



# EXCLUSIVE FRANCHISE FOR RESIDENTIAL AND COMMERCIAL SOLID WASTE COLLECTION SERVICES

## Public Works Department

City Council  
May 9, 2023

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## BACKGROUND

- 1. Total Residential Solid waste accounts: 63,484
- 2. Total Commercial Accounts: 7,408
- 3. The City services 2/3 of Residential accounts: 42,323
- 4. Burrtec Services 1/3 of Residential accounts: 21,161



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# BACKGROUND

- 5. Commercial Solid Waste Collection Services are provided through non-exclusive Franchise Agreements with Burrtec Waste Industries, Arakelian Enterprises dba Athens Services, and CR&R Environmental Services.
- 6. Residential Solid Waste Collection Services are provided by Burrtec Waste industries through an exclusive agreement.
- 7. These agreements have been in place since 2001. The Residential and Commercial Franchise Agreements expire on June 30, 2023.



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# BACKGROUND

- 8. The City has a transfer service agreement with Agua Mansa Transfer Station/Material Recovery Facility (MRF) to handle all trash, recyclable material, and organic recyclable material which includes source-separated food waste.
- 9. The transfer agreement, effective through March 30, 2029, requires all haulers to transfer these commodities to the MRF.



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# DISCUSSION

1. The proposed Exclusive Franchise Agreement is for a 15-year term through June 30, 2038, with options to extend up to 5 years, through June 30, 2043.
  
2. Pursuant to Public Resources Code Section 49520:
  - Issuing a Notice of Termination to the current commercial hauling contractors;
  - Providing for a 5-year continuation of services period effective July 1, 2023, and limiting the expansion or solicitation of new business during this time until June 30, 2028.
  - At the end of this 5-year transitional period, Athens Services will take over exclusively all of the commercial accounts.



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# DISCUSSION

3. Request for Proposal No. 2219 (RFP 2219):
  - Issued on August 18, 2022
  - Mandatory pre-proposal meeting on September 14, 2022
  - Bid Due Date on November 18, 2022
  - Four proposals received
    - Proposal from Burrtec deemed non-responsive due to lack of proposal bond for sufficient amount for either agreement
  - Selection Evaluation Process on January 20, 2023



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# DISCUSSION

The scoring criteria for both the proposal round and the presentation round were as follows:

- A. Qualifications (35%)
- B. Pricing (25%)
- C. Experience (20%)
- D. Professional References (10%)
- E. Approach and Methodology (10%).

Rank	Commercial Hauling Proposer	Location	Score
1	Arakelian Enterprises dba Athens Services	La Puente	91.25
2	CR&R Environmental Services	Stanton	85.75
3	Valley Vista Services	City of Industry	84.75

  

Rank	Residential Hauling Proposer	Location	Score
1	Arakelian Enterprises dba Athens Services	La Puente	86.50
2	Valley Vista Services	City of Industry	84.25



# STRATEGIC PLAN ALIGNMENT



## Strategic Priority 4 – Environmental Stewardship

**Goal 4.4** – Implement measures and educate the community to responsibly manage goods, products, and services throughout their life cycle to achieve waste reduction outcomes.

### Cross-Cutting Threads



Community Trust



Fiscal Responsibility



Sustainability & Resiliency



Equity



Innovation



## RECOMMENDATIONS

That the City Council:

1. Adopt a resolution of intent to grant an Exclusive Franchise Agreement for Residential and Commercial Solid Waste, Garbage, Recyclable Material, and Organic Waste Collection Services to Arakelian Enterprises, Inc. doing business as Athens Services, Inc.;
2. Schedule a Public Hearing for May 23, 2023, at 3:00 p.m. for the purpose of adopting an ordinance granting the Exclusive Franchise for Residential and Commercial Solid Waste, Garbage, Recyclable Material, and Organic Waste Collection Services to Arakelian Enterprises, Inc. doing business as Athens Services, Inc.;



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## RECOMMENDATIONS

3. Adopt a resolution and authorize the issuance of a notice to the current commercial hauling contractors pursuant to Public Resources Code Section 49520 providing for a 5-year continuation of services period and limiting the expansion or solicitation of new business during this time; and
4. Reject the proposal from Burrtec Waste Industries, Inc. as non-responsive.



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