

MINUTES  
GARDEN GROVE CITY COUNCIL  
Special Meeting  
Tuesday, May 3, 2022  
Community Meeting Center  
11300 Stanford Avenue, Garden Grove, CA 92840

CONVENE MEETING

At 5:35 p.m., Mayor Jones convened the meeting telephonically.

ROLL CALL      PRESENT:      (5)      Mayor Jones, Council Members Brietigam, Klopfenstein, K. Nguyen, D. Nguyen

ABSENT:      (2)      Council Members O'Neill and Bui

Study Session

ORAL COMMUNICATIONS

Speakers:    Kyle Mason

REVIEW OF REPUBLIC SERVICES' EXTENDED CONTRACT PROPOSAL  
(F: 55-Republic Services)

City Manager Stiles introduced Dan Capener and Tania Ragland-Castaneda from Republic Services; and the City's Consultant Haley Kunert, Project Manager, with HF&H Consultants. He stated that the City's contract with Republic Services expires July 2024, and Public Works Director, Bill Murray, and his staff have been working on contract negotiations with Republic Services in response to SB 1383, which requires a green waste component for trash pick-up.

Public Works Director, Bill Murray, noted that with the pending 5.2 percent CPI increase scheduled July 1, 2022 for all rate payers, Republic Services is willing to forgo the increase if the contract is extended. He stated that the proposal that has been submitted by Republic Services is their final and best offer.

Tania Ragland-Castaneda provided a presentation that overviewed how Republic Services would accomplish bringing the City in compliance with SB 1383, mitigate the 2022 CPI rate increase, offer increased service to address illegal dumping and bulky item pick up with a new contract. An extended contract with Republic Services would provide a three-container system for trash, recycle and organics for residential and commercial organics recycling collection; three full time staff to educate the public and monitor contamination; establish an edible food recovery program; invest software to collect data for reporting, enforcement and inspection tracking; conduct an outreach campaign with the proposed ten year term starting

July 1, 2022, that keep costs low by amortizing start-up expenses and capital. Solutions to address illegal dumping and multifamily bulky items include:

1. Increased scheduling;
2. Multi-family residential bulky collection program;
3. Free sharps program available four times per year;
4. Proactive alley sweeps and monitoring hot spots;
5. Assigning a crew of two three days a week for illegal dumping;
6. Bus stop collection;
7. Community outreach to include providing High School scholarships;
8. Battery recycling program;
9. Clean-up events for each council district;
10. Annual paper shredding and compost days;
11. Synergy between Public Works and Republic Services for the integration of work orders;
12. Phase in electric trucks; and
13. Dedicated staff to serve as recycle coordinators and auditors for compliance.

Republic's proposed rate for commercial service is: One 3-yard picked up once a week at \$187.32 per month; optional cart services would be available for small businesses; proposed rate for residential service is: \$22.94 per month, a 20 percent reduction from the current rate. The key differences impacting fees are: High inflation affecting costs in labor, fuel, equipment that impact rates; different City dynamics and disposal sites caused by density and lack of proximity to disposal sites.

As part of Republic's commitment to the Garden Grove community, \$200,000 was awarded to Bracken's Kitchen, a nonprofit in Garden Grove dedicated to providing millions of meals through food rescue and community feeding, as well as providing culinary training. Republic Services proposed extended contract promises to comply with SB 1383, provide solutions for illegal dumping and multi-family residential bulky items, and to offer best value rates.

Following Republic's presentation, Ms. Kunert with HF&H, the City's consultant, provided a PowerPoint presentation that provided a summary of the proposed extended contract with Republic Services along with a comparative analysis with the City of Santa Ana who recently contracted with Republic Services. The proposed Garden Grove rates with a long term extension based on estimated Garden Grove billing units would be a total rate revenue of \$33,117,000 with a subtotal of all city fees of \$3,546,000 with the net contractor revenue amount of \$29,571,000 which would be a 27 percent difference from Santa Ana's net contractor revenue at \$6,181,000. Santa Ana cost reimbursements were proportioned based on the total size of the contracts, and total estimated Santa Ana cost reimbursements before proportioning to the smaller Garden Grove contract size at \$15.7 million with a franchise fee increase to nine percent in 2022/23 with increases of 0.5 percent for the next two years to ten percent by July 1, 2024. Proposed Garden Grove rates for

the extended proposed contract would include a 20 percent decrease for residential rates, a 20 percent increase for total commercial and multi-family services.

Clean city initiatives proposed for Garden Grove are:

1. Abandoned Item Collection & Litter Cleanup – Combine with Alley Sweep base program. 1, 2-person crew 6 days a week.
2. Right-of Way Trash Container Service – 30 locations serviced with 1 person and 1 truck.

Additional proposed services are:

1. Annual Rate Adjustment Methodology – 2 components (service and disposal) includes changing index used to garbage and trash index to remove service component cap of five percent.
2. Residential Bulky Item Program – 4 pickups/Year, 10 items per pickup
3. Collection Container Replacement for Compliance with SB 1383 – Phase-in new carts with full rollout in 2027 and bins to have the normal replacement schedule.
4. Collection Trucks – phase-in new trucks over 4 years beginning in 2023.
5. Household Hazardous Waste Program – County Program Only.
6. SB 1383 Procurement of Organic Waste Products – solutions to be determined.

Following City Council discussion, consensus was concern that small businesses would be burdened with significant rate increases, and that ideally adjusting fees to be fair to the businesses is preferred and that more discussion would be needed. Republic Services agreed to make adjustments to their proposal and return for another Study Session.

#### ADJOURNMENT

At 9:50 p.m., Mayor Jones adjourned the meeting.

Teresa Pomeroy  
City Clerk