



Meeting Date: 01 /08 / 2008

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input checked="" type="checkbox"/> Other Study Session _____

Prepared By: Grant Dunne, Management Analyst III

Agenda Item No.

R-2

Reviewed By: City Manager

City Attorney

Finance

Other Public Works

DATE: December 27, 2007

TO: City Council

FROM: Dennis Scala, Acting Environmental Resources Superintendent
Public Works Department – Environmental Resources Division

SUBJECT: Three-Cart Residential Collection System

RECOMMENDATION

That the City Council consider a report and provide direction to the Acting Environmental Resources Superintendent introducing the three-cart residential collection system.

DISCUSSION

Current Impacts of the Split Cart Residential Collection System

Currently, the storage capacity provided in the split containers for refuse (55 gallons in the 110 gallon carts or 35 gallons in the 70 gallon carts) is not meeting the storage needs of many residents; and as a result, refuse is being placed in either the split container’s recyclables compartment or in the green wastes collection container. This has significantly degraded the quality of the residential recyclables collected using the split-container system, where contamination rates have been measured in the high 55% range, compared with the 10% to 20% contamination rates typically reported in three cart collection systems with dedicated recyclables carts. Based on this approximation, the City would realize significant cost avoidance in disposal and handling. The 110 gallon split containers are heavier and more difficult for residents to maneuver than are 95 gallon dedicated carts. The split-body containers are also reaching the end of their warranty period and their projected useful life, requiring a higher level of repairs or replacements.

Three Cart Residential Collection System

The three-cart collection system applies dedicated carts for the collection of refuse, recyclables and yard waste. The three-cart system provides customer satisfaction and convenience as well as operational and financial considerations.

If a three-cart automated system were implemented in Oxnard, each residence receiving City solid waste collection services would receive a 95-gallon gray cart with black lid for refuse, a 95 gallon gray cart with blue lid for recyclables and retain their 105 gallon green cart for recyclable yard waste collection. Refuse would be collected weekly with recyclables and yard waste collected alternately

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every other week. The number of truck trips for weekly collection would remain the same as the current collection system.

As an alternative, residents using a 70 gallon split-container under the current system could choose to use the smaller 35 gallon capacity refuse and recyclables storage and collection carts, if they met a defined criteria such as having restricted areas in which to store the collection carts between collection days, special needs that limited their ability to maneuver the larger collection carts or demonstrated that they generated lesser amounts of waste that could be accommodated in the smaller containers.

The three-cart system offers many benefits to operations. It will be compatible with the current fleet of trucks; thus, maximizing the number of cart pickups within a route. The single body cart efficiently empties bulky items reducing the repetitions and stress fractures caused to the truck's automatic lift arm resulting in substantial savings toward maintenance and less truck downtime. The carts have fewer components requiring less assembly and maintenance cost.

Financially, the three-cart system provides for greater and cleaner volumes of recyclable materials resulting in greater returns when marketing this material. Additionally, cleaner recyclables produces less residual going to the landfill resulting in avoided cost for hauling and disposing of material.

Community Outreach

Staff recommends introducing and receiving input from the residential community about the three-cart collection system. Neighborhood Council meetings, satellite City Hall events, and other community events make excellent forums for staff to introduce the benefits of the three-cart system and to receive valuable feedback from residents.

Conversion Process

Based on a projected delivery rate of 1,000 residences per day receiving both new carts for refuse and recyclables collection, 4,000 residences per week, staff believes that the transition to the three-cart system could be completed within approximately 12 weeks or within three months.

The conversion would be done on the normal day of collection, with the old split container removed after being emptied. The retired split containers would be taken to Del Norte for triage to process and ship for recycling.

Procurement

Staff recommends issuing a Request for Proposal (RFP) to cart vendors. The RFP would seek securing a vendor with a responsible and competitive proposal to supply new carts, remove and "buy-back" the old carts for recycling purposes, provide a minimum ten year cart warranty and warranties of compatibility with truck grippers, provide cart delivery guarantees, and provide computerized cart identification system for tracking carts for inventory, retrieval, repairs, replacement, and redistribution.

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Financing

An interdepartmental loan from the Water Enterprise Fund is an option in providing funds needed for the acquisition of carts. Staff projects that the amount of the loan would be approximately \$3,150,000 with annual lease payments of approximately \$400,000 including interest amortized over the 10-year life of the carts. An interdepartmental loan from the Water Enterprise Fund would likely provide an interest rate based on the current Local Agency Investment Fund of approximately 5% as compared to private financing at 6% to 7% plus issuance costs. Revenue generated from the sale of recyclable material and cost avoidance from diverting material from the landfill as a result of the three-cart system would offset the projected annual loan payment of \$400,000, including interest, to the Water Enterprise Fund.

Next Steps

Staff would like to return to City Council to report the community input and feedback about the three-cart system, recommend financing for the acquisition of the carts, and recommend the selection of a cart vendor from a completed competitive bid process.

FINANCIAL IMPACT

As this is a study session, there is no financial impact from this recommendation.

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