

County of Santa Clara
Department of Agriculture and Environmental
Management

Department of Environmental Health
Hazardous Materials Compliance Division



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Approved
Meeting Date: April 22, 2008
Processor Name: Malissa
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Hazardous Materials Program Manager

Reviewed by: Ben Gale
Director, Environmental Health
Department

DATE: April 22, 2008

TO: Board of Supervisors

FROM: Greg Van Wassenhove

Greg Van Wassenhove
Director of Agriculture and Environmental Management

SUBJECT: Household Hazardous Waste (HHW) Management Agreement

RECOMMENDED ACTION

Consider recommendations relating to 21st Century Environmental Management, Inc., to provide, under the current contract, household hazardous waste management services.

Possible action:

- a. Approve delegation of authority to the Director of the Department of Agriculture and Environmental Management, or designee, to execute First Amendment to Household Hazardous Waste (HHW) Management Agreement with 21st Century Environmental Management, Inc., relating to providing HHW management services increasing the

contract from \$2,700,000 to \$2,900,000 for period January 1, 2007 to June 30, 2008, and increasing the amount from \$1,800,000 to \$2,000,000 per year for any future amendments, following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority shall expire on June 30, 2012.

- b. Approve Appropriation Modification No. 144 - \$200,000 increasing revenue and expenditures in the Department of Environmental Health budget. (Roll Call Vote)

FISCAL IMPLICATIONS

There is no net impact on the General Fund. All costs for the HHW Program are budgeted and accounted for under the Department of Environmental Health, Household Hazardous Waste Program, Budget Unit 261, Cost Center 1197, Fund 30.

CONTRACT HISTORY

In March 2000, an RFP was distributed for HHW management services, and a committee selected Philip Transportation and Remediation (PTR) for FY 2001. This firm demonstrated an ability to meet service needs of the HHW Program, competitive pricing, and received high ratings in environmental compliance. As provided for in the original contract, two one-year extensions were executed for FY 2002 and FY 2003. Again in FY 2004, through an RFP process, PTR was selected and annual amendments were executed. In March 2004, PTR's Benicia, California office became part of Philip Services Corporation's Environmental Service Division, which at that time became 21st Century Environmental Management, Inc.

On June 20, 2006, the Board delegated authority to the Director of the Department of Agriculture and Environmental Management to negotiate and execute an agreement for the Countywide Household Hazardous Waste Program not to exceed \$2.7 million for a term of 18 months. The delegation also provided authority for a maximum of four one-year extensions, for an amount not to exceed \$1.8 million per year, and to execute any necessary amendments following approval by County Counsel as to form and legality, and approval by the Office of the County Executive. Delegation of authority expires on June 30, 2012.

In August 2006, an RFP was distributed for HHW management services, and a committee selected 21st Century Environmental Management, Inc, a wholly owned subsidiary of Philip Services Corporation. The current contract will expire on June 30, 2008.

REASONS FOR RECOMMENDATION

The 21st Century Environmental Management, Inc. is currently under contract with the County to manage hazardous waste generated by the HHW Program drop-off collection events. The recommended action will allow for continued service through the current fiscal year by increasing the approved agreement from \$2,700,000 to a maximum of \$2,900,000. The First Amendment also includes new services for neighborhood clean-ups and disposal costs of additional wastes and services. Due to the increasing demands for Universal Waste (UW) management and increasing resident participation, it is necessary to increase the approved agreement amount in order to continue services to the residents of the County of Santa Clara.

The HHW Program has been awarded another grant to expand the existing Retail Recycling Partners that have volunteered to accept UW from the public. This expansion will require increased services and expenditures under the hazardous waste management agreement.

On June 20, 2006, the Board granted the Director of Agriculture and Environmental Management delegation of authority to negotiate and execute extensions to the agreement for hazardous materials waste management services for an amount not to exceed \$1.8 million per fiscal year through June 30, 2012. As a result of increased demands for services, costs associated with HHW management of household hazardous wastes for the 18-month period (January 1, 2007 through June 30, 2008) is projected to be as much as \$2,900,000. This has created a need for increased funding above the original \$2.7 million that was authorized through June 30, 2008, and increase the amount from \$1,800,000 to \$2,000,000 per year for future amendments.

BACKGROUND

Local jurisdictions are required to plan and implement programs to properly manage HHW under the California Integrated Waste Management Act of 1989 (AB 939). In November 1991, the County of Santa Clara and 12 jurisdictions created the Program, which is administered by the Department of Environmental Health. By FY 2002, all jurisdictions, with the exception of the City of Palo Alto, contracted with the County for HHW services.

Participating jurisdictions are: Santa Clara County, Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Monte Sereno, Morgan Hill, Mountain View, San Jose, Santa Clara, Saratoga, and Sunnyvale.

Since 1992, the Countywide AB 939 Implementation Fee has been collected by the County in accordance with Public Resources Code Section 41901 to provide HHW services for residents of cities and the unincorporated County. The current fee is \$3.55 per ton, which is assessed on all solid waste that is disposed at a landfill. Of that fee, the HHW portion of \$2.05 per ton generates approximately \$2.9 million in annual revenues. Hazardous waste management services use approximately \$1,200,000. These revenues and appropriations are reflected in the FY 2008 budget in the Department of Environmental Health.

The California Department of Toxics Substances Control (DTSC) has adopted Universal Waste (UW) regulations for electronic wastes and mercury-containing wastes such as batteries, mercury thermostats, and lamps that contain mercury, including compact fluorescent lighting. As of February 9, 2006, Universal Waste was prohibited from disposal in landfills. Although a number of legislative bills proposing programs that would require manufacturers and retailers to take these products back for recycling, it is unlikely that such bills will be enacted this year.

The HHW Program continues to manage the Universal Waste collected at retailers. UW is transported by HHW staff or 21st Century Environmental Management, Inc to one of the permanent HHW facilities or sent directly to the recycler. As drop-off at our Retail Recycling Partners grows, there is a need to increase services performed by 21st Century Environmental Management, Inc.

CONSEQUENCES OF NEGATIVE ACTION

Household Hazardous Waste collection services in May and June 2008 would need to be held until July 2008.

ATTACHMENTS

- Approved Resolution 6.20.06
- Approved Transmittal 6.20.06
- First Amendment to Household Hazardous Waste Management Agreement
- Funding