



Office of the City Manager

CONSENT CALENDAR
November 27, 2018

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Phillip L. Harrington, Director, Department of Public Works
 Subject: Contract: Community Conservation Centers, Inc. for Sorting and Marketing Services of Curbside Collected Recyclables

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to enter into a contract with Community Conservation Centers, Inc. for recyclables processing from December 1, 2018 through June 30, 2020 for a total amount not to exceed \$4,000,000.

FISCAL IMPACTS OF RECOMMENDATION

Funding for this contract is subject to appropriation in the Zero Waste Fund (820) via the FY 2019 first amendment to the Annual Appropriation Ordinance.

The total not to exceed amount of \$4,000,000 which is inclusive of monthly maximum payments to Contractor less estimated amounts of revenue rebate plus contingencies for capital expenses, maintenance expenses, and potential changes in revenues received from the sale of recyclable materials.

This contract has been assigned Contract Management System CMS No. FRDQC.

CURRENT SITUATION AND ITS EFFECTS

The City entered into a negotiated contract with Community Conservation Centers, Inc. (CCC) on August 1, 2011 for the sorting and marketing of the City's curbside collected recyclable materials by both the City and its contracted non-profit collection vehicles. This Contract was due to expire on June 30, 2018.

On June 12, 2018, City Council directed the City Manager to provide short term funding in the amount of \$699,815 for CCC to ensure its continuing operations until September 30, 2018, while a long-term contract with the City was negotiated. CCC requested the emergency funding support for capital and processing costs due to a sharp downturn in recycling commodity prices experienced since early 2016. CCC and the City have made significant progress for a new Contract through June 30, 2020. On October 2, 2018, the City Council authorized the City Manager to extend the emergency funding, \$466,542, through November 30, 2018, to allow for a new contract to be submitted to City Council for approval. The new contract proposal allows for the City to review

existing recyclable materials processing operations and to make future determinations intended to improve both methods and means to allow for necessary adjustments in future operations that respond to the fluctuations in the worldwide markets.

BACKGROUND

CCC, a non-profit organization, operates the City's Materials Recovery Facility (MRF) which provides recyclable materials sorting and marketing services to Berkeley community members, surrounding communities, and the City's commercial and residential curbside dual stream (fibers; and metal, glass aluminum, and plastic containers; and mixed rigid plastics collected separately) collection programs. CCC's operation sorts, bales and markets approximately 16,000 tons of recyclables annually. CCC also manages as part of the City's Berkeley Recycle operation, a Container Redemption Value (CRV) program at the buyback center.

On July 12, 2011 by Resolution No. 65,390-N.S. City Council authorized Contract No. R8781 with CCC for recyclables processing services from August 11, 2011 to June 30, 2015, with the option of two one-year extensions which have both been exercised. At the City's request, on January 27, 2015 Council authorized an amendment to add processing of non-bottle rigid plastics to the original contract scope of services, and the City has provided payment for capital and processing costs incurred in the mixed rigid plastics recycling program in FY 2014, FY 2015, FY 2016, FY 2017, and FY 2018 through the contract amendments noted below.

Contract #	Auth. Date	Resolution No.	Amount
R8781A	January 27, 2015	No. 66,920 –N.S.	\$212,380
R8781B	June 28, 2016	No. 67,602 –N.S.	\$181,719
R8781C	July 29, 2016	No. 67,500 –N.S.	\$160,500
R8781D	May 30, 2017	No. 67,506 –N.S.	\$500,000

On June 12, 2018, City Council directed the City Manager¹ to provide short term funding in the amount of \$699,815 for CCC to continue operations until September 30, 2018, while a new contract with the City was negotiated. CCC requested the emergency funding support for capital and processing costs due to a sharp downturn in recycling commodity prices and urgent equipment repairs.

On October 2, 2018, City Council directed the City Manager² to amend Contract R8781D with CCC for recyclables processing to extend the contract term through November 30, 2018 and increase the contract amount by \$466,542 for an amended

¹ https://www.cityofberkeley.info/Clerk/City_Council/2018/06_June/Documents/2018-06-12_Item_35_Short_Term_Contract_Extension.aspx

² https://www.cityofberkeley.info/Clerk/City_Council/2018/10_Oct/City_Council_10-02-2018_-_Regular_Meeting_Agenda.aspx

Contract Community Conservation Centers, Inc.
Services for Sorting and marketing of
Curbside Collected Recyclables

CONSENT CALENDAR
November 27, 2018

total amount not to exceed \$1,521,141. This contract amendment allowed CCC to continue its sorting, baling and marketing until a new contract was executed.

ENVIRONMENTAL SUSTAINABILITY

Current services provided by CCC are consistent with the City of Berkeley's 2009 Climate Action Plan, 2005 Zero Waste Goal, and long-standing commitment to protect the environment. In support of these goals, the City's Zero Waste Division continues to monitor and improve current operational needs that supports highest and best use of recyclable material in an effort to deliver the highest reductions of recyclable materials sent to regional landfills.

RATIONALE FOR RECOMMENDATION

This contract is an essential step in maximizing the materials recovery and recycling processing services currently provided at the City's Zero Waste Facility.

ALTERNATIVE ACTIONS CONSIDERED

None.

CONTACT PERSON

Phillip Harrington, Director of Public Works, (510)981-6303
Greg Apa, Solid Waste & Recycling Manager, Zero Waste Division (510) 981-6359

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT: COMMUNITY CONSERVATION CENTERS, INC. FOR SORTING AND
MARKETING SERVICES OF CURBSIDE COLLECTED RECYCLABLES

WHEREAS, On July 12, 2011 by Resolution No. 65,390-N.S. City Council authorized Contract No. R8781 with Community Conservation Centers, Inc. (CCC) for recyclables processing services from August 11, 2011 to June 30, 2015, with the option of two one-year extensions; and

WHEREAS, on January 27, 2015 the City Council authorized an amendment to Contract No. R8781 to add processing of non-bottle rigid plastics to the Scope of Services and to provide a one-time payment of \$212,380 for capital and processing costs incurred in FY 2014; and

WHEREAS, on June 28, 2016, by Resolution No. 67,602 -N.S., the Berkeley City Council authorized an amendment to Contract No. R8781A to provide a one-time payment of \$181,719 for processing costs incurred in the rigid mixed plastics recycling program in FY 2015; and

WHEREAS, on July 29, 2016, by Resolution No. 67,500 -N.S., the Berkeley City Council authorized an amendment to Contract No. R8781B to provide a one-time payment of \$160,500 for processing costs incurred in the rigid mixed plastics recycling program FY 2016; and

WHEREAS, on May 30, 2017, by Resolution No. 67,506 -N.S., the Berkeley City Council authorized an amendment to Contract No. R8781C to provide a one-time payment of \$500,000 to CCC for recyclables processing services including rigid mixed plastics for FY 2017 and FY 2018; and

WHEREAS, on June 12, 2018, the Berkeley City Council directed the City Manager to provide the CCC a one-time payment in the amount of \$699,815 to CCC for recyclables processing services including rigid mixed plastics for FY 2018 and the first quarter of FY 2019.

WHEREAS, on October 2, 2018, by Resolution No. 68,618-N.S., the Berkeley City Council authorized an amendment to Contract No. R8781D with CCC to provide payment of \$466,542 for recyclables processing services including rigid mixed plastics and extend the contract through November 30, 2018.

WHEREAS, funds in the amount of \$4,000,000 are subject to appropriation in Zero Waste Fund 820 Budget via the first amendment to the Annual Appropriation Ordinance.

WHEREAS, this contract has been entered in the Citywide contract database and assigned CMS No. FRDQC.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a contract with Community Conservation Center, Inc. to provide recyclables processing services including rigid mixed plastics for an amount not to exceed \$4,000,000 for the period from December 1, 2018 to June 30, 2020. A record signature copy of said amendment to be on file in the Office of the City Clerk.

