

STAFF REPORT
COUNCIL MEETING DATE:
July 23, 2012

ITEMS FOR COUNCIL CONSIDERATION:

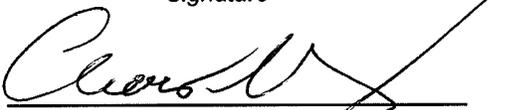
Temporary Extension of Solid Waste Franchise Agreement

Report prepared by: Erin Maker, Environmental Coordinator
Department: Public Works



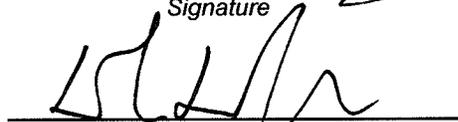
Signature

**Reviewed by
Public Works
Director:**



Signature

**Reviewed by
City Manager:**



Signature

ACTION **NON-ACTION** **STAFF RECOMMENDATION:**

Recommendation: That the City Council authorize a temporary extension of the current Solid Waste Franchise Agreement with E.J. Harrison and Sons, Inc.

Sample Motion: I move to authorize the attached three month temporary extension of the current Solid Waste Franchise Agreement with E.J. Harrison and Sons, Inc.

I. BACKGROUND:

The City of Carpinteria Solid Waste Program administers all aspects of solid waste handling in the City, including recycling, green waste and household hazardous waste programs. Program responsibilities include monitoring the City's waste stream to ensure compliance with goals set by the State of California Department of Resources Recycling and Recovery (CalRecycle). In addition to offering curbside solid waste and recycling, the City runs an Antifreeze, Battery, Oil and Paint (ABOP) collection program to encourage proper disposal of those types of materials.

The City also holds an annual Household Hazardous Waste Collection Day that allows residents to drop off e-waste and other hazardous wastes not collected through the ABOP program.

California Public Resources Code Section 493001 grants jurisdictions the right to contract out services for the collection and disposal of refuse, which includes recyclables and green waste. CMC Chapter 8.08 includes Section 8.08.040 – Refuse Collection Franchise that establishes that the City Council may award one or more franchises for the collection, transfer and appropriate disposal of refuse, recyclables and/or compostables from all or a portion of residential and/or commercial premises in the City. The purpose of the franchise agreement is to limit the number of waste haulers servicing the City and to reimburse the City for the cost associated with impacts to public infrastructure and for administering the program.

E.J. Harrison and Sons, Inc. has a Franchise Agreement with the City for all regular solid waste service, including residential and commercial waste, recycling and green waste services. E. J. Harrison and Sons, Inc. was first granted a franchise for waste hauling service by the City of Carpinteria in 1993. The agreement was renewed in 1996 and again in 2002. In 2002 the term of the agreement was extended to 10 years.

II. DISCUSSION:

In May of 2011, the City Council authorized a 6 month extension to the Solid Waste Franchise Agreement with E.J. Harrison and Sons, which was due to expire January 31, 2012. The purpose of this extension was to allow the completion of a financial and performance review, completed in October of 2011, and presented to Council in November of 2011, as well as to allow staff time to draft a new Agreement and negotiate its terms with the selected waste hauler.

After reviewing the results of the financial and performance reviews, staff was authorized to proceed with sole-source negotiations with E.J. Harrison and Sons. Staff is currently in the process of negotiating the terms of a new Agreement with the afore-mentioned company. The City is working with a consultant, Solid Waste Solutions, Inc., and E.J. Harrison and Sons to finalize these terms and hopes to bring the final draft Agreement before Council in September 2012.

The current extension expires on July 31, 2012. To allow staff and E.J. Harrison and Sons time to complete negotiations and prepare a final draft of the Franchise Agreement for presentation to City Council, staff recommends entering into an additional temporary 3 month extension of the current Agreement. The letter agreeing to these terms is attached as Attachment A.

III. FINANCIAL CONSIDERATIONS:

There is no additional financial impact associated with this extension.

V. ATTACHMENTS:

Attachment A

ATTACHMENT A

CITY OF CARPINTERIA, CALIFORNIA

DEPARTMENT OF PUBLIC WORKS



July 23, 2012

Jim Harrison
E. J. Harrison and Sons, Inc.
P.O. Box 4009
Ventura, CA 93007

Subject: Temporary Extension of City of Carpinteria Franchise Agreement for Waste Hauling Services

Dear Jim:

The City of Carpinteria waste hauling franchise agreement with your company, E. J. Harrison and Sons, Inc, entitled, "Agreement between the City of Carpinteria and E. J. Harrison and Sons, Inc. for Collection, Diversion, and Disposal of Solid Waste and Collection and Transport for Processing of Green Waste and Recyclable Materials" ("Agreement") is set to expire on July 31, 2012. Regarding our recent discussions, we agreed that additional time was needed to negotiate the terms of a new Agreement and it would be in the best interests of both the City and E.J. Harrison and Sons, Inc to temporarily extend the current Agreement for an interim period.. The amendments to the Agreement are as follows:

Effective Date of Amendment: The effective date of these amendments shall be July 23, 2012.

Extended Term of Agreement: The term of the agreement be extended by three months until October 31, 2012, unless terminated or extended pursuant to the terms of the Contract.

Termination Rights: In addition to the termination provisions of the Agreement, including Section 11.2 (Right to Terminate Upon Default), the parties hereto agree that at any time prior to October 31, 2012, upon 30 days written notice, the City of Carpinteria, in its sole discretion may terminate the Agreement..

No Effect on Agreement. Except as otherwise set forth in this letter agreement, all terms and conditions of the Agreement shall remain in full force and effect during the Extended Term.

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Mr. Jim Harrison
July 23, 2012

If you agree to the terms and conditions detailed above, please sign a copy of this letter and return it to the City of Carpinteria. Please do not hesitate to contact me at (805) 684-5405 ext. 402 if you need any further information. Thank you very much for your time and consideration.

Sincerely,

Charles W. Ebeling, C.E., T.E.
Director of Public Works/City Engineer
City of Carpinteria

E.J. Harrison and Sons, Inc. hereby accepts and agrees to the amendments listed above to the Agreement.

E. J. Harrison and Sons, Inc.

Date