



May 10, 2011

Nicole Almaguer,
Environmental Specialist
City of Albany
1000 San Pablo Ave
Albany, California 94706

Dear Ms Almaguer,

As we continue to explore opportunities to enhance our ongoing partnership with the City of Albany, we would like to share a few observations that we believe provide value beyond dollars

January 2004 marked the beginning of an exciting, productive and sustainable, environmental journey between the City of Albany and Waste Management of Alameda County (WMAC) We initiated noteworthy comprehensive recycling and organics programs, deployed innovative collection processes and developed a quick responsive program for issues and concerns resulting in a 70% diversion rate, one of the highest in Alameda County

In response to Alameda County's push to improve diversion and to develop sustainability alternatives, Waste Management of Alameda County (WMAC) continues to research and invest in new technology to assist our partner cities to attain their next diversion or climate action plan milestone

Utilizing a three tiered approach, the City of Albany in partnership with WMAC has access to the only Alameda County based solid waste collection, transfer, processing and disposal company to offer a comprehensive resource recovery and recycling infrastructure capable of meeting the needs of the City of Albany Targeted public education, deployment of collection best practices, and enhanced processing procedures and equipment will send less tons to the landfill and will increase participation and diversion among the commercial and multi-family sectors

Earlier this year our Davis Street Transfer Station (DSTS) received final permit approval from the City of San Leandro on our Master Plan Improvements These improvements will allow DSTS to develop a Food Waste/ Organics Recycling Facility, construct an Alternative Fuel (CNG) fueling station, provide an in-county composting operation, and expand our Single Stream line, C&D material recovery facility and self-haul disposal area, to extract additional material from the waste stream

Additional considerations for negotiating a new contract with WMAC

1) Service Continuation / Quality

Continuation with WMAC will avoid some of the service disruptions that often occur when contracts transition from one hauler to another Today, Albany residents enjoy premium quality service provided by WMAC The quality of service would not likely increase significantly if a new hauler is selected

2) Motivated Incumbent

The sole source negotiation process will enable the City to modify current terms and conditions of the Franchise Agreement that satisfy the City's Climate Action Plan initiatives. The City will be able to negotiate better pricing terms directly with WMAC than any that are achieved through a competitive bid process.

3) Staff and Consultant Cost Savings

Staff will be able to save time and money by direct sole source negotiations with WMAC and have a complete revised Franchise Agreement in about three months. A competitive process takes longer than renegotiating an existing contract. This translates into additional consultant and staff time and cost.

4) Possible Lack of Bidders

A hauling only contract may not attract many bidders due to lack of earning potential. In addition, bidders may not want to risk the cost of preparing a proposal if they perceive that WMAC has a significant advantage given its long history in servicing Albany.

All the above add up to a zero waste solution through closed loop, cradle to cradle initiatives for the City of Albany and a giant step toward reaching your Climate Action Plan goals.

Waste Management of Alameda County would like to thank the City of Albany for the opportunity to submit this proposal and looks forward to your reply. This proposal, once finalized, is contingent upon Waste Management Corporate approval.

Sincerely,



David Tucker
Director of Community and Public Relations

cc Judy Lieberman, Assistant City Administrator
Robert Angell, Director of Municipal Contract Compliance

City of Albany
Scope of Optional Services and Rate Structure
Revised 5/20/2011



	% Increase			Commercial		
	Resi	Commercial	Roll Off	Resi 35g Cart	1yd trash	R/O 14 yd box
2010 Rates	0.00%	0.00%	0.00%	\$ 24.77	\$ 98.73	\$ 369.39
2011 Base Proposal (Year 1 Phase In)						
Collection franchise (10 years)						
Processing & Landfill franchise (20 years)						
Existing solid waste management service						
Existing Carts & Containers, with current replacement as needed						
New Alternative Fuel Vehicles	40.00%	40.00%	40.00%	\$ 34.68	\$ 138.22	\$ 517.15
2012 Base (Year 2 Phase In; does not include RRI)	2.50%	2.50%	2.50%	\$ 35.54	\$ 141.68	\$ 530.07
2013 Base (Year 3 Phase In; does not include RRI)	2.50%	2.50%	2.50%	\$ 36.43	\$ 145.22	\$ 543.33
2011 Proposed Based Upon Council Direction						
City-Wide Battery Collection						
\$5k annual allowance for MFD and small business (by request or mail)	0.45%	0.45%	0.45%	\$ 0.11	\$ 0.44	\$ 1.66
City-Wide Battery Collection						
SFD curbside cart service (unlimited)	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
Curbside Cell Phone Recycling						
SFD curbside cart service (unlimited)	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
City-Wide CFL Collection for MFD (4+ units)						
\$5k annual allowance for MFD and small business (by request or mail)	0.45%	0.45%	0.45%	\$ 0.11	\$ 0.44	\$ 1.66
City-Wide CFL Collection						
SFD CFL recycling program	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
Free Roll Off Hauls						
Special City clean up roll off hauls - 15 hauls per year	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
Public Education						
\$10K first year allowance, \$5K per year allowance thereafter	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
Compost Give-Away Events						
Two events, total of 40 cubic yards of compost	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
Big Belly Solar Compactor for Commercial District						
15 Big Belly Solar Compactor containers	0.70%	0.70%	0.70%	\$ 0.17	\$ 0.69	\$ 2.59
Sustainability Coordinator						
One Full Time Sustainability Coordinator	6.50%	6.50%	6.50%	\$ 1.61	\$ 6.42	\$ 24.01
% increase if all options selected	8.10%	8.10%	8.10%	\$ 2.01	\$ 8.00	\$ 29.92
Total % Increase (Year 1 rates with all options)	48.10%	48.10%	48.10%	\$ 36.68	\$ 146.22	\$ 547.07

City of Albany
Scope of Optional Services and Rate Structure
Revised 5/20/2011



	% Increase			Commercial		
	Resi	Commercial	Roll Off	Resi 35g Cart	1yd trash	R/O 14 yd box
2010 Rates	0.00%	0.00%	0.00%	\$ 24.77	\$ 98.73	\$ 369.39
2011 Base Proposal (Year 1 Phase In)						
Collection franchise (10 years)						
Landfill franchise (20 years)						
Existing solid waste management service						
Existing Carts & Containers, with current replacement as needed						
New Alternative Fuel Vehicles	10.00%	10.00%	10.00%	\$ 27.25	\$ 108.60	\$ 406.33
2012 Base (Year 2 Phase In; does not include RRI)	15.00%	15.00%	15.00%	\$ 31.33	\$ 124.89	\$ 467.28
2013 Base (Year 3 Phase In; does not include RRI)	20.00%	20.00%	20.00%	\$ 37.60	\$ 149.87	\$ 560.73
2011 Proposed Based Upon Council Direction						
City-Wide Battery Collection						
\$5k annual allowance for MFD and small business (by request or mail)	0.45%	0.45%	0.45%	\$ 0.11	\$ 0.44	\$ 1.66
City-Wide Battery Collection						
SFD curbside cart service (unlimited)	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
Curbside Cell Phone Recycling						
SFD curbside cart service (unlimited)	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
City-Wide CFL Collection for MFD (4+ units)						
\$5k annual allowance for MFD and small business (by request or mail)	0.45%	0.45%	0.45%	\$ 0.11	\$ 0.44	\$ 1.66
City-Wide CFL Collection						
SFD CFL recycling program	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
Free Roll Off Hauls						
Special City clean up roll off hauls - 15 hauls per year	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
Public Education						
\$10K first year allowance, \$5K per year allowance thereafter	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
Compost Give-Away Events						
Two events, total of 40 cubic yards of compost	0.00%	0.00%	0.00%	\$ -	\$ -	\$ -
Big Belly Solar Compactor for Commercial District						
15 Big Belly Solar Compactor containers	0.70%	0.70%	0.70%	\$ 0.17	\$ 0.69	\$ 2.59
Sustainability Coordinator						
One Full Time Sustainability Coordinator	6.50%	6.50%	6.50%	\$ 1.61	\$ 6.42	\$ 24.01
% increase if all options selected	8.10%	8.10%	8.10%	\$ 2.01	\$ 8.00	\$ 29.92
Total % Increase (Year 1 rates with all options)	18.10%	18.10%	18.10%	\$ 29.25	\$ 116.60	\$ 436.25