



DATE: May 14, 2019

CATEGORY: Consent

DEPT.: Public Works

TITLE: **Adopt a Resolution to Participate in the Initial Planning for Potential Future Use of the Sunnyvale Materials Recovery and Transfer (SMaRT) Station**

RECOMMENDATION

Adopt a Resolution to Participate in the Initial Planning for Potential Future Use of the Sunnyvale Materials Recovery and Transfer Station, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

Mountain View provides solid waste and recycling collection, processing, and disposal system services through a number of agreements. Recology Mountain View provides garbage and recycling collection services to all residential and commercial customers. After collection, Recology hauls Mountain View garbage and recycling to the Sunnyvale Materials Recovery and Transfer (SMaRT®) Station owned by Sunnyvale and operated by Bay Counties. Under a Memorandum of Understanding (MOU) between the cities of Mountain View, Palo Alto, and Sunnyvale, the City pays Sunnyvale a fee for recycling and garbage processing services. After sorting the garbage to remove any remaining recyclable materials, the residual is transferred to the Kirby Canyon Landfill in South San Jose for disposal.

These three agreements are budgeted at nearly \$22 million annually (representing 75 percent of Solid Waste Fund expenditures), and all three expire near the end of 2021. On [September 4, 2018](#), Council approved a contract with Abbe and Associates to prepare a Zero Waste Plan, review options for the future, and assist with the development of new collection, processing, and disposal agreements for the post-2021 period.

ANALYSIS

Establishing new collection, processing, and disposal agreements is a multi-year effort that is currently under way. The City of Sunnyvale is leading a process related to the

future of the SMaRT Station, including strategic planning for future partnerships, facility inspection, needs assessment, identification of post-2021 improvements, and conceptual design for priority improvements. As an existing partner, City staff has been included in these early actions, consistent with the terms of the current MOU, to discuss post-2021 arrangements.

As a next step in the process, the City of Sunnyvale is ready to convene more formal and detailed discussions with those cities that have expressed a serious interest in possible future use of the SMaRT Station. Adoption of the recommended resolution signifies Mountain View's interest in a future MOU and designates City staff time to take part in discussions to define a collective vision of the facilities and services the SMaRT Station should provide in the future.

The resolution does not commit the City to entering into a partnership or an MOU with Sunnyvale to use the SMaRT Station. A report will be provided to Council in early fall 2019 analyzing contracting options in detail. A financial and operational analysis for each scenario, identifying pros and cons and a ranking based on evaluation criteria, will be included. The following options will be analyzed:

- *Status Quo* – Continue with the SMaRT Station MOU, Recology collection contract, and Waste Management disposal agreement, assuming successful renegotiation of these agreements.
- *Full Procurement* – Issue a bundled Request for Proposals (RFP) for new collection, processing, and landfill disposal service providers.
- *Hybrid Approach* – A combination of continuing to receive some services with existing providers and issuing an RFP for procuring some new services.

When the report is presented in the fall, Council will be asked to provide direction to staff on which option to pursue.

FISCAL IMPACT

There is no fiscal impact associated with adoption of the resolution.

ALTERNATIVES

1. Propose revisions to the resolution.
2. Do not adopt the resolution and staff will discontinue conversations with Sunnyvale about the future of the SMaRT Station.
3. Provide other direction.

PUBLIC NOTICING

Agenda posting and a copy of report to Kent Steffens, Sunnyvale City Manager.

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LT-DSC/TS/5/CAM
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Attachment: 1. Resolution to Participate in the Initial Planning for Potential Future Use of the Sunnyvale Materials Recovery and Transfer (SMaRT) Station

cc: Kent Steffens, City Manager
City of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94086

APWD – Cameron, SWPM