



Office of the City Manager

CONSENT CALENDAR
December 15, 2020

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Liam Garland, Director, Public Works
 Subject: Sole Source Contract Negotiations – Community Conservation Center, Inc. and Ecology Center, Inc.

RECOMMENDATION

Adopt a resolution for the City Manager to continue sole source negotiations with Ecology Center, Inc. and Community Conservation Centers, Inc.

FISCAL IMPACTS OF RECOMMENDATION

There are no impacts to the General Fund (Fund 011). The Zero Waste Fund derives revenue primarily from rate charges to residential and commercial customers. As costs increase or decrease, rates may increase or decrease.

CURRENT SITUATION AND ITS EFFECTS

The City has been in contract with the Ecology Center, Inc. (EC) and Community Conservation Centers, Inc. (CCC) for many decades. For single family and multi-family residences (9 units or less), EC collects 8,000+ tons of residential curbside recycling annually, and delivers these dual-stream, separated materials to Berkeley Recycling.

As the operator of Berkeley Recycling, CCC sorts and markets 15,000+ tons of curbside collected recyclable materials delivered by both EC and the City's Zero Waste Division, the latter serving commercial businesses and multi-family building with 10+ units. As part of Berkeley Recycling, CCC also provides residents' drop-off and California Redemption Value containers buy-back recycling services. Both EC and CCC are nonprofit community based organizations. CCC's and EC's current one-year contracts expire on June 30, 2021.

Staff are recommending negotiation of sole source contracts with EC and CCC. The process will be assisted by a third party customer survey of services provided by Public Works' Zero Waste Division, EC, and CCC, and a third-party review of these nonprofits' financials and program expenses. Staff will return to City Council in May with recommendations on both contracts, including terms, length, and services, and the results of the customer survey.

The contracted services provided by EC and CCC advance the City's Strategic Plan's goals to provide state-of-the-art, well-maintained infrastructure, amenities, and facilities; be a global leader in addressing climate change, advancing environmental justice, and protecting the environment; and be a customer-focused organization that provides excellent, timely, easily-accessible service and information to the community.

BACKGROUND

Sole source negotiations for multi-year contracts with EC and CCC should enable the City to provide consistent recycling services at reasonable costs. While it may appear that a full competitive procurement with a request for proposals would result in the best rates and services being obtained by the City, procurement results from other San Francisco Bay Area cities suggest otherwise. Given the current turmoil in the marketplace for commodity pricing, some cities have concluded competitive procurements with steep rate increases, while others faced litigation regarding the process and results. Even if successful, these competitive procurements are costly and time consuming often lasting 18-24 months. In addition, a full competitive procurement may fail to attract respondents because of the unique type of Berkeley's services, including our dual-stream recyclables collection system and high-quality, processed recyclables. These respondents also would be assuming significant risk in taking over these services during a global pandemic and as the process to replace the Transfer Station is underway.

Perhaps most importantly, sole source negotiations recognize the unique nature of EC and CCC. Both are Berkeley-based nonprofits, whereas common providers of these services in other cities are for-profit companies with out-of-state home offices. EC and CCC have grown and advanced the City's zero waste services over the course of five decades and provide other well-known community benefits such as farmers markets.

ENVIRONMENTAL SUSTAINABILITY

Both EC's residential curbside recycling collection services and CCC's sorting and marketing of all recyclables are consistent with various state and county goals, and our City's 2009 Climate Action Plan, 2005 Zero Waste Goal, and long-standing commitment to protect the environment.

RATIONALE FOR RECOMMENDATION

EC's and CCC's contracts expire on June 30, 2021. Because of the unique nature of these entities, sole source negotiations are the best approach to delivering these essential zero waste services seamlessly and continuously at reasonable cost and value.

ALTERNATIVE ACTIONS CONSIDERED

Instead of sole source negotiations, the City could release an open, competitive request for proposal. Doing so would be very challenging given the unique services we seek

and amidst the uncertainty caused by the global pandemic, a troubled recyclables market, and a July 1, 2021 deadline to have a contractor in place.

CONTACT PERSON

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Attachment:

1: Resolution

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

AUTHORIZATION OF SOLE SOURCE CONTRACT NEGOTIATIONS – COMMUNITY
CONSERVATION CENTER, INC. AND ECOLOGY CENTER, INC.

WHEREAS, the City has been in contract with the Ecology Center, Inc. (EC) and Community Conservation Centers, Inc. (CCC) for many decades and their current contracts expire on June 30, 2021; and

WHEREAS, sole source negotiations for multi-year contracts with EC and CCC should enable the City to provide consistent recycling services at reasonable costs; and

WHEREAS, the EC and CCC have successfully provided consistent and continuous residential curbside recycling collection and sorting services for many years.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to continue sole source negotiations with Ecology Center, Inc. and Community Conservation Centers, Inc.