



## Legislation Details (With Board Report)

<b>File #:</b>	19-0395	<b>Name:</b>	UFA Extension
<b>Type:</b>	General Agenda Item	<b>Status:</b>	Passed - Health Department
<b>File created:</b>	5/10/2019	<b>In control:</b>	Board of Supervisors
<b>On agenda:</b>	5/21/2019	<b>Final action:</b>	5/21/2019

**Title:** a. Authorize the Director of Health or Assistant Director of Health to provide written notice to Waste Management, Inc., that the County is considering its request for an extension of the Unified Franchise Agreement No. A-11631 (UFA or Agreement) between the County of Monterey and Waste Management, Inc., dba USA Waste of California, Inc., dba Carmel Marina Corporation (Waste Management, Inc.), for the Exclusive Collection of Solid Waste and Recyclables in Unincorporated Monterey County for an additional 20 months from June 30, 2020; and  
b. Authorize the Director of Health or Assistant Director of Health to negotiate with Waste Management, Inc. for an extension of the Agreement.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Board Report, 2. UFA Referenced Pages, 3. 30. Completed Board Order

Date	Ver.	Action By	Action	Result
5/21/2019	1	Board of Supervisors	approved - health department	Pass

a. Authorize the Director of Health or Assistant Director of Health to provide written notice to Waste Management, Inc., that the County is considering its request for an extension of the Unified Franchise Agreement No. A-11631 (UFA or Agreement) between the County of Monterey and Waste Management, Inc., dba USA Waste of California, Inc., dba Carmel Marina Corporation (Waste Management, Inc.), for the Exclusive Collection of Solid Waste and Recyclables in Unincorporated Monterey County for an additional 20 months from June 30, 2020; and  
b. Authorize the Director of Health or Assistant Director of Health to negotiate with Waste Management, Inc. for an extension of the Agreement.

**RECOMMENDATION:**

It is recommended that the Board of Supervisors:

a. Authorize the Director of Health or Assistant Director of Health to provide written notice to Waste Management, Inc., that the County is considering its request for an extension of the Unified Franchise Agreement No. A-11631 (UFA or Agreement) between the County of Monterey and Waste Management, Inc., dba USA Waste of California, Inc., dba Carmel Marina Corporation (Waste Management, Inc.), for the Exclusive Collection of Solid Waste and Recyclables in Unincorporated Monterey County for an additional 20 months from June 30, 2020; and  
b. Authorize the Director of Health or Assistant Director of Health to negotiate with Waste Management, Inc. for an extension of the Agreement.

**SUMMARY/DISCUSSION:**

The Director of Health seeks authorization to provide written notice to Waste Management, Inc. regarding our consideration of their request for an extension of the Unified Franchise Agreement No. A-11631 (UFA or Agreement) for an additional 20 months from June 30, 2020 through February 28, 2022. The Agreement was approved on February 2, 2010 when the Board of Supervisors awarded the exclusive franchise agreement (UFA

Agreement A-11631) to Waste Management, Inc., dba USA Waste of California, Inc., dba Carmel Marina Corporation (Waste Management, Inc.) per Title 10 - Health and Safety, Chapter 10.41 Solid Waste Collection and Disposal of the Monterey County Code (MCC).

Article 2., Section 2.03 CONTRACTOR Request to Extend of the UFA provides that,

On or before January 31, 2019, CONTRACTOR may submit to COUNTY a request for extension of up to five (5) years, along with the information, data, records and reports documenting to satisfaction of COUNTY that CONTRACTOR has met each of the following preconditions during each preceding Agreement Year (or portion thereof if less than an entire Agreement Year) ...

Preconditions set forth in Section 2.03 included Increased Diversion, Low Assessed Damages, Customer Satisfaction, Timely Payment of Fees, and Timely Implementation of Transition Plan. (UFA Sections, 2.03.1, 2.03.2, 2.03.3, 2.03.4 and 2.03.5).

Article 2., Section 2.04 of the UFA provides that,

Upon receipt of a request to extend the Agreement, COUNTY shall provide written notice to CONTRACTOR as to whether COUNTY is considering, accepts or rejects CONTRACTOR's request within one hundred twenty (120) calendar days of the date of the request. If COUNTY fails to provide such notice to (sic) within said one hundred twenty (120) calendar days, CONTRACTOR's request shall be deemed accepted and COUNTY shall extend the term of this Agreement by a period not to exceed five (5) years as requested by CONTRACTOR.

On January 30, 2019, Waste Management, Inc., provided a written request to the Director of the Environmental Health Bureau to extend the UFA pursuant to Article 2, Section 2.03 of said UFA. Pursuant to Article 2, Section 2.04, County is required to provide written notice to Waste Management, Inc., as to whether County is considering, accepts, or rejects Waste Management, Inc.'s request to extend within 120 calendar days of the date of the request. Per Section 2.04 of said UFA, County's response as to whether County is considering, accepts or rejects Waste Management, Inc.'s request for an extension is due on or before Thursday, May 30, 2019.

The Director of Health also seeks approval to negotiate an extension with Waste Management, Inc. An extension with no change to the existing terms and conditions of said UFA will allow for continuation of existing services and an opportunity for continuing negotiations between the County and Waste Management, Inc., regarding necessary changes to services which the County wishes to address pursuant to Senate Bill 1383, Chapter 395 (SB 1383, Lara. Short-lived climate pollutants: methane emissions: dairy and livestock: organic waste: landfills) approved September 19, 2016.

The County wishes to include provisions addressing the following: incentives for residents achieving higher diversion rates; the ability of the Board of Supervisors to consider annual rate increases above three percent (3%) with a vote of the Board; the annual rate adjustment to include a third-party audit with audit costs incorporated into the rate adjustment as operations costs for the year following said audit; the necessity for the Contractor to use calculations for diversion in conformity with the Department of Resource Recycling and Recovery for all materials; the necessity for the Contractor to achieve minimum diversion rates as established by the State; the ability to modify service to County facilities; the necessity of the Contractor to capture all material in unincorporated Monterey County for reporting purposes; a revision of liquidated damages figures; and, a detailed emergency plan.

While this work is not directly in support of a Monterey County Health Department 2018-2022 strategic initiative, it is in support of one (1) of the ten (10) essential public health services, specifically: 6) Enforce laws and regulations that protect health and ensure safety.

OTHER AGENCY INVOLVEMENT:

The Office of the County Counsel-Risk Management concurs with this recommendation.

FINANCING:

There is no impact to the General Fund resulting from this Board action.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Rob Durham, MA III, 8979

Approved by: Elsa Jimenez, Director of Health, 4526

Attachment:

Waste Management, Inc. Unified Franchise Agreement referenced pages are on file with the Clerk of the Board