

The logo of the City of El Segundo, featuring a circular seal with a building and the text "CITY OF EL SEGUNDO" around the perimeter.

CITY OF
EL SEGUNDO

Commercial Solid Waste Non-Exclusive Franchise Update

February 18, 2025
City Council Meeting

Background

- The Municipal Code authorizes the City Council to determine the methods by which the city manages and regulates the storage, collection, transportation, processing and disposal of solid waste.
- Residential waste management services are provided via an exclusive franchise agreement with EDCO.
- At present there are nine companies permitted to provide commercial waste management services.
- There are approximately 610 retail/industrial units and 440 multi-family units (three or more dwelling units).
- Aside from the relatively minimal vehicle standards, there are no substantive qualifications required to obtain a permit.

Background Continued

- In recent years state regulation of waste management has increased significantly. Including the organics legislation SB1383.
- Failure to achieve and maintain compliance with recently adopted state laws and regulations can subject the City to significant fines.
- Increased importance to ensure that solid waste service providers demonstrate the ability and expertise necessary to ensure compliance with a myriad of laws and regulations.

Non-Exclusive Franchise Model

- Details the providers duties and obligations.
- Requires insurance indemnity guarantees.
- Spells out agreed-upon fine amounts (liquidated damages) for various violations or failure to meet specific requirements.
- Requires municipal code update deleting permit provisions and adding non-exclusive franchise providers and temporary roll-off services.

Notification / Evaluation Timeline



- November 2023 - City released Request for Qualifications (“RFQ”) >12 haulers responded, and all were deemed qualified
- April 2024 - All 12 qualified responders were provided a Request for Proposals (“RFP”)
- June 2024 - In-person interviews were conducted with the top nine responders
- November 2024 - Council gave direction to extend non-exclusive agreement to all qualified responders
- January 2025 - 10 of 12 original RFP responders notified consultant of intent to enter into agreement



Recent Events

- November 5, 2024, Council gave direction to extend non-exclusive agreement to all 12 qualified responders.
- In December of 2024 and January of 2025, notifications were sent out to the original 12 responders updating them with current information along with a draft copy of the non-exclusive franchise agreement.
- Ten of the twelve original proposers responded with their intention to enter into the non-exclusive agreement. These include Athens Services, American Reclamation, EDCO, Haul-Away Rubbish Service Co., Inc, Key Disposal & Recycling, Patriot Services, Republic Services, Universal Waste Systems, Ware Disposal, Waste Management.

Recent Events Continued

- The proposed non-exclusive franchise agreements would be extended to all ten proposers who expressed interest.
- The proposed start date for the agreements would be April 1, 2025, with a term of two years.
- All interested proposers currently operate within the city, staff anticipates a smooth transition from the current permit system to the recommended non-exclusive franchise agreements.

Staff Recommendations

- Authorize the Mayor to execute non-exclusive franchise agreements for the provision of commercial waste management services with Athens Services, American Reclamation, EDCO, Haul-Away Rubbish Service Co., Inc, Key Disposal & Recycling, Patriot Services, Republic Services, Universal Waste Systems, Ware Disposal, Waste Management.
- Alternatively, discuss and take other possible actions related to this item.

Questions?