



# Agenda Report

**TO:** CCCSWA BOARD OF DIRECTORS  
**FROM:** LOIS COURCHAIINE, PROGRAM MANAGER  
BART CARR, SENIOR PROGRAM MANAGER  
**DATE:** JUNE 14, 2010

**SUBJECT: SPECIAL CONTRACTUAL SERVICE AGREEMENTS**

## SUMMARY

During the April 29, 2010 meeting, the Board approved contracts for assistance with on-going programs and other routine activities. This month, staff is requesting that the Board approve contracts for three service providers that will assist with new or expanded programs and activities, those that are contained within the coming fiscal year budget. All contracts shown below are for one-year periods (throughout FY 2010/2011) and are accompanied by their respective scopes of work and budgets.

## RECOMMENDED ACTION

1. Authorize the Executive Director to execute consultant service agreements with the following providers:
  - a. ESA, for the selection and training of approximately 120 restaurants for the Commercial Food Waste Recycling Program, not to exceed \$48,000
  - b. RecycleBank, for the implementation of a measurable Pilot program for increasing single-family residential recycling, not to exceed \$102,000, and to authorize Executive Director to execute a Memorandum of Understanding (MOU) between the CCCSWA, Waste Management, and RecycleBank regarding Waste Management support during implementation of the RecycleBank Pilot Program.
  - c. RHDG, for the development of a Commercial Food Waste Participant Recognition program, not to exceed \$19,000
  - d. RHDG, for the development of a "Bring Your Own Bag" campaign, not to exceed \$24,500
  - e. RHDG, for the development of Strategic Marketing Campaign for Commercial Recycling, not to exceed \$40,412

## DISCUSSION

Earlier in 2010, the Board indicated several specific areas of waste reduction and recycling that staff should consider during the 2010/11 fiscal year:

1. Expansion of the Commercial Food Waste Recycling program
2. Maximizing residential recycling
3. Recognition of participants in the Commercial Food Waste Pilot Program

4. Decreasing the use of retail plastic bags and expanded polystyrene food containers
5. Increasing commercial recycling

Staff has worked to address all of the areas indicated above; but, because of the relatively small size of the Authority staff, specialized or short-term projects are usually handled by contract providers.

Although the RFP process is utilized in the course of Authority business, two providers were not included in that process in the current fiscal year, RecycleBank and RHDG. Regarding RecycleBank, staff searched for comparable providers of recycling rewards programs and found that there were only two companies offering this service, and neither service is comparable to RecycleBanks or available in our region. These are the "Recycle4Rewards" program, specifically supporting Genessee County, Michigan residents and a new "Greenopolis" program, started earlier this year by WM Organic Growth, Inc., a subsidiary of Waste Management. Greenopolis is a CRV container redemption program that allows users to redeem CRV containers for reward points which can be redeemed for products. This program most closely resembles the CRV redemption centers that once populated our area and allowed residents to redeem their containers for cash. Greenopolis does not include collection of other recyclable materials nor a comprehensive rewards program, such as that offered by RecycleBank. Nor does it offer an option to convert rewards into donations to schools. RecycleBank is the only known provider of turn-key services for incentivizing and measuring increases in residential recycling; accordingly they were selected by staff without requesting proposals.

Regarding staff proposal to use RHDG, they were one of two finalists considered for the CCCSWA newsletter contract during the RFP selection process last year. Though they were ultimately not selected, they made a strong impression on staff which has resulted in the proposal to use and assess RHDG in three project areas.

**Environmental Science Associates.** ESA was originally selected through an RFP process in 2008, when they began work on our Commercial Food Waste Recycling pilot program. Much of the success of the program can be attributed to their expertise in completing their assignment, therefore continuing our relationship with this firm to roll out the expansion of the program is thought to be in the best interests of the Authority. The firm assists the Authority and AWS in selecting restaurants and training their employees about proper procedures for food waste recycling. In the coming fiscal year, in accordance with the planned program roll-out, ESA will select and train approximately 120 additional commercial food establishments in the CCCSWA service area beginning in September 2010.

**RecycleBank.** Residential recycling has historically been robust when compared to commercial recycling, but collection has leveled over the past three years. To respond, staff has proposed contracting with RecycleBank to use their incentives/rewards program to increase residential recycling over a one-year pilot project in Orinda and Moraga. These communities were selected because together, they offer a total household population (just over 11,000 households) that is required to create sufficient demand for reward point redemption. Additionally, these communities were selected because of their hilly topography and narrow, wooded road networks, which may obstruct operation of the GPS system that is required to record collection for each household. If the RecycleBank system can operate effectively in Orinda and Moraga, it can certainly operate in other CCCSWA member cities.

The RecycleBank Pilot program will include establishing baseline tonnage data for Orinda and Moraga, retrofitting recycling carts and trucks to determine weekly changes in collected recycling weights, establishing on-line account pages where residents can track their progress, program marketing, and establishing a rewards program where residents can redeem points earned for increased recycling for goods and services at local, regional, and national businesses.

Additionally, RecycleBank offers residents the option to redeem points for a cash value that can be donated to local school districts to fund environmental and science education. These donations are made to local schools in the form of \$500 to \$5,000 grant awards, depending on the project that is being funded.

**MOU between CCCSWA, Waste Management, and RecycleBank.** Staff is also requesting that the Board authorize the Executive Director to develop and execute a Memorandum of Understanding (MOU) between the CCCSWA, Waste Management, and RecycleBank. This MOU is needed to identify all supporting actions that will be provided by Waste Management during implementation of the RecycleBank Pilot Program. It also will confirm Waste Management's ability to request recovery of any additional operational costs that it may incur due to increased collection of recyclables, as provided for in Section 2.8 of the VWM Franchise agreement, "CCCSWA Right to Direct Changes".

**RHDG.** The Commercial Food Waste Recycling Recognition program is proposed to recognize existing and future businesses that make the additional effort to separate their food waste for recycling in our program. Staff felt that it is important to publically recognize these businesses for the effort they are making, and also use this recognition campaign to promote the program and the many benefits it provides to CCCSWA member communities, including waste diversion, green house gas reduction, and green energy production! CCCSWA staff is proposing to use RHDG who participated in the RFP process for the *Diversions* Newsletter earlier this year. The deliverables in their contract will include a unique program emblem/decal for placement in windows, doors, menus, or on print materials, a certificate of appreciation for participation of the program and outlining the benefits created by participating in the food waste program, display advertising design and purchase of advertising space in the Contra Costa Times and other local newspapers, restaurant "table tents" and webpage design.

**RHDG.** will also work with the Authority, under separate contract, to develop a campaign to promote the use of reusable shopping bags and emphasize recycling of plastic bags. Deliverables for this project include: the creation of a memorable campaign identity, similar to the City of Palo Alto's "Lonely Bag" project. RHDG will also develop media advertising and retail outreach materials design for the project, as well as a "Bring-Your-Own-Bag" reminder kit. This program is important because it addresses the Authority's stated objective of decreasing plastic bag usage. Furthermore, Staff recommends that in order to send our communities a clear and comprehensive message, we use a professional marketing firm to develop those materials.

**RHDG.** will provide materials, under a third contract, to establish a marketing campaign that will support the CCCSWA's current commercial recycling services. These services, including the Permit Recycling Program and Small Business Program, have been operating with little to no marketing support. It is important to our near-term commercial recycling efforts to develop an effective commercial marketing campaign, which is what is being proposed here. Although the CCCSWA met AB939 recycling targets in 2008 and 2009, when economic activity returns to more normal levels, commercial waste generation will certainly increase. For this reason, staff feels that it is important to have a commercial recycling marketing campaign in place that will effectively promote our existing services. The marketing campaign designed by RHDG will include CCCSWA webpage revision, including on-line survey design, seasonal advertising in local newspapers, brochure development, billing inserts, and post-campaign assessment to measure the success of the outreach.

Materials provided to the Authority by RHDG for all three campaigns will become the property of the Authority for possible use and re-creation for different Authority programs in the future.

ATTACHMENTS

- A. Contract Cover Page and Scope of Work/Budget for ESA - Selection and training for the Commercial Food Waste Recycling Program (\$48,000)
- B. Contract Cover Page and Scope of Work/Budget for RecycleBank - Implementation of Residential Recycling Incentives/Rewards Pilot Program (\$102,000)
- C. Contract Cover Page and Scope of Work/Budget for RHDG - Development of a Commercial Food Waste Participant Recognition program (\$19,000)
- D. Contract Cover Page and Scope of Work/Budget for RHDG - Development of a “Bring Your Own Bag” campaign (\$24,500)
- E. Contract Cover Page and Scope of Work/Budget for RHDG - Development of Strategic Marketing Campaign for Commercial Recycling, (\$40,412)