



City of Culver City

Mike Balkman Council
Chambers
9770 Culver Blvd.
Culver City, CA 90232

Staff Report

File #: 21-994, **Version:** 1

Item #: C-6.

CC - (1) Authorization to Terminate the Existing Agreement with CR&R, Inc. for Transport Services and On-Call Roll Off Collection; and (2) Approval of an Agreement with RCS Trucking for Transport Services and On-Call Roll-Off Collection Services.

Meeting Date: June 14, 2021

Contact Person/Dept: James Pledger/Public Works Environmental Programs and Operations Division

Phone Number: (310) 253-6423

Fiscal Impact: Yes ☒ No ☐

General Fund: Yes ☐ No ☒

Public Hearing: ☐ **Action Item:** ☐ **Attachments:** ☐

Commission Action Required: Yes ☐ No ☒ **Date:**

Public Notification: (E-Mail) Meetings and Agendas - City Council (06/09/2021)

Department Approval: Charles D. Herbertson, Public Works Director/City Engineer (05/13/2021)

RECOMMENDATION

Staff recommends the City Council (1) authorize the termination of the existing agreement with CR&R, Inc. for transport services and on-call roll-off collection services; and (2) approve an agreement with RCS Trucking through August 31, 2023 for these services.

BACKGROUND

Culver City's Public Works Department, Environmental Programs and Operations Division (EPO) operates an in-house waste management collection service for its residents and businesses. EPO staffs approximately 50 employees that collect waste, recyclables, organics, bulky items, and construction demolition debris on a daily basis. Additionally, Culver City EPO operates a 500 ton per day transfer station.

The Culver City Transfer and Recycling Station operates under a Solid Waste Facility Permit that is regulated by the County of Los Angeles Public Health Department Solid Waste Management Division (LEA). The LEA oversees the Transfer and Recycling Station's management of inbound volumes to

ensure the site doesn't exceed daily tonnage limits. Requirements include daily documented inspection of inbound loads to identify and remove any unacceptable items in the waste stream; operational radiation monitoring system to detect radioactive materials before entering the site and effective dust and odor control measures.

To comply with the LEA requirements and the state's recycling mandates AB341 and AB1826, materials collected from the City's residents and businesses are brought to the Culver City Transfer and Recycling Station and segregated into four piles of material: solid waste, mixed recycling, organic waste, and construction demolition. To properly process and dispose each of the waste streams, the EPO Division has contracted with Waste Management Inc, to dispose the City's solid waste and process the City's construction & demolition; the County of Los Angeles Sanitation District, to process the City's mixed recycling; and Athens Services to process the City's organic waste. The City uses third party haulers to transport these materials to the various sites.

In 2018, CR&R Inc. was awarded a contract through a competitive Request for Proposals process to provide transportation services for the City's waste and recycling materials to various disposal and processing facilities. The contract is in effect for a five-year period expiring on August 31, 2023. In January 2020, CR&R informed the City that the rate being billed for loads taken to the Simi Valley Landfill was incorrect and underpriced. The City is currently paying \$260.00 per load for trash to be transported to Waste Management's Simi Valley landfill. This is the rate that was provided in the bid document received in 2018. CR&R is disputing this rate and advises the rate charged to the City should be \$350.00 per load.

Since the onset of the dispute, CR&R's level of service has been unsatisfactory and has become obstructive to the transfer and recycling station's operations. The contract requires eight transfer trucks be available to haul the City's material on a daily basis. CR&R continues to provide six transfer trucks which causes delays in dumping time, and early closures due to lack of floor space. Based on the foregoing, staff recommends City Council authorize terminating the agreement with CR&R and approve an agreement with RCS Truck, which was the second lowest proposer during the RFP process. RCS rate to transport material to the Simi Valley Landfill is \$300.00 per load. The agreement would be for a term ending August 31, 2023 (the same term as the existing contract with CR&R).

If the City Council authorizes termination of the existing agreement with CR&R, staff will work with the City Attorney's Office to issue the required 30-day notice of termination.

FISCAL ANALYSIS

Funds are available in FY 2020/2021 in account number 20260410.615100. The cost for services for FY 2021/2022 is estimated at \$985,000, and FY 2022/2023 is estimated at \$1,095,000 contingent on the adoption of the Refuse funds budget for both periods.

ATTACHMENTS

None.

MOTION

That the City Council:

1. Authorize the termination of the existing contract with CR&R, Inc.;
2. Approve an agreement with RCS Trucking for a term ending August 31, 2023; and
3. Authorize the City Attorney to review/prepare the necessary documents; and
4. Authorize the City Manager to execute such documents on behalf of the City.