

After 4 votes in 3 months, Windsor, CA settles on service provider

July 20, 2017

Brief:

- The Town Council of Windsor, CA, voted yet again on awarding a 10-year residential and commercial service contract at its July 19 meeting. After months of back and forth, Sonoma County Resource Recovery (SCRR) has been selected to take over service beginning in October. SCRR is a recently formed partnership, backed by local companies Garden City Group and Marin Sanitary Service Group, that was created in part to bid on Windsor specifically.
- Windsor's previously-selected company, Green Waste Recovery, withdrew from the contract on July 13 citing "the political climate in Sonoma County" and ongoing threats of litigation, as reported by The Press Democrat. The council voted to officially rescind a previous resolution approving this contract at the July 19 meeting.
- Leading up to this decision, current service provider Windsor Refuse and Recycling had submitted a lawsuit against Green Waste and the town that alleged a variety of improper actions during the procurement process. Separate legal action was also threatened based on questions about transfer station siting under the California Environmental Quality Act, which was temporarily suspended after Green Waste pulled out of the deal.

Insight:

Negotiations over this franchise contract have gone back and forth for months, bearing more weight than usual for a small town, in part because of what they could mean for a contract decision in neighboring Santa Rosa. Green Waste was originally awarded a 10-year contract, worth an estimated \$52 million, at the end of May. In June, the council voted to rescind this decision based on concerns about transfer station siting. They then voted to return to their original decision shortly after.

In deciding between the two remaining bidders, Windsor ultimately chose SCRR because it ranked higher in the evaluation process despite bearing a slightly higher cost. The main difference between the two bids came down to commercial costs. The new franchise contract will require both commercial and multi-family customers to begin paying for their recycling services, which they are not currently doing. SCRR will be collecting recyclables in dual-bin trucks, which will also be used for a second route to collect refuse and yard waste, in an effort to reduce truck traffic.

While awarding the contract to Windsor Refuse and Recycling would have potentially required less of a transition due to its activity in the town, there were still questions about how their operations might be affected by a potential sale to Recology. Their parent company, The Ratto Group, has been in acquisition talks with Recology for months. According to an update at the meeting, that process could be finalized within weeks. This will also be a factor in the Santa Rosa negotiations, where Ratto holds the current contract. Waste Management and Green Waste were originally selected as the two finalists, but the city has since reopened that process and Recology may be in the running once again.