: Stone Creek Village shopping center

Comments: There appeared to be no signage conveying the proper use of these 4-yard refuse bins.



Commercial Location : Behind Tarpys Road House

Comments: Large refuse containers have no labels describing acceptable contents. Containers appear to be in good working condition except the rusty container in the second picture may be missing a lid.



Commercial Location: Calle Del Oaks

Comments: Two recycling containers of different color. Labels clearly identify use. "Trash Only" container same color as one of recycling containers.



Refuse, Recycling and Yard Waste Container Visual Assessment Report for Carmel

Conducted November 29 & December 11, 2013

The purpose of this visual assessment was to survey the general condition of carts and bins used for the collection of refuse, recycling and yard waste in the City of Carmel. Student interns assisted MRWMD staff in the visual assessment of residential and commercial carts and bins and reported their observations.

RESIDENTIAL: Carts were seen in a range of colors. Cart colors are not always consistent with those used in neighboring cities. Issues that could lead to confusion were noted, including the use of varying container colors, degraded labels as well as mislabeling or lack of labels.

COMMERCIAL: Observed 2 yd. and 4 yd bins (green), carts (green) and customer-provided 32 gallon barrels (grey) used for garbage collection. Carts were labeled. Not all bins were found to be labeled.

Residential Location: Dolores St and Alta Ave

Comments: Trash and yard waste cart are both green. The yard waste cart is labeled clearly in both English and Spanish.



Commercial Location: Sunset Center

Comments: Recycling is collected in both blue carts and green carts with brown lid. Labeled, but some labels need replacement. Green bins used for trash, not labeled.



Residential Location: Dolores St and 2nd Ave

Comments: Brown lid with green container for recycling. Two green containers were used for different materials and only distinguished by an adhesive label. Label on recycling cart notifies resident not to place cans on curb.



Commercial Location: Mission St and Fourth Ave near the Wayfarer Inn

Comments: Labels are showing wear. The Labels are not consistent with other observed labels describing recycling. Label may have out of date information.



Commercial Location: Mission St.

Comments: Green cart with brown lid. Black cart was not consistent with other containers observed in the area. Photo was taken at a distance so labels could not be examined.



Location: COMMERCIAL: Fourth St. near Dolphin Inn

Comments: Multiple green carts were used for what appeared to be recycling but some contents were non-recyclables.



Location: COMMERCIAL: San Carlos Ave and Fourth St, near Svendsgarrd's Inn

Comments: Old worn labels and/or missing labeling may be leading to improper use of recycling receptacles.



Location: COMMERCIAL: Fifth St X Dolores near Friar Tucks restaurant

Comments: Three different easily identified carts with different body color. Labels are legible and clearly identify cans.



Commercial Location: 6th Ave near Del Monte Fine Art

Comments: 2-yard bin with no visible label. Gray cart is inconsistent with previously observed cart and label is severely worn.



Commercial Location: 7th Ave & Mission St

Comments: Private trash cans used for commercial collection.





Memorandum

MONTEREY REGIONAL WASTE MANAGEMENT DISTRICT

DATE: January 3, 2014
TO: Board of Directors
FROM: General Manager
SUBJECT: Agenda Information for the January 8, 2014 Special Board Meeting

CALL TO ORDER AT 5:00 P.M.

ROLL CALL AND ESTABLISHMENT OF QUORUM

PLEDGE OF ALLEGIANCE

PUBLIC COMMUNICATIONS

Anyone wishing to address the Board on the matter listed on the Agenda may do so. *Please limit comments to a maximum of three (3) minutes.*

OTHER ITEMS FOR BOARD CONSIDERATION, DISCUSSION AND ACTION

- 1) **Receive Recommendation from MRWMD's Technical Advisory Committee to Select GreenWaste Recovery of San Jose, CA, as the Solid Waste, Recycling, and Organics Collection Franchisee for the Seven Participating Agencies of the District (The Cities of Carmel-by-the-Sea, Del Rey Oaks, Marina, Pacific Grove, Sand City, Seaside, and the Pebble Beach Community Services District) for a Ten Year Contract Beginning at the Conclusion of the Current Refuse and Recycling Collection Contracts in 2015.**

Please refer to the enclosed memo and attachments from Deputy General Manager for Community Programs Jeff Lindenthal. In the memo, Jeff outlines the process followed by the MRWMD's Technical Advisory Committee (TAC) and the Board over the last three years leading up to this unanimous decision by the TAC. The TAC members and all of the member agencies of the District have invested a considerable amount of time and resources on this effort. This competitive process for the Monterey Peninsula franchise collection agreements is the first time these contracts have been subjected to competition. The resulting process has allowed the TAC members, the participating agencies, the Board, and the member agency residents and businesses to engage in a very productive discussion about the type of recycling and waste management programs best suited to this community.

The TAC members are to be recognized for their dedication to this effort over the last three years. This includes staff from all of the member agencies of the District, an outside expert on the subject matter, the consultants Rob and Bob Hilton, District Counsel Rob Wellington, and District staff.

With this recommendation to select GreenWaste Recovery, the TAC envisions enlisting the services of a company which has best demonstrated a Proposal with the most competitive cost, a commitment and ability to respond to the needs and desires in achieving the recycling and sustainability goals of the participating agencies, and whose selection is in the best interest of the participating agencies. The value of the contract over the ten year term is estimated at \$170 million for the seven participating member agencies.

The members of the TAC are unanimous in making this recommendation. The Board is requested to receive the recommendation of the TAC. In doing so, the matter will then move to the individual participating member agencies for their individual decisions.

Recommendation: Receive Recommendation from MRWMD Technical Advisory Committee to Select GreenWaste Recovery of San Jose as the Solid Waste, Recycling, and Organics Collection Franchisee for the Seven Participating Agencies of the District for a Ten Year Contract Beginning at the Conclusion of the Current Refuse and Recycling Collection Contracts in 2015.

NEXT REGULAR MEETING DATE: JANUARY 17, 2014

Respectfully submitted,



William M. Merry