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Title: RESOLUTION SELECTING AND AUTHORIZING AN AGREEMENT WITH EDCO DISPOSAL CORPORATION FOR SOLID WASTE AND RECYCLING COLLECTION, DISPOSAL AND MANAGEMENT SERVICES FROM JULY 1, 2018 THROUGH JUNE 30, 2023, FOR AN AMOUNT NOT TO EXCEED \$1,400,000. ALL FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON ADOPTION OF EACH FISCAL YEAR'S BUDGET

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5/8/2018	1	Board of Port Commissioners	adopted	Pass

DATE: May 8, 2018

SUBJECT:

RESOLUTION SELECTING AND AUTHORIZING AN AGREEMENT WITH EDCO DISPOSAL CORPORATION FOR SOLID WASTE AND RECYCLING COLLECTION, DISPOSAL AND MANAGEMENT SERVICES FROM JULY 1, 2018 THROUGH JUNE 30, 2023, FOR AN AMOUNT NOT TO EXCEED \$1,400,000. ALL FUNDS REQUIRED FOR FUTURE FISCAL YEARS WILL BE BUDGETED IN THE APPROPRIATE FISCAL YEAR, SUBJECT TO BOARD APPROVAL UPON ADOPTION OF EACH FISCAL YEAR'S BUDGET

EXECUTIVE SUMMARY:

The San Diego Unified Port District (District) contracts for Solid Waste and Recycling Collection, Disposal and Management Services. This agreement is used to provide dumpster services and recycling collection at all District facilities. Dumpster services include the removal of waste generated by routine District operations, construction activities, boat demolition, landscaping maintenance and District sponsored clean up events. Recycling services include scheduled collection and recycling of paper, aluminum, plastics, glass, cardboard and universal waste at District facilities.

Pursuant to Board of Port Commissioners (BPC) Policy No. 110, Procedure for the Administration of Contracts, Agreement, the Purchasing of Supplies, Materials, and Equipment, and Grants, Section II.C, Request for Proposal (RFP) No. 17-80MA was issued on January 19, 2018. The District received three (3) responsive proposals and conducted panel interviews with all three proposers to determine the best value to the District. A decision analysis was conducted by staff, which rated

service providers according to the standard weighted criteria, as listed in the RFP. EDCO Disposal Corporation (EDCO) received the highest total score and was deemed the best value to provide solid waste and recycling management services. Staff recommends the Board select and authorize an agreement with EDCO for Solid Waste and Recycling Collection, Disposal and Management Services from July 1, 2018 through June 30, 2023, for an amount not to exceed \$1,400,000.

RECOMMENDATION:

Adopt a resolution selecting and authorizing an agreement with EDCO Disposal Corporation for Solid Waste and Recycling Collection, Disposal and Management Services from July 1, 2018 through June 30, 2023, for an amount not to exceed \$1,400,000.

FISCAL IMPACT:

Anticipated funds for FY 2019 are included in the requested General Services' Facilities Maintenance -Outside Services budget, subject to Board approval. Staff estimates an annual cash requirement of approximately \$260,000, escalating over time to a fifth year total of \$297,000 resulting in a 5-year total cash requirement of \$1,400,000.

Funds required for future fiscal years will be budgeted for in the appropriate year subject to Board approval upon adoption of each fiscal year's budget.

COMPASS STRATEGIC GOALS:

This agenda item supports the following Strategic Goals by removing trash from tidelands and assisting in maximizing the District's waste diversion efforts:

- A Port with a healthy and sustainable bay and its environment.
- A Port that is a safe place to visit, work and play.

DISCUSSION:

The District is seeking a service provider to provide Solid Waste and Recycling Collection, Disposal and Management Services. This agreement is used to provide dumpster services and recycling collection at all District facilities. Dumpster services include the removal of waste generated by routine District operations, construction activities, boat demolition, landscaping maintenance and District sponsored clean up events. Recycling services include scheduled collection and recycling of paper, aluminum, plastics, glass, cardboard and universal waste at District facilities.

As required by BPC Policy 110, Request for Proposal No. 17-80MA was solicited through Planet Bids on January 19, 2018. Electronic solicitation notifications were sent to 222 potential service providers; 22 service providers downloaded the bid package.

On February 21, 2018, the District received three (3) proposals; all deemed responsive. Staff convened a panel to evaluate the three (3) proposals based upon standard criteria listed in the RFP. The proposals are described below, in order of final rankings.

EDCO Disposal Corporation

EDCO is located in Lemon Grove, CA. EDCO is a local, family owned firm with fifty-one (51) years of

experience in San Diego. They have provided similar services for the cities of National City, Coronado and Imperial Beach; held a franchise agreement with the City of San Diego; and held agreements with San Diego State University, the County of San Diego, The Irvine Company, and Point Loma Nazarene. EDCO's proposed staff has over one hundred-three (103) years of combined experience, with their project manager bringing thirty-four (34) years of experience with similar scopes of services. EDCO's approach to the project demonstrates a dedication to environmental protection, stormwater best management practices, and maximizing waste diversion in accordance with State mandated diversion and recycling requirements. EDCO utilizes plastic dumpsters which do not leak or rust, and do not age as quickly as metal dumpsters. Dumpsters are color coded by material type, which will help District staff to easily identify the proper disposal location for their waste material. EDCO's drivers are thoroughly trained on identifying waste types and will transport all waste to the appropriate processing facility. EDCO owns and operates six (6) state certified recycling buyback centers, six (6) waste transfer stations, two (2) material recovery facilities, and two (2) Mixed Construction/Demolition and Inert processing facilities which have a 72% waste diversion rate. As they are not landfill owners, the company is financially incentivized to divert materials to reusable or recyclable streams. EDCO's drivers carry brooms on their trucks, so that they can collect any loose trash that accumulates around dumpsters. Their fleet of trucks is comprised of compressed natural gas (CNG) and renewable natural gas (RNG) vehicles, which are all equipped with 360° cameras. All of their drivers are certified in defensive driving techniques and EDCO maintains a company-wide safety and quality control program. EDCO has extensive experience in performing Waste Audits and proven success in helping their clients to achieve their waste diversion goals through a robust education program. EDCO currently performs food waste disposal services for San Diego State University and has two (2) composting facilities opening in 2018, in addition to a state of the art Anaerobic Digestion Facility which is permitted and will be open in the near future. EDCO does not propose the use of any subcontractors and their proposed costs were determined to be fair and reasonable.

USA Waste of California, Inc. dba Waste Management

USA Waste of California, Inc. dba Waste Management (Waste Management) is located in El Cajon, CA. Waste Management has been providing similar services in San Diego for fifty (50) years, holding agreements with the Navy and Marine Corps, franchise agreements with local municipalities and the Coast Guard, and several Port tenants including the Marriott Marquis. Waste Management did not submit resume information on the proposed staff for this project although they were able to talk knowledgeably about the scope of services throughout their interview. Waste Management's approach to the project included a detailed data tracking component, although District staff noted that this program is a proprietary tool and the program would not be available beyond the term of an agreement with Waste Management. Waste Management has experience performing Waste Audits and offers customizable educational materials tailored to the company culture of each of their clients. Their approach showed a commitment to environmental sustainability with a near 100% CNG fleet, and the ability to color code dumpsters by material type. Waste Management's proposal reflected a thorough safety program with on-truck computers, cameras, and routing software. Their drivers are prohibited by their union agreement to collect any loose trash around dumpsters. Waste Management's capability to perform the services specified in the RFP is somewhat hindered by their requirement for a minimum of twenty-four (24) hour notice for as-needed services. Additionally, they do not yet have a plan developed for food waste disposal, although they are confident that they will have a plan in place soon. Waste Management does not propose the use of any subcontractors and their proposed costs were determined to be fair and reasonable, although higher than the other proposals and lacked a monthly flat fee for recycling, as requested in the RFP.

Allied Waste Systems, Inc. dba Republic Services

Allied Waste Systems, Inc. dba Republic Services (Republic) is located in San Diego, CA. Republic has been providing similar services in San Diego for forty (40) years. In addition to being the current service provider for this project, Republic has agreements with San Diego Gas and Electric; University of California, San Diego; San Diego International Airport; and City of San Diego Parks and Recreation. Their proposed project manager has six (6) years of relevant experience, including three (3) years with the District's current agreement. Republic's proposal highlighted the success the District had in increasing diversion rates since awarding this agreement to Republic. They presented a plan to continue the current format of annual Waste Audits, which resulted in recommendations for diversion improvement. Republic noted that their drivers may collect loose trash that accumulates around bins, and they are trained to take a photograph and report the issue back to the customer. Currently half of Republic's fleet of trucks are CNG vehicles, and Republic operates their own CNG fueling system. Republic does not have a plan developed for food waste disposal, but they are confident they will have a plan in place soon. Republic does not propose the use of any subcontractors and their proposed costs were determined to be fair and reasonable, and as owners of two (2) landfills in the area, costs for trash disposal were lower than the other proposals.

The selection panel found that EDCO offered the best value to the District, based upon their approach to the project, capability to perform, fair and reasonable costs, experience of proposed staff and the relevant experience of the firm. Staff recommends the Board select and authorize an agreement with EDCO Disposal Corporation for Solid Waste and Recycling Collection, Disposal and Management Services from July 1, 2018 through June 30, 2023, for an amount not to exceed \$1,400,000.

General Counsel's Comments:

The Office of the General Counsel has reviewed the issues set forth in this agenda and found no legal concerns as presented, and has reviewed and approved the agreement as to form and legality.

Environmental Review:

The proposed Board resolution to authorize an agreement for solid waste and recycling collection, disposal and management services is Categorically Exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Sections 15301 (Class 1 - Existing Facilities) and Section 3.a. of the District's Guidelines for Compliance with CEQA because the project in question includes operation of existing public facilities involving no expansion of use beyond that previously existing. The District has determined none of the six exceptions to the use of a categorical exemption apply to this project (CEQA Guidelines Section 15300.2). No further action under CEQA is required.

The proposed Board action complies with Section 87 of the Port Act, which allows for the construction, reconstruction, repair, maintenance, and operation of public buildings, public assembly and meeting places, convention centers, parks, playgrounds, bathhouses and bathing facilities, recreation and fishing piers, public recreation facilities, including, but not limited to, public golf courses, and for all works, buildings, facilities, utilities, structures, and appliances incidental, necessary, or convenient for the promotion and accommodation of any of those uses. The Port Act was enacted by the California Legislature and is consistent with the Public Trust Doctrine. Consequently, the proposed Board action is consistent with the Public Trust Doctrine.

In addition, the proposed Board action is considered "excluded development" pursuant to Section

8.a. (Existing Facilities) of the District's Coastal Development Permit Regulations because the project in question would involve no expansion of use beyond that previously existing; therefore, issuance of a Coastal Development Permit is not required.

Equal Opportunity Program:

Due to limited known sub opportunities, no SBE goal was established for this agreement.

PREPARED BY:

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Attachment:

Attachment A: Agreement No. 85-2018MA with EDCO Disposal Corporation