San Francisco Office of the City Administrator
City Administrator Carmen Chu

Refuse Collection Services

Contract 1000020021 / TC 83150

File 240365

Office of Contract Administration

Board of Supervisors' Budget & Finance Committee

May 8, 2024

Background

- Since 2004, City has held consolidated contract for refuse collection with services for City government facilities through the Office of Contract Administration
- Sole source contract approved in 2014 for 6 years, NTE $48M
- November 2020: new contract was before the Board but no action taken
  - For continuity of refuse service, OCA entered into an interim contract covering Dec 2020 – Nov 2021
    - **Original NTE**: $5.6M, amended to $9.9M
    - **Duration :** December 1, 2020 – June 30, 2021, amended to Nov. 30, 2021
  - Board approved contract extension in November 2021
    - **NTE:** $15.6M
    - **Duration:** December 1, 2020 – June 30, 2022
  - Board approved contract extension in June 2022 – allows time to solicit for new services
    - **Current NTE**: $39.6M
    - **Current Duration:** December 1, 2020 – June 30, 2024
  - OCA amended June 2023 to adjust rates, as authorized by Board in June 2022

Proposed Amendment 5

- Amendment to current contract required to ensure continuity of service while City negotiates and executes new agreement
- Continues favorable contract terms
  - **Duration:** 4-month extension to October 31, 2024
  - **NTE:** $43.8M – based on current utilization
  - **Scope:** No change
  - **Rates:** No change

Projected Expenditures

Actual Expenditures *(through 3/19/24)*	$ 35,786,901
Average Monthly Spend	$899,833
Projected Expenditures *(through 10/31/24)*	$6,685,146
TOTAL ACTUAL AND PROJECTED EXPENDITURES	$ 42,472,047
20% contingency	$1,337,029
NEW TOTAL NOT-TO-EXCEED	**$ 43,800,000**

Solicitation for New Contract

- **June 2022:** City issues solicitation for new City refuse services contract. Two firms submit proposals:
  - **Allied Waste Services of North America, LLC**
  - **Recology**
- **January 2023:** Evaluation complete, issue Notice of Intent to Award to Allied Waste Services
- **February 2023:** CEQA process kicks off
- **November 2023:** Allied Waste Services submits application for truck permits
- **February 2024:** Planning completes CEQA process – Addendum issued
- **February 2024:** OCA submits new contract to BOS for approval
- **March 2024:** Allied Waste Services withdraws proposal following BOS Budget & Finance Committee meeting
- **March 2024:** OCA negotiates extension with Recology for current contract (proposed Amendment 5)
- **June 30, 2024:** Current contract with Recology ends

Next Steps

- **May 2024:** Commence negotiations on new contract
- **No later than August 2024:** Conclude negotiations and finalize new contract
- **August 2024:** BOS submission
- **October 2024:** BOS approval and execution of new contracts

Thank You