



**CENTRAL CONTRA COSTA**  
**SOLID WASTE AUTHORITY**

# Agenda Report

**TO:** CCCSWA BOARD OF DIRECTORS  
**FROM:** BART CARR, SENIOR PROGRAM MANAGER  
KENT ALM, LEGAL COUNSEL  
**DATE:** JUNE 24, 2010

**SUBJECT: PROPOSED REVISIONS TO FRANCHISE AGREEMENTS REGARDING RESPONSIBILITIES FOR COLLECTION OF “FOOD WASTE” AND “FOOD SCRAPS”**

## SUMMARY

At your December 2009 meeting, the Board conducted the second and final reading of Ordinance No. 96-2, which revised the Commercial Permit Recycling Ordinance to remove “Food Waste” from the list of materials available for collection by current or future permittees. The reason for this change was to recognize that all commercial food waste would now, and in the future, be collected by the new commercial food waste program operated by Allied Waste Services (“AWS”).

In order to further clarify this change and the franchise responsibilities for handling food waste materials in the CCCSWA service area, staff is proposing to change the AWS and Waste Management (“WM”) franchise agreement definitions of “Solid Waste” and “Food Waste,” and to add clarifying language in the “Grant & Acceptance of Franchise” section of the AWS agreement. These changes will more clearly identify Allied Waste as the Authority’s exclusive franchised collector of commercially generated food waste and Waste Management as the Authority’s exclusive franchised collector of residential food scraps within the CCCSWA services area.

Additionally, the proposed definition of food waste will differentiate between residentially generated “Food Scraps” and commercially generated “Food Waste.” Making this differentiation between food scraps and food waste is important because of the different methods of collecting and processing each food waste material within the existing franchises.

## RECOMMENDED ACTION

1. Approve proposed changes to AWS and WM franchise agreement’s definitions of “Solid Waste” and “Food Waste” and new language in the “Grant & Acceptance of Franchise” section in the AWS franchise agreement.

## DISCUSSION

Staff is proposing to modify definitions for “Solid Waste” and “Food Waste” in both Waste Management and Allied Waste franchise agreements. The proposed change to the Solid Waste definition removes “Food Waste” from the definition. The proposed changes in the “Food Waste” definition will clarify that “Food

Waste” generated within the CCCSWA service area consists of both residentially generated “Food Scraps” and commercially generated “Food Waste.” This will clarify that AWS has the exclusive right to collect commercially generated food waste as part of its franchise. Differentiation between collection of residential food scraps and commercial food waste is important because these services will be performed by different franchisees/service providers (currently AWS and Waste Management) using different collection and processing methods. Again, these proposed definitional changes apply to both franchise agreements. The proposed revisions are as follows (additions are underlined and deletions are shown as strike-outs):

**Food Waste:**

“Food Waste” means residentially or commercially generated food scraps ~~separated from Solid Waste and~~ offered for Collection to the Company or to the Recycling, Green Waste and Food Waste Collection Company, that will decompose and/or putrefy. This definition of “Food Waste” will be modified as necessary to reflect the results of the Green Waste and Food Waste pilot program and implementation plans as conducted and developed by the CCCSWA and the Recycling, Green Waste and Food Waste Collection Company, and the experience of the Company and other companies in Processing Food Waste.

**Recyclable Materials:**

“Recyclable Materials” means domestic, commercial or industrial by-products of some potential economic value, set aside, handled, packaged, or offered for Collection in a manner different from Solid Waste. “Recyclable Materials” includes Commingled Recyclables. “Recyclable Materials” does not include Food Waste.

**Solid Waste:**

“Solid Waste” means all putrescible and non-putrescible residential refuse, commercial Solid Waste, institutional Solid Waste, garbage, Recyclable Material, Green Waste, commercial Food Waste, and rubbish and as otherwise defined in Public Resources Code §40191 and garbage as defined in Health and Safety Code §6406. Solid Waste does not include Recyclable Material or Green Waste ~~and Food Waste that are~~ separated from Solid Waste and intended by the Generator for Collection separate from Solid Waste. Section 2.7 specifies limitations regarding categories of Solid Waste that are not included within the Company’s Franchise or the Recycling, Green Waste and Food Waste Collection Company Franchise.

Additionally, Section 2.1 of the AWS Franchise Agreement, “*Grant and Acceptance of Franchise*,” will also be modified to include commercial food waste and exclude collection of residential food scraps. This section will read (additions are underlined):

Subject to Section 2.5, CCCSWA hereby grants to Company the exclusive Franchise, right and privilege to Collect, Transfer, Transport, Process and Dispose of Solid Waste accumulating at Residential, Commercial or Industrial Property in the Service Area and that is offered for Collection to Company. This Franchise includes commercially generated food waste, and green and food waste that is delivered to Company by the Recycling, Green Waste and Food Waste Collection Company, but excludes collection of residentially generated food scraps. Company hereby accepts the Franchise on the terms and conditions set forth in this Agreement.

To summarize, the proposed changes to both franchise definitions and the *Grant and Acceptance of Franchise* section within the AWS franchise will help establish that AWS has the exclusive right to collect commercially generated “food waste” while Waste Management retains the exclusive right to collect residentially generated “food scraps” within the CCCSWA service area.