



**San Francisco Office of the City Administrator  
City Administrator Carmen Chu**

# Refuse Collection Services

**Contract 100020021 / TC 83150**

*File [240863](#)*

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Office of Contract Administration

Board of Supervisors' Budget & Finance Committee

*October 2, 2024*

# Background

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- Since 2004, City has held consolidated contract for refuse collection 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 presented to 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

# Background (cont.)

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- Board approved contract extension in June 2022 – to allow time to solicit for new contract
  - **NTE:** \$39.6M
  - **Duration:** December 1, 2020 – June 30, 2024
- OCA amended in June 2023 to adjust rates, as authorized by Board in June 2022
- Board approved contract extension in May 2024 – to allow time for new contract negotiation and execution
  - **Current NTE:** \$43.8M
  - **Current Duration:** December 1, 2020 – October 31, 2024

# Proposed Amendment 6

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- Amendment to current contract required to ensure continuity of service while City negotiates and executes new agreement
- Continues favorable contract terms
  - **Duration:** 2-month extension to December 31, 2024
  - **NTE:** Increase by \$1.5M for total NTE of \$45.3M
  - **Scope:** No change
  - **Rates:** 3.77% CPI rate adjustment

# Projected Expenditures

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Actual Expenditures ( <i>through 8/26/24</i> )	\$40,909,889
Average Monthly Spend	\$912,375
Projected Expenditures ( <i>through 12/31/24</i> )	\$3,809,059
TOTAL ACTUAL AND PROJECTED EXPENDITURES	\$44,718,947
15% contingency	\$571,359
<b>NEW TOTAL NOT-TO-EXCEED</b>	<b>\$45,300,000</b>

# Solicitation for New Contract

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- **June 2022**: City issued solicitation for new City refuse services contract. Two firms submitted proposals:
  - **Allied Waste Services of North America, LLC**
  - **Recology San Francisco**
- **January 2023**: Evaluation completed, Notice of Intent to Award issued to Allied Waste Services
- **February 2023**: CEQA process initiated
- **February 2024**: Planning Dept completed CEQA process – Addendum issued
- **February 2024**: OCA submitted new contract to BOS for approval
- **March 2024**: Allied Waste Services withdrew proposal following BOS Budget & Finance Committee meeting. OCA proceeded with next highest-ranked responsive proposer (Recology).

# Next Steps

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1. Amend existing contract with Recology (proposed Amendment 6)
2. **No later than October 2024:** Conclude negotiations and finalize new contract
3. **December 2024:** BOS approval and execution of new contract

**Thank You**