

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to proposed supplemental agreement to Contract No. C-110742 with USA Waste of California, Inc. dba Waste Management El Sobrante Landfill for landfill disposal services for City waste.

Recommendation for Council action:

AUTHORIZE the Board of Public Works to execute the Supplemental Agreement with USA Waste of California, Inc. dba Waste Management El Sobrante Landfill to provide landfill disposal services of City waste for a period of two years, retroactively from January 1, 2012 through December 31, 2013 at a cost not to exceed \$10 million, subject to City Attorney approval as for form.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no fiscal impact to the General Fund as sufficient funds are available from the Solid Waste Resources Revenue Fund to support the 2012-13 and 2013-14 costs of the proposed Supplemental Agreement. The recommendation in the July 8, 2013 CAO report, as attached to the Council file, complies with the City's Financial Policies as ongoing revenue will support ongoing expenditures.

Community Impact Statement: None submitted.

TIME LIMIT ITEM - SEPTEMBER 13, 2013

(LAST DAY FOR COUNCIL ACTION - SEPTEMBER 12, 2013)

SUMMARY:

On August 7, 2013, your Committee considered a July 8, 2013 CAO report relative to proposed supplemental agreement to Contract No. C-110742 with USA Waste of California, Inc. dba Waste Management El Sobrante Landfill for landfill disposal services for City waste. According to the CAO, the proposed Supplemental Agreement will extend the term of the contract for an additional two years, from five years to seven years, and increase the maximum allowable compensation by an additional \$10.0 million, from \$23.3 million to \$33.3 million.

On June 21, 2005, Council (Council File No. 05-1179) stated its desire to divert 600 tons per day (tpd) of City waste from Sunshine Canyon Landfill. Subsequently, the Bureau of Sanitation (BOS) issued a Request for Proposals, conducted a competitive bid process, and on September 22, 2006, the Council (C.F. 05-1179-S7) authorized the BOS to execute Contract No. C-110742 with the Contractor to provide disposal services for City waste at El Sobrante, Palmdale, and Lancaster landfills for a five-year term.

On July 29, 2009, the Council (Council File No. 09-1577) authorized the BOS to execute the First Amendment to Contract No. 110742 to allow for the disposal of private waste from the recently acquired Central Los Angeles Recycling and Transfer Station (CLARTS). On December 31, 2011, the term for Contract No. C-110742 expired and the Board of Public Works (Board) authorized the BOS to extend the contract on a month-to-month basis until a new contract can be executed. The BOS has completed the selection process for the new contract and the execution of the new contract is pending Board, Mayor, and Council approval. The Supplemental Agreement is required to continue services until the new contract is executed.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the Supplemental Agreement as contained in the CAO report and detailed in the above recommendation. This matter is now submitted for Council for its consideration.

Respectfully Submitted,

ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
FUENTES:	YES
BLUMENFIELD:	YES
LABONGE:	YES
HUIZAR:	ABSENT
KORETZ:	YES

-NOT OFFICIAL UNTIL COUNCIL ACTS-