



Office of the City Manager

CONSENT CALENDAR
February 24, 2026

To: Honorable Mayor and Members of the City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Terrance Davis, Director, Public Works
 Subject: Contract: Northern Recycling, LLC for Hauling and Processing of Compostable Materials

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract with Northern Recycling, LLC for hauling and processing compostable materials, in an amount not to exceed \$16,091,834 for the five-year period March 1, 2026, to March 1, 2030, with a mutual option to extend the contract for an additional five years.

FISCAL IMPACTS OF RECOMMENDATION

Funding for FY 2026 is available in Zero Waste Fund 601. Funding for FY 2027 – FY 2030 is subject to City Council budget appropriation.

CURRENT SITUATION AND ITS EFFECTS

On November 26, 2025, the City issued Request for Proposals (RFP) No. 25-11685-C for hauling and processing compostable materials. The RFP closed on December 4, 2025. The City received two bids, from Northern Recycling, LLC and Recology Blossom Valley Organics North. Following an evaluation of responsiveness, responsibility, and pricing, Northern Recycling, LLC was determined to be the most responsive and responsible bidder, offering the most competitive pricing.

The proposer has submitted a five-year contract with a mutual option for a five-year extension. The proposal includes a processing rate of \$68.12 per ton for the City's green waste material and a transportation rate of \$28.68 per ton from the Berkeley Transfer Station to the proposer's processing facility. The contract assumes an annual non-fuel cost adjustment tied to the San Francisco Bay Area All Urban Consumers Consumer Price Index (CPI-U), and a per ton fuel cost escalator based on the Energy Information Administration's Oil Price Information Service index.

In addition, the proposer will provide the City, at no additional cost, with 10 percent of the finished compost product for public distribution. This provision supports the City's compliance with the State's Short-Lived Climate Pollutant Reduction regulations (SB 1383). California Code of Regulations, Title 14, Section 18993.1, requires jurisdictions to annually procure recovered organic waste products, such as compost and mulch, in

minimum quantities calculated by CalRecycle based on the jurisdiction's organic waste generation. Eligible uses include landscaping, erosion control, and public distribution programs. Procuring finished compost through this contract will assist the City in meeting its annual recovered organic waste product procurement requirements and in maintaining compliance with CalRecycle's SB 1383 enforcement and reporting framework.

BACKGROUND

In 2016, the Department issued a Request for Proposals (RFP) for the processing of compostable materials with an optional hauling component. The RFP required the selected vendor to deliver five percent of the finished compost product to the City for use by Berkeley residents.

In January 2017, the City Council approved Contract No. 10645 with Recology Blossom Valley Organics North for a five-year term ending February 29, 2020. The contract included a mutual option to extend the agreement for an additional five years, which was exercised through February 2025.

In January 2020, the City Council approved Contract No. 114924-1 (10645), increasing the not-to-exceed amount and extending the contract term through February 28, 2025. The contract was subsequently amended by letter agreement and further extended through February 28, 2026. This one-year extension was intended to allow sufficient time for the City to conduct a new competitive procurement process.

A new contract is required to replace the expiring agreement and to update the acceptable materials list to ensure alignment with current CalRecycle regulations and guidance, including evolving organic waste acceptance standards under the State's Short-Lived Climate Pollutant Reduction regulations (SB 1383).

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

Diverting the City's compostable materials from landfill disposal is a critical component of achieving the City's Zero Waste goals, as established in the City's 2009 Climate Action Plan. This action also aligns with the Zero Waste Division's diversion strategies by supporting increased organics diversion, the beneficial reuse of recovered organic materials, and compliance with State organic waste reduction requirements. Diverting organic materials helps jurisdictions meet CalRecycle's mandated waste diversion targets, including the statewide requirement to divert at least 75 percent of solid waste from landfill disposal. Together, these efforts reduce methane emissions from landfills and advance the City's broader climate and sustainability objectives.

RATIONALE FOR RECOMMENDATION

Northern Recycling, LLC was the most responsive, qualified bidder to the 2025 RFP. Selection of this proposer supports the City's Climate Action and waste diversion goals, as diversion of compostable materials is a critical component of reducing landfill

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disposal, decreasing greenhouse gas emissions, and advancing the City's Zero Waste objectives. Diversion of compostable materials plays a significant role in meeting the City's Climate Change and required state mandated waste diversion targets.

ALTERNATIVE ACTIONS CONSIDERED

Negotiate a third contract extension with Recology Blossom Valley Organics North. This alternative was considered but not recommended, as it would be inconsistent with the City's contracting policies, which require a competitive solicitation process at the conclusion of a contract term. In addition, further extending the existing contract would delay updating contract terms necessary to align acceptable materials, pricing, and regulatory requirements with current CalRecycle guidance and State organic waste reduction regulations.

CONTACT PERSON

Leticia Jaurequi, Solid Waste and Recycling Manager, (510) 981-6362

Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT: NORTHERN RECYCLING, LLC FOR HAULING AND PROCESSING OF
COMPOSTABLE MATERIALS

WHEREAS, the City collects approximately 33,000 tons of compostable material per year;
and

WHEREAS, on November 26, 2025, the City issued Request for Proposals (RFP) No. 25-11685-C for hauling and processing compostable materials. The RFP closed on December 4, 2025. The City received two bids, from Northern Recycling, LLC and Recology Blossom Valley Organics North; and

WHEREAS, Northern Recycling, LLC was deemed the most responsive, qualified bidder, and meets all other contract requirements; and

WHEREAS, diverting compostable material from Berkeley's landfilled waste is an essential component of meeting the City's waste reduction and greenhouse gas reduction goals; and

WHEREAS, Funding for FY 2026 is available in Zero Waste Fund 601. Funding for FY 2027 – FY 2030 is subject to appropriation.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute a contract with Northern Recycling, LLC for hauling and processing compostable materials, in an amount not to exceed \$16,091,834 for the five-year period March 1, 2026, to March 1, 2030, with a mutual option to extend the contract for an additional five years.



City of Berkeley
Abstract of Bid Worksheet

Finance Department
General Services Division

For: **Organics & Compost Recycling and Hauling**
Spec. 25-11685-C

DATE: 11/04/2025

	Bidders	Local Vendor	WC	NF	OS	SC	LW	EBO
1	Recology		X	X	X		X	X
2	Northern Recycling LLC		X	X	X		X	X
3								
4								
5								
6								
7								
8								
9								
10								

Bid Recorder:

Roop Soorma *R Soorma*

DATE 01/23/2026

Bid Opener:

Aundra Richards *Aundra Richards*
Julia A. Heath

DATE 01/23/2026

Project Manager:

Julia Heath

DATE 01/23/2026

