TO: BOARD MEMBERS

FROM: DON SPAGNOLO
GENERAL MANAGER

DATE: AUGUST 12, 2010

AGENDA ITEMS
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AUGUST 20, 2010

OPTIONS FOR USE OF ACCUMULATED SOLID-WASTE FRANCHISE FEES

ITEM

Consideration of expenditure options for use of accumulated solid-waste franchise funds [RECEIVE REPORT AND PROVIDE DIRECTION TO STAFF].

BACKGROUND

NCSD holds a franchise agreement, with South Coast Sanitation (SCC) and Integrated Waste Management Agency (IWMA), for curbside collection of NCSD customers' solid waste and recycling. Over the years, funds have accumulated in the Solid Waste Franchise Fund. The NCSD Board of Directors requested a discussion of options for expending some of the accumulated funds.

Accumulated funds are as follow:

Total Accumulated Solid Waste Funds, per Fund $89,000 Annually ($20,000 for Park per Year), $701,958 Total								
Blacklake Sewer			Town Sewer			Septic		
# of Accts	% of Total	$ Amount	# of Accts	% of Total	$ Amount	# of Accts	% of Total	$ Amount
560	13%	$91,255	2,465	59%	$414,155	1,182	28%	$196,548

ITEM 1:

PAY FOR A CREDIT ON CUSTOMERS' SOLID-WASTE COLLECTION STATEMENTS

Contact was made with South Coast Sanitation, and the costs of this option obtained.

- Paying one month of residential customers' bills: $75,148.33
- Paying one month of commercial customers' bills: $26,590.40

A sticker or imprint could be placed on each statement acknowledging the source of the credit.

ITEM 2:

PAY FOR CURBSIDE COLLECTION-BIN CLEANING SERVICE FOR NCSD CUSTOMERS.

Contact was made with Cleaner Cans (CC), a local bin-cleaning service, which has a mobile truck service that cleans the bins at customers' curbsides. Cleaner Cans provided a *Proposal and Service Bid* (attached).

Briefly, they propose to clean and sanitize all customers' bins. CC is responsible for notification of our customers. CC requests NCSD provide updated routing information (already provided by NCSD staff prior to issue of proposal), use of the NCSD Wastewater Treatment Facility for dumping of all project-collected water, and provision of water for filling and refilling tanks, as needed.

For details, please refer to the attached proposal. A breakdown of the costs for this option are as follow:

Costs for Bin Cleaning Based on a *ONE-YEAR* Contract				
# Cleanings/ Year	Cost/ Ea. Cleaning	Total/Year	Total/Contract	Per can
1	$79,275.00	$79,275.00	$79,275.00	$7.00
2	$70,781.25	$141,562.50	$141,562.50	$6.25

Costs for Bin Cleaning Based on a *TWO-YEAR* Contract				
# Cleanings/ Year	Cost/ Ea. Cleaning	Total/Year	Total/Contract	Per Can/Yr
1	$67,950.00	$67,950.00	$135,900.00	$6.00
2	$59,456.25	$118,912.50	$237,825.00	$5.25

Attachment: *Cleaner Cans Proposal and Service Bid.*

ITEM 3:
PROVIDE EXTRA INDOOR RECYCLE BINS TO CUSTOMERS.

South County Sanitation is able to provide indoor recycle bins to customers, with a recycling brochure, recycling sticker, a household hazardous waste flyer, and a letter from the NCSD inside each one.

COST:	$8/bin, 1 to each residence	$32,000
	$0.63/bin delivery charge	2,500
		$34,500

ITEM 4:

PROVIDE RECYCLING OUTREACH COORDINATOR TO WORK WITH NCSD BUSINESSES ANDAPARTMENTS TO HELP IMPLEMENT OR IMPROVE THEIR RECYCLING PROGRAM.

IWMA is able to provide this service.

COST: $14,000 (assuming 400 hours at $35/hr)

ITEM 5:
PAYING FOR CURBSIDE PICK-UP CHARGE FOR LARGE OBJECTS AT SPRING/FALL CLEAN-UP EVENTS.

South Coast Sanitation provides twice-a-year clean-up events during which customers may place extra rubbish and recycling out for pick-up. There is no charge from SCS to the customers for these events.

Customers may also place large objects curbside for pick-up, for a charge of $10 each. Customers must contact SCS ahead of time because SCS uses extra trucks and staffs extra employees for the heavy lifting.

An option for expending the accumulated solid-waste franchise funds is to pay the $10 charge for the pick-up of these large items.

COST: To be determined.

ITEM 6:

EXTENDED HOUSEHOLD HAZARDOUS WASTE COLLECTION FACILITY HOURS.

The Household Hazardous Waste Collection Facility (HHWCF) is located at the Southland Wastewater Treatment Facility, and currently is open for drop-off of household hazardous waste (HHW) on Saturdays from 11:00 AM to 3:00 PM.

An option for expending the accumulated solid-waste franchise funds is to increase the hours of operation of the HHWCF.

Hourly rate for the on-site staff person is $35/hour, with a 4-hour minimum. In addition, a change in the permit may be required if the HHWCF is open during the week.

COST: Increase the Saturday hours of operation by 2 hours (open 9:00 AM to 3:00 PM):

$35/hour x 2 = $70/Saturday. ($3640/yr)

COST: Open the facility in the late-afternoon/early evening one night each week:

Hourly rate for the on-site staff person is $35/hour, with a 4-hour minimum. In addition, a change in the permit may be required if the facility is open during the week (Cost for permit: up to $1000).

ITEM 7:

ADDITIONAL ADVERTISING OF HOUSEHOLD HAZARDOUS WASTE COLLECTION FACILITY.

IWMF direct-mail advertising: $0.75 each for printing, postage, mailing.

($3000 for NCSD customers, $7500 for Mesa-wide mailing.)

IWMF bill inserts: Residential bills are mailed 6 times/year; commercial bills are mailed 12 times/year. For IWMF to print and insert a black-and-white flyer (if it does not increase postage) is an extra $0.45 each. If we provide the flyer, to insert it into the bill will be _____.

ITEM 8:

NCSD DIRECT-MAIL ADVERTISING OF SOLID-WASTE/RECYCLING EVENTS.

In the past, NCSD staff has designed, prepared for printing, printed and mailed post-cards to NCSD residential customers to stimulate interest in a solid-waste/recycling special event, such as the Spring and Fall Clean-Up days and the Christmas tree recycling service. Most recently (last Christmas), post-cards were mailed to remind customers of the free curbside Christmas tree recycling service available from South Coast Sanitation.

COST: Approximately $0.325 ea.

Approximately $1300 for 4000 customers x 3 event mailings = $3900.

ITEM 9

PROVIDING RECYCLING CONTAINERS AT "MILLER PARK."

COST: Approximately $10,000 yearly.

ITEM 10

NIPOMO CREEK CLEAN-UP DAY. "Creek Clean-Up Day" is an annual San Luis Obispo County-wide event held to both clean up accumulated debris in creeks and educate the public about the importance of keeping the creeks clean for both flooding/safety and water-quality issues. It is usually held after the South Coast Sanitation Clean-Up Days (when customers can place extra rubbish and large items curbside for pickup), and soon after the Coastal Clean Up annual event.

It is an important event, and can be a lot of fun, but there are issues involved which require a good deal of staff time, and which can cause confusion during the event itself.

In the Town section of Nipomo, homes bordering Nipomo Creek may own the land in the creek as part of their parcel. To gain access to clean Nipomo Creek proper involves considerable effort and hours to obtain waivers for volunteers to enter private property to clean the creek. If a property owner does not sign a waiver, the volunteers must be able to know where that property begins and ends along the creek, and the group of volunteers is required to exit the creek to go around the property, and then enter the creek through another waivered property. Additional climbing in and out of the often overgrown creek exposes staff and volunteers to additional potential for injury.

The other issue is the contamination of the publically accessible area under the Tefft Street bridge. In the past, we have inspected the area before the event to assess for the potential to expose our volunteers to health risk, and in 2008 deemed it risky. Volunteers were not sent into the area.

Because of the large staff-hour requirements to gain the waivers, in 2007 and 2008 the event involved clean up of small sections of the creek which are open to the public and the roadways, empty lots, and other debris-collecting areas.

SLO County Environmental Services (SLOCo-ES) assists with the event, which greatly lessens the time and other resources required of NCSD and its staff.

SLOCo-ES will be holding an event for the Nipomo Creek this year on October 2, 2010.

The last year NCSD participated the event was 2008. Survey of the creek in 2009 showed minimal debris in the publically accessible portions of the creek.

COST: Approximately $600 (based on funds spent in 2008).

ITEM 11

NIPOMO MESA CHIPPING EVENT

The Chipping Event is an annual event, usually held in the early spring, during which residents of the Nipomo Mesa may have their woody landscape prunings and small-diameter limbs chipped without charge. This is an important service to the community. Many residents have acre-plus-sized lots, and considerable debris can accumulate, creating a public-safety hazard. Because of air-quality and other concerns, burning is not currently allowed on the Mesa.

In the past, the majority of the funds were provided by grant through, San Luis Obispo County Fire-Safe Council.

In 2007, NCSD contributed $500 to the event. In 2008, NCSD was requested to assume the responsibility for the organization, registration and administration of the event, and NCSD committed to those duties of the event. The General Manager, Bruce Buel, assigned the duties to the Water Conservation Program staff. Staff organized and administered the event, creating maps and daily routes for the California Conservation Corps personnel contracted by local CalFire to do the actual chipping. In 2009, NCSD was again asked to organize and administer the program, and WCP staff again conducted the event.

Mr. Buel resigned from the NCSD in 2009. The interim General Manager decided NCSD would not administer the 2010 event, and CalFire resumed the responsibilities for conducting the event.

COST: To be determined.

ITEM 12

GRANT PROGRAM AT NIPOMO HIGH SCHOOLF OR COMMUNITY CLEAN UP.

Estimated to be $5000/year.

ITEM 13

INSTALLATION OF TRASH RACK/BAR SCREEN AT SOUTHLAND WASTEWATER TREATMENT FACILITY.

COST: $600,320 ($414,155 based on customer breakdown)

ITEM 14

INSTALLATION OF TRASH RACK/BAR SCREEN AT BLACKLAKE WASTEWATER TREATMENT FACILITY.

COST: $90,000 ($91,255 based on customer breakdown)

ITEM 15

STREET SWEEPING.

Schedule of sweeping, as per Exhibit B of contract for 2006-2009 sweeping services, are as follow:

"Weekly Sweeping (Once per week)

Tefft Street: From Nipomo Library, just east of Orchard Street, east to Thompson (2.6 Curb Miles)

Thompson Avenue: From Knotts Street, north to Mehlschau Road (3.2 Curb Miles)

Orchard Road: From Tefft Street, south to Story Street (1.8 Curb Miles)

Division Street: From Orchard Road, east to South Frontage Road (1.8 Curb Miles)

South Frontage: From Tefft Street, south to Southland Street (2.4 Curb Miles)

Monthly Sweeping (Once per Month)

Pomeroy Road: From Tefft, north west to Willow Road (5.0 Curb Miles)

Willow Road: From Pomeroy, west to via Concha Road (3.0 Curb Miles)

North Frontage: From Juniper, north to end of North Frontage (1.2 Curb Miles)

Mary Ave: From Tefft, north to Juniper (.6 Curb Miles)

Quarterly sweeping (Once Every Three Months)

All paved streets within District Boundary not listed above (103.6 Curb Miles) "

COST: Per above-quoted Exhibit B: "$20/curb-mile actually swept"

Per NCSD payment records: $1832.00/month

ITEM 16

AMOUNT TO REMAIN IN SOLID WASTE FUND AS RESERVE.

ATTACHMENTS

Table 1: Solid-Waste Franchise Fund Expenditure Options.

Cleaner Cans Proposal and Service Bid.

T:\BOARD MATTERS\BOARD MEETINGS\BOARD LETTER\2010\COMMITTEES\WATER CONSERVATION COMMITTEE\SOLID WASTE FUND DISCUSSION GROUP\SOLID WASTE AD HOC -STAFF NOTE.DOC

Table 1: Solid-Waste Franchise Fund Expenditure Options		
Item#	**Potential Projects**	**Estimated Cost**
1	Provide credits on customers' bills	Residential: $75,148.33/month Commercial: $26,590.40/month
2	Solid-waste and recycle bins cleaning service	See attached proposal.
3	Extra recycle bin(s) to customers: Indoor recycle bin w/ recycling brochure, recycling sticker, a household hazardous waste flyer and a letter from the NCSD inside each one.	$8/bin = $32,000 $0.63/bin delivery = $2500
4	Recycling outreach coordinator to work in Nipomo to help businesses and apartments implement or improve their recycling program.	Assuming up to 400 hours at $35 per hour = $14,000.
5	Paying for large objects at Spring/Fall Clean-up events	To be determined.
6	Extended HH waste collection facility expanded hours	Extending operation 2 hrs on Saturday (9-3): $35/hr, $75/day, $3640/yr ($35 is the hourly rate for the on-site staff person, 4-hour minimum. In addition might need to change the permit if we open during the week; cost for that is up to $1000.
7	Additional advertising of HHW Facility	Direct mail: $0.75 ea, $3000 for NCSD customers, $7500 for Mesa-wide mailing.
8	NCSD mailing, post cards: Clean-up days, Xmas tree pick-up.	Estimated to be $1300/ mailing x 3 = $1980/yr
9	Trash and Recycle containers at "Miller Park"	Estimated to be $10,000/yr
10	Nipomo Creek Clean-Up Day	Estimated to be $600/yr
11	Nipomo Mesa Chipping Event	To be determined.
12	Grant program at Nipomo High School for community clean-up	Estimated to be $5000/yr
13	Installation of trash rack/bar screen at SWWTF.	$600,320 ($414,155 based on customer breakdown)
14	Installation of trash rack/bar screen at Blacklake WWTF.	$90,000 ($91,255 based on customer breakdown)
15	Street sweeping	Exhibit B of Contract: "$20/curb-mile actually swept; NCSD Payment: $1832/mo.

CLEANER CANS
Residential & Commercial Trash Can Cleaning
WWW.CLEANERCANS.COM

618 LEWIS R.D.
SANTA MARIA, CA 93455
805-868-0899

Date of Proposal: July 29, 2010
Proposal Valid Until: August 31, 2010

Proposal and Service Bid

Cleaner Cans is a locally owned and operated small business in Santa Maria, Ca. We own and operate a mobile hopper system that cleans, disinfects and leaves your trash cans smelling fresh. Our unit is self contained; we recycle and reuse all of our water while using all biodegradable cleaning products. Our mobile unit uses roughly 1.5 gallons of water to clean the normal trash bin while capturing and recycling all used water. The normal resident would use upwards of 50+ gallons to perform the same cleaning as well as numerous hazardous detergents while all used water flows directly down the storm drain. We have performed water sampling tests for TDS (Total Dissolved Solids), TSS (Total Suspended Solids), BOD (Biochemical Oxygen Demand) and pH by EPA method 150.1 and these results have been given to our local Waste Water Treatment Facility, thus allowing Cleaner Cans the authority to dispose of waste water at a local facility in Santa Maria. Cleaner Cans firmly believes that only rain water belongs in our storm drains. Cleaner Cans was featured on our local news program (KCOY) during a feature called "DOWN to EARTH", our local newspaper (Santa Maria Times) has had different letters to the editors complimenting Cleaner Cans for doing their part in remaining clean and green. Just last week Cleaner Cans was recognized by the Santa Maria Sun Magazine as Runner up for BEST OF Santa Maria Valley First Year Business. We are fully insured and have a strong belief in customer satisfaction.

As a statement of work to NCSD (Nipomo Community Services District) Cleaner Cans will provide curbside cleaning (inside of trash bins, inside of lid and wipe down of exterior top portion removing cob webs and debris near handle and lid) of 11,325 residential trash bins (trash, recycle and green waste). Cleaner Cans will be responsible for the notification to customers of South County Sanitary in the NCSD area. Cleaner Cans will notify customers by placing an ad in the Nipomo's Adobe Press prior to startup date informing residents that NCSD has contracted with Cleaner Cans to have all collection bins cleaned curbside. Each resident will have a sticker placed on one of their bins the day before cleaning, asking that they leave all three of their bins out one extra day after collection to ensure availability. Cleaner Cans projects to work 9 hour days, 5 days a week (Tuesday-Saturday). Upon completion of scheduled routes, not to exceed 120 days from start to finish, Cleaner Cans will run a second ad in the Adobe Press alerting customers that Cleaner Cans is reaching completion and that any customer that missed service is encouraged to contact Cleaner Cans at (805)868-0899 to reschedule. Cleaner Cans will allocate an additional 10 days for rescheduling any absent collection bins.

Upon contract agreement Cleaner Cans will ask NCSD to furnish the following:

1. Most updated Routing information of all NCSD South County Sanitary customers
2. Use of Nipomo Waste Water Treatment Facility located at 509 Southland Street for dumping of all collected water.
3. Provide use of water for filling/refilling of tanks as needed.

We are pleased to quote the following work:

Payment, NCSD shall pay to Contractor as full compensation for all the work hereunder the following amount:

Price based on One Year Contract
ONE time cleaning $79,275 ($7.00 per can)
TWICE a year cleaning $70,781.25 ($6.25 per can)

Price based on Two year contract
ONE time cleaning $67,950 ($6.00 per can)
TWICE a year cleaning $59,456.25 ($5.25 per can)

Projection is based on a 14% profit margin. If we find the cost of doing business is less than projected, Cleaner Cans will issue NCSD a rebate check upon completion.

The complex geographic area and lack of sanitation and cleanliness given to trash collection bins over the years makes this first time effort very challenging. Our goal is to be able to provide service to the Community of Nipomo on a regular basis thus minimizing costs and making Nipomo a leader in going green one bin at a time.

Thank you for your consideration,

Danny & Kacie Sheridan

Cleaner Cans
805-868-0899