



Amendment to Extend Residential Solid Waste Services with Burrtec

Public Works Department

City Council
December 12, 2017

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BACKGROUND

1. February 27, 2001 – City Council approved an Agreement with Burrtec to:
 - a) Provide residential refuse collection services to approximately one-third of Riverside's residential accounts;
 - b) Term ended May 11, 2008.
2. April 13, 2004 – First Amendment to the Agreement was approved to add Wednesday service for residents;



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BACKGROUND

3. January 23, 2007 – Second Amendment to the Agreement was approved to:
 - a) Extend the term to January 1, 2017;
 - b) Authorize annual Consumer Price Index (CPI) adjustments in compensation to Burrtec; and
 - c) Allow for one five-year extension on a month-to-month clause.
4. November 8, 2016 – Third Amendment to the Agreement was approved for a one-year extension through December 31, 2017.



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DISCUSSION

Burrtec provides excellent services at an affordable cost to approximately 25,760 residential accounts including:

1. Monthly performance reports to the City
2. Tracking of individual service calls
3. Responding to residential issues
4. Basic residential trash service
5. Bulky item pick-ups
6. Christmas tree removal
7. Removal of small illegal dumps



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DISCUSSION

Burrtec's compensation is comprised of 2 components:

1. Base Rate – cost of collection services
 - a) 55% of the overall cost
2. Disposal Fee – landfill and processing costs passed through from the County of Riverside
 - a) 45% of the overall cost

Burrtec receives monthly payments:

1. Amount paid is based on number of customers served
 - a. Typical Base Rate - \$7.37 per home per month
 - b. Typical Disposal Fee - \$6.00 per home per month



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DISCUSSION

A Fourth Amendment is requested for a one-year extension through December 31, 2018 to provide flexibility to accommodate any changes recommended from the Public Works Department audit.

Public Resources Code 40059 requires a Resolution for the City to grant authority to Burrtec to provide solid waste handling services through December 31, 2018.



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FISCAL IMPACT

The Fourth Amendment to the Agreement with Burrtec to provide residential solid waste services equates to approximately \$4,077,244.

1. Approximately \$270,000 in franchise fees associated with the contract will benefit the General Fund
2. No rate changes to residential customers are necessary



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RECOMMENDATIONS

That the City Council:

1. Adopt a Resolution authorizing and approving a Fourth Amendment to the Residential Solid Waste Agreement with Burrtec Waste Industries, Inc. for Integrated Solid Waste Management Services, in accordance with Public Resources Code 40059, extending the term through December 31, 2018; and
2. Authorize the City Manager, or his designee, to execute the Fourth Amendment to the Residential Solid Waste Agreement for Integrated Solid Waste Management Services with Burrtec Waste Industries, Inc.



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