



Contra
Costa
County

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: November 1, 2016

Subject: First Amendment to the Franchise Agreement with Crockett Garbage Company

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Chair of the Board of Supervisors to execute the First Amendment to the County Franchise Agreement with Crockett Garbage Company to extend the term of the Agreement through December 31, 2016 in order to allow time for finalizing the terms and conditions of a proposed nine-year extension of the Crockett Franchise and associated proposed service enhancements and rate adjustment.

FISCAL IMPACT:

There is no impact to the County General Fund. Approval of the recommended Franchise Amendment would obligate Crockett Sanitary Service to continue paying solid waste/recycling franchise fees to the County through the end of this calendar year.

BACKGROUND:

On November 5, 1996, the County entered into a franchise agreement with Walter Botta, the sole proprietor of the Crockett Garbage Company, to provide collection and recycling services for the unincorporated communities of Crockett, Port Costa and Tormey. Walter Botta immediately assigned his rights and obligations under the Agreement to Crockett Garbage Service, Inc. (name was subsequently changed to Crockett Sanitary Service, Inc.),

APPROVE

OTHER

RECOMMENDATION OF CNTY
ADMINISTRATOR

RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **11/01/2016** APPROVED AS RECOMMENDED OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Mary N. Piepho, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: November 1, 2016

David Twa, County Administrator and Clerk of the Board of Supervisors

Contact: Demian Hardman,
(925) 674-7826

By: Chris Heck, Deputy

cc:

which is a subsidiary of Richmond Sanitary Service, Inc. The term of the Agreement will end on November 5, 2016, unless amended to extend the term.

BACKGROUND: (CONT'D)

County staff recommends that the agreement be extended through December 31, 2016, to allow both parties to finalize the terms of a proposed nine-year extension of the Crockett Franchise. This timing is preferable so that the proposed nine-year extension and the associated service enhancements could take effect on January 1, 2017, which coincides with the planned implementation of the Base Year Rate adjustment that is expected to be considered by the Board in November/December 2016. Crockett Sanitary Service, Inc., has executed the First Amendment recommended for approval by the Board.

This is the last of the four Franchise Agreements that the County entered into between 1993 and 1996. It is also the last proposed to be amended in order to extend the term for nine years (ten years for the other franchises). In order to seek direction from the Board regarding whether or not to extend these solid waste and recycling collection franchise agreements again in future years, staff will return to the Board of Supervisors three years prior to their termination dates, which fall between 2023 and 2025. This three-year "tickler" should allow adequate time for staff to conduct a Request for Proposals process should the Board so direct, including soliciting and selecting a contractor as well as completing negotiations with the selected contractor.

CONSEQUENCE OF NEGATIVE ACTION:

Unless and until an Amendment or new Franchise Agreement was approved by both parties, as of November 5, 2016, the County would no longer have a Franchise Agreement in effect to regulate the waste and recycling collection services provided to residential and commercial customers currently being served by Crockett Sanitary Service in Crockett, Port Costa or Tormey.