



Date: September 12, 2024

To: Board of Directors

Submitted by: David Aranda, Interim General Manager

Subject: Discussion and Direction Regarding the Solid Waste Contract and Pursuing A Consultant Regarding the Cost of Services and Franchise Fees

Recommendation

The Interim General Manager is asking the Board to allow KPPCSD and Bay View Refuse to move forward in bringing a contract renewal for approval to the Board of Directors within the next 60 days, and with approval from the Board and Bay View, to waive the need to perform a cost study and franchise fee study until an appropriate time.

Background

This discussion involves two issues with our solid waste contract. First, the Board approved the Interim General Manager to request proposals for a consulting agency to perform a cost-of-service study and a justification for franchise fee study regarding our current solid waste agreement with Bay View Refuse. The District sent out the request to specific agencies that specialize in this type of work and also posted the request for proposal on the District website.

The District did NOT receive a submission to perform the work. One agency stated they were too busy to take on additional work and the other agency was not responsive.

The IGM is requesting that we suspend attempts to obtain these reports until further notice.

This raises the second point. The Interim General Manager and Board President had a meeting with the Christie's regarding the existing contract and what is needed in order to develop and produce a contract that would extend over the next 8-10 years. There were a few minor items that need updating and clarification but overall, the contract is well written.

The current solid waste contract is effective through 8/31/26 but the owners of Bay View Refuse have placed a great deal of capital into equipment and vehicles and are requesting that the contract be extended so that they can properly calculate their operating and capital costs over the next ten years.

Solid Waste Consultant

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I have interacted with numerous waste haulers in my career and I must say that the services Bay View provides and the personalized care that they address is of great benefit to this community.

As we move forward with the extension of the contract there will be a current up to date spreadsheet showing how the rates of Bay View in Kensington compare with rates by other haulers in our neighboring communities.