



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL DATE: MARCH 3, 2020

FROM: PUBLIC WORKS DEPARTMENT WARDS: ALL

SUBJECT: INCREASE PURCHASE ORDER NO. 200895 BY \$700,000 WITH AGUA MANSA MRF, LLC, RIVERSIDE, CALIFORNIA FOR RESIDENTIAL GREEN WASTE PROCESSING FOR A TOTAL PURCHASE ORDER OF \$1,857,000 FOR FISCAL YEAR 2019/20

ISSUE:

Authorize an increase in Purchase Order No. 200895 by \$700,000 with Agua MRF, LLC, for residential green waste processing for a total Purchase Order amount of \$1,857,000.

RECOMMENDATION:

That the City Council authorize an increase to Purchase Order No.200895 with Agua Mansa MRF, LLC, of Riverside, CA for residential green waste processing by \$700,000 for a total purchase order amount of \$1,857,000 for Fiscal Year 2019/20.

BACKGROUND:

On January 8, 1997, the City entered into an Agreement with Burrtec Waste Industries, Inc., to construct and operate a waste transfer station currently known as the Agua Mansa MRF, LLC (Material Recovery Facility), and accept all waste for disposal collected by City and City's contracted haulers (Agreement).

The City has amended that Agreement multiple times to respond to changing regulatory requirements. On October 21, 2003, the Agreement was amended to expand the scope of services to include the processing and disposal of residential greenwaste materials. Green waste includes yard waste, grass clippings, pruning, tree branches, and leaves.

DISCUSSION:

The annual cost for processing residential green waste at the Agua Mansa MRF, LLC may be influenced by material volume, which may be impacted by weather (i.e. more rain generates more greenwaste). State mandates may also impact volume of waste material (i.e. drought restrictions reduced greenwaste demand several years ago).

Public Works is requesting authority to increase the purchase order amount for greenwaste processing due to higher processing costs approved by City Council on December 18, 2018 that were not reflected in the current purchase order, a higher than anticipated volume of greenwaste

due to rainfall earlier this year, and to accommodate prior year expenditures in the amount of \$277,816 that are being paid in the current fiscal year.

FISCAL IMPACT:

The total fiscal impact of this action for Fiscal Year 2019/20 is \$1,857,000. Funds are available in the Collection Refuse/Disposal Fees account 4130100-422700.

Prepared by: Kris Martinez, Public Works Director
Certified as to
availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Gary G. Geuss, City Attorney