

The background of the slide features a large, faint, circular seal of the County of Fullerton, California. The seal contains a central shield with various symbols, including a building and a ship, surrounded by the text "COUNTY OF FULLERTON" and "CALIFORNIA".

SOLID WASTE SERVICES REQUEST FOR PROPOSAL

August 19, 2025



Purpose & Historical Context

- To report to Council on the result of the Ad Hoc Committee's review of the Solid Waste Services RFP development as directed from the May 20th CC Meeting
- Driving factors of RFP Development
 - Republic Services' contract with City to expire in June 2027
 - Current contract not compliant with new regulatory laws and collection services
 - Proposals submitted by Republic Services since 2021 did not align with the best interest of the City, resulting in failed negotiations
 - CalRecycle's Corrective Action Plan (CAP) requires the City to comply with Senate Bill 1383 (SB 1383) - California's Short-Lived Climate Pollutant Reduction Strategy



CalRecycle's CAP Compliance

- CA Dept. of Resources Recycling and Recovery - Corrective Action Plan
 - Due to delayed SB 1383 collection service implementation by unsuccessful contract negotiations with Republic Services since 2021
 - City received a final CAP extension until June 30, 2027, under the contingency of a completed RFP process that will comply with SB 1383
 - Continued non-compliance could result in penalties amounting to \$500 - \$10,000 per violation per day



Ad Hoc Committee – RFP Review

- Staff conducted comparative analysis, reviewed other agencies' contracts, consulted with solid waste consultants and legal counsel to optimize our approach in developing a sound RFP.
- Staff completed three Ad Hoc Committee Meetings
- Guided staff with the development of the RFP & key priorities:
 - RFP Schedule
 - Draft Request for Proposal
 - Contract Term – 10 years + 2 five-year extension options
 - Key Service Components
 - Fees
 - Rate Structures



Benefits of Request For Proposals (RFP)

- Key Service Components
 - SB 1383 Compliance Collection Services
 - Residential Senior Discount
 - Commercial 3 Cart System Collection
 - Bulky Item Quarterly Collection Services
 - City Owned Waste Enclosure Maintenance Services
 - Downtown Block Maintenance Services
 - Household Haz. Waste, Compost Give-Away, Paper Shredding Addtl; Collection Programs
 - Collection Vehicles (New/As-new), preferences using RNG that helps City meet SB 1383 procurement target requirements
 - Equipment - Replace old Bins and Carts citywide with identified markings



Benefits of Request For Proposals (RFP)

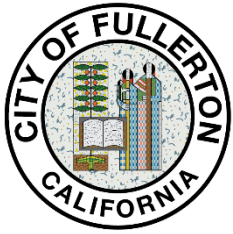
Description	Fees
RFP Reimbursement Fee	Actual Cost (Est. \$75,000)
Franchise Fee	10% of Gross Receipts
NPDES Fee (National Pollutant Discharge Elimination System)	\$1,550,000 + CPI
City Billing Fee	\$155,000 + CPI
Legislative Compliance Fee	\$2,000,000 + CPI



Benefits of Request For Proposals (RFP)

- Current Rate Structures
 - Even without organic collection services, Fullerton is still currently at the top two-thirds of residential and at the second highest in commercial waste collection rates in OC
 - Other agencies hold lower rates but have overall better “benefits” in their solid waste contract compared to Fullerton

Description	Fullerton	Orange County
Residential Rate – 1x per month (3 Cart System)	\$27.97	\$15.62 - \$39.25
Commercial Rate – 1x per week (3 Cubic Yard Bin)	\$239.73	\$131.59 – \$239.73

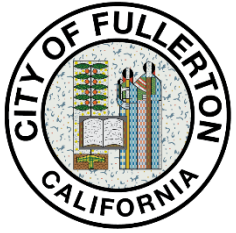


Benefits of Request For Proposals (RFP)

- Rate Setting Factors
 - Legislative Compliance Mandates (Unfunded)
 - Services and Fees
 - Restructuring Multi-Family Rate to align with industry's best practice
 - Restructuring Downtown Block Account to a set flat rate
 - Contract Term (Hauler's Capital Cost Recovery)
 - Additional Container Configuration Options

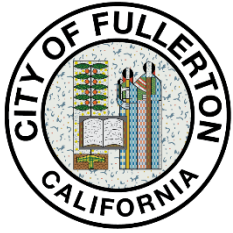
Staff anticipates that competitive market will yield attractive proposals.

Overall, an opportunity to create a more flexible, compliant, accountable, and improved contract.



Extensive RFP Process & Timeline

- RFP for a solid waste services contract requires tremendous time and coordination
 - Approximately a 2-year process from start to finish
 - RFP development, advertisement, evaluation, negotiation, award of contract, new contract roll out
- New Contract Roll Out
 - New Hauler transition (if current hauler is not selected) to familiarize with the City, services, and routes
 - Existing Hauler transition (if current hauler is selected) to prepare for container and vehicle equipment orders, swapping out containers for new identified markers
 - Fleet Equipment
 - Personnel/Staffing
 - Bins and Carts Roll Out
 - Collection Services



Extensive RFP Process & Timeline

Activity

Milestone

RFP Posted - Electronic Delivery

August 26, 2025

Mandatory Pre-Proposer Conference

September 9, 2025

Last day to submit RFP questions.

September 23, 2025

Last written response to proposer questions

September 26, 2025

Deadline for submittal of proposals

November 25, 2025

Complete proposal evaluation

January 15, 2026

Interview selected proposers

January 19 - 23, 2026

Review Committee finalize recommendation

February 2, 2026

Finalize agreement with recommended firm

March 2, 2026

Finalize equipment purchase and roll-out plan

March 16, 2026

Present recommendation at Council study session

April 7, 2026

Present recommendation to the City Council

April 21, 2026

Selected firm orders equipment

July 1, 2026

Roll out of commercial program

July 1, 2027

Roll out of residential program

July 1, 2027



Next Steps

- RFP timeline milestones are critical to implement and comply with SB 1383 legislation and avoid penalties from CalRecycle.
- Staff intends to release the RFP on August 26, 2025, to stay on schedule.
- There is no contractual obligation at this time. Staff would negotiate with the preferred hauler with consultation from legal counsel and established Ad Hoc Committee.
- Per the proposed schedule, staff will bring the results of the evaluation at a Council study session, followed by a final recommendation as a regular business item.



Proposed Motion

- Authorize and direct the Interim City Manager to issue the Solid Waste Service Request for Proposal (RFP).



Questions?

