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(O-2015-70)
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ORDINANCE NUMBER O- 20467 (NEW SERIES)

DATE OF FINAL PASSAGE MAR 25 2015

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SAN DIEGO AUTHORIZING A THIRD AMENDMENT TO THE FACILITY FRANCHISE AGREEMENT WITH SAN DIEGO LANDFILL SYSTEMS, LLC REGARDING THE TRANSPORTATION AND BENEFICIAL REUSE OF BIOSOLIDS.

WHEREAS, on August 11, 1999, the City of San Diego (City) and San Diego Landfill Systems, Inc. entered into the Facility Franchise Agreement (Agreement), which is on file in the Office of the City Clerk as Document No. OO-18668, which includes provisions for San Diego Landfill Systems, Inc. to collect, transport and dispose of biosolids generated at the City's Metropolitan Biosolids Center; and

WHEREAS, on March 8, 2005, the City and San Diego Landfill Systems, Inc. entered into the First Amendment to the Agreement, on file in the Office of the City Clerk as Document No. OO-19355, which extended San Diego Landfill Systems, Inc.'s right and obligation to collect and transport biosolids until March 1, 2010, and added the requirement that San Diego Landfill Systems, Inc. beneficially use all biosolids it collected; and

WHEREAS, on April 22, 2010, the City and San Diego Landfill Systems, LLC (the company to whom San Diego Landfill Systems, Inc. transferred the franchise) entered into the Second Amendment to the Agreement, which is on file in the Office of the City Clerk as Document No. OO-19923, which extended San Diego Landfill Systems, LLC's right and obligation to collect and transport biosolids until March 1, 2015, and added the City's living wage requirements; and

WHEREAS, a 2013 statewide biosolids disposal survey by the California Association of Sanitation Agencies showed that for the City of Los Angeles and the Orange County Sanitation District, two agencies that are comparable to the City, composting was their most expensive end use for biosolids and neither agency utilized alternative daily cover as a reuse option; and

WHEREAS, the Orange County Sanitation District is the only other agency using land application, at a cost of \$55 per wet ton, which is 17% higher than San Diego Landfill Systems, LLC's price of \$46.65 per ton for land application or landfill alternative daily cover; and

WHEREAS, there is a high probability that a solicitation for bids would result in the lowest bid involving a unit price of \$55 per wet ton if not higher; and

WHEREAS, San Diego Landfill Systems, LLC has the right under their contract to match the lowest bid were the City to solicit new bids; and

WHEREAS, San Diego Landfill Systems, LLC has agreed to maintain its existing pricing of \$46.65 per wet ton, to provide 100% beneficial use of biosolids through land application and as alternative daily landfill cover, and to preserve the City's right to pursue other biosolids management options outside of the contract; and

WHEREAS, San Diego Landfill Systems, LLC has been very responsive and responsible in its provision of services, having the flexibility to meet the City's varying needs regarding the number of trucks required on a daily basis, having a record of no environmental spills during transportation, and meeting the requirements and conditions for the biosolids that are sent for land application in Arizona; and

WHEREAS, based on the foregoing factors, it is in the best interest of the City, the Participating Agencies, and the ratepayers to continue using San Diego Landfill Systems, LLC's

services and to extend the biosolids provisions in the Agreement for another five-year term until March 1, 2020; and

WHEREAS, under Charter section 99, no contract, agreement or obligation extending for a period of more than five years may be authorized except by Ordinance approved by a two-thirds majority vote of the City Council; NOW, THEREFORE,

BE IT ORDAINED, by the Council of the City of San Diego, as follows:

Section 1. That the Mayor, or his designee, is authorized to execute, for and on behalf of said City, an amendment to the Facility Franchise Agreement with San Diego Landfill Systems, LLC under the terms and conditions set forth in the Third Amendment to the Agreement, on file in the Office of the City Clerk as Document No. OO- 20467

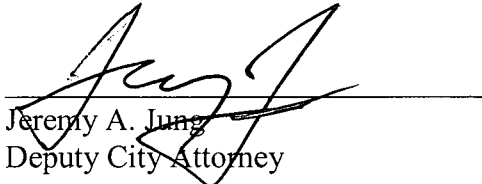
Section 2. That the expenditure of an amount not to exceed \$2,021,500 from the Metro Sewer Utility Fund 700001, is authorized for the purpose of providing funds in Fiscal Year 2015 for the above-referenced Third Amendment.

Section 3. That the Chief Financial Officer is authorized to expend funds necessary for the Third Amendment in subsequent fiscal years, contingent upon the adoption of the Annual Appropriation Ordinance for the applicable fiscal year and upon the Chief Financial Officer furnishing one or more certificates demonstrating that the funds necessary for expenditure are, or will be, on deposit in the City Treasury.

Section 4. That a full reading of this ordinance is dispensed with prior to passage, a written copy having been made available to the Council and the public prior to the day of its passage.

Section 5. That this ordinance shall take effect and be in force on the thirtieth day from
and after its final passage.


APPROVED: JAN I. GOLDSMITH, City Attorney

By 
Jeremy A. Jung
Deputy City Attorney

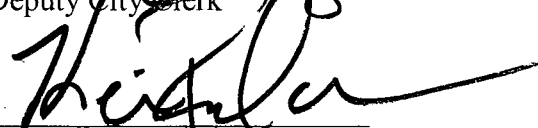
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01/08/15
02/06/15 COR. COPY
Or.Dept: Public Utilities Department
CC No.: N/A
Doc. No.: 950302

I hereby certify that the foregoing Ordinance was passed by the Council of the City of
San Diego, at this meeting of MAR 10 2015

ELIZABETH S. MALAND
City Clerk

By 
Deputy City Clerk

Approved: 3/24/15
(date)


KEVIN L. FAULCONER, Mayor

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on MAR 10 2015, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Sherri Lightner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Todd Gloria	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Marti Emerald	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Date of final passage MAR 25 2015

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

(Seal)

By Sty Ready, Deputy

I HEREBY CERTIFY that the foregoing ordinance was not finally passed until twelve calendar days had elapsed between the day of its introduction and the day of its final passage, to wit, on

FEB 24 2015, and on MAR 25 2015

I FURTHER CERTIFY that said ordinance was read in full prior to passage or that such reading was dispensed with by a vote of five members of the Council, and that a written copy of the ordinance was made available to each member of the Council and the public prior to the day of its passage.

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

(Seal)

By Sty Ready, Deputy

Office of the City Clerk, San Diego, California
Ordinance Number O- 20467