

Agenda Report Reviewed by:
City Manager: 

**CITY OF SEBASTOPOL
CITY COUNCIL
AGENDA ITEM**

Meeting Date: August 4, 2020
To: Honorable Mayor and Honorable City Councilmembers
From: Henry Mikus, Engineering Manager
Subject: Discussion and Consideration for Request to Amendment to Franchise Agreement with Recology: Request is to eliminate Saturday Customer Service call-in availability.
Recommendation: Adopt a minute order approving the amendment.
Funding: Currently Budgeted: ___ Yes ___ No X N/A
Net General Fund Cost: \$ none

Account Code/Costs authorized in City Approved Budget AK (verified by Administrative Services Department)

INTRODUCTION:

Recology, the City of Sebastopol’s Franchise Hauler for Solid Waste Services, has requested a change in the hours of operation for its Customer Service Call-in Center.

BACKGROUND:

On December 16, 2008 the Sebastopol City Council, via Resolution 5723, approved entering into a Franchise Agreement with a local solid waste collection and hauling firm, Redwood Empire Disposal, also known as “The Ratto Group”. The Agreement covered Solid Waste, Recyclable and Compostable Materials Collection and Street Sweeping Services. Subsequently, on September 19, 2017, the Council gave its consent to Assignment of the Agreement from Redwood Empire Disposal to Recology San Marin, a subsidiary of Recology, Inc. The original Agreement was effective January 1, 2009 and is set to end by December 31, 2023.

DISCUSSION:

The Franchise Agreement between Recology and the City of Sebastopol that governs Solid Waste Collection Services includes a requirement that Recology operate a customer service call-in center. Hours of operation are stipulated to be Monday to Friday 8:00 AM to 5:30 PM and Saturday from 8:00 AM to 3:00 PM. Via a letter dated July 20, 2020 (attached) Recology is requesting an Amendment to the Franchise Agreement that modifies the customer service center call-in hours. Recology has noted over time that it receives a minimal number of customer service calls on Saturdays. For example, for Sebastopol, data from five consecutive Saturdays from June through July 2020 shows only a total of 5 Sebastopol calls. Recology has approached all its Franchise Agreement holders about eliminating Saturday hours, with positive reception; Sebastopol is the last City Recology has approached. Recology

proposes eliminating their Saturday customer service hours and replacing them with slightly longer open hours weekdays. Monday to Friday hours would increase from the current 8:00 AM to 5:30 PM timeframe to be open from 7:00 AM to 6:00 PM.

Since the Saturday call volume is minimal, that the Saturday hours reduction is offset by added call-in hours weekdays, and there is no direct cost impact the City or Citizens, the Recology request seems reasonable and approval is recommended.

PUBLIC COMMENT:

As of the writing of this staff report, the City has not received any public comment. However, staff anticipates receiving public comment from interested parties following the publication and distribution of this staff report. Such comments will be provided to the City Council as supplemental materials before or at the meeting. In addition, public comments may be offered during the public hearing.

PUBLIC NOTICE:

This item was noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to schedule meeting date.

FISCAL IMPACT:

No expense or revenue involved; no impact to the City budget.

RECOMMENDATION:

That the City Council approve the customer service call-in hours amendment as proposed by Recology, and direct the City Manager to sign the “Letter of Agreement”.

ATTACHMENTS:

Recology request letter for amending the Franchise Agreement regarding customer service call-in hours.

Draft “Letter of Agreement” for the Recology amendment

July 20, 2020

Mr. Henry Mikus
Engineering Manager
City of Sebastopol
Public Works Department & Engineering
714 Johnson Street
Sebastopol, CA 95472

Dear Mr. Mikus,

I hope this letter finds you well. We have identified a section of the Sebastopol solid waste franchise agreement (FA) that we believe requires urgent attention and should be amended. The section is in relation to our customer service hours.

Under Section 8.8.2 of the Sebastopol FA, Recology is required to have customer service representatives available to answer calls and emails from 8 AM to 3 PM on Saturdays, in addition to 8 AM to 5:30 PM hours Monday – Friday. In reviewing call volumes over the course of five (5) consecutive Saturdays June – July 2020, only five (5) Sebastopol customers were served in that time frame. Given the extremely low call volumes, we do not feel that the Saturday hours are a meaningful benefit to customers or a wise use of resources (approximately \$25k/year staffing expenses). As well, Sebastopol is the only one of our 12 local franchise agreements that requires Saturday customer service hours.

We would like to propose a FA amendment that would shift the required customer service hours to 7 AM to 6 PM Monday – Friday and eliminate Saturday hours. The change would add one and a half (1.5) hours per weekday and a half hour to total customer service availability per week for Sebastopol customers.

Thank you for your consideration of this request. If any additional information is needed, please do not hesitate to contact me at 503.781.4806 or fstemmler@recology.com.

Sincerely,



Fred Stemmler
General Manager
Recology Sonoma Marin

Attached: Signed Letter to SEB RE CSR Hours 7.20.20

July 20, 2020

Mr. Larry McLaughlin
City Manager
City of Sebastopol
714 Johnson Street
Sebastopol, CA 95472

Dear Mr. McLaughlin:

We have identified a section of the Sebastopol solid waste franchise agreement (FA) that we believe requires urgent attention and should be amended. The section is in relation to our customer service hours.

Under Section 8.8.2 of the Sebastopol FA, Recology is required to have customer service representatives available to answer calls and emails from 8 AM to 3 PM on Saturdays, in addition to 8 AM to 5:30 PM hours Monday – Friday. In reviewing call volumes over the course of five (5) consecutive Saturdays June – July 2020, only five (5) Sebastopol customers were served in that time frame. Given the extremely low call volumes, we do not feel that the Saturday hours are a meaningful benefit to customers or a wise use of resources (approximately \$25k/year staffing expenses). As well, Sebastopol is the only one of our 12 local franchise agreements that requires Saturday customer service hours.

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Thank you for your consideration of this request. If any additional information is needed, please do not hesitate to contact me at 503.781.4806 or fstemmler@recology.com. If you are amenable to this request, kindly sign below to confirm our mutual understanding.

Sincerely,

Acknowledged and agreed:



Fred Stemmler
General Manager
Recology Sonoma Marin

Larry McLaughlin
City Manager
City of Sebastopol