The Big Business of Trash Accusations fly as $500M contract looms

By Sophie Braccini

As the Central Contra Costa Solid Waste Authority neared a deal worth $500 million at the end of January, negotiating a franchise agreement with the companies that will manage all the trash for the next 10 years, allegations of malpractice were made against the front runner, Republic Services. The authority is launching an independent investigation into the claim, although CCCSWA director Paul Morsen confirmed that he does not think there is substance to the allegations.

A few days before the Jan. 30 CCCSWA board meeting, the group California Compost Coalition declared that 67 percent of Central Contra Costa's food and yard waste was not being recycled properly, citing "official state and local records" that showed Lamorinda's yard waste was being used as ground cover at local landfills instead. Using green waste as cover on landfill is legal, but it is not what Republic contracted for. Additionally, the coalition noted that using green waste mixed with food waste as ground cover is strictly prohibited by state law.

Morsen met with the California Compost Coalition on Feb. 5 to understand where the figures cited were coming from. After the meeting the director said that he does not believe that the claim is true, but given the seriousness of the case and to make sure there is absolutely no doubt left, he decided to entrust Intelliwaste, an independent consultant, with an investigation of Republic's practices.

"Intelliwaste's charge is to: one, determine if Republic Services is composting green waste, including green waste from CCCSWA communities that allow home food scraps to be mixed with this material, in accordance with the current contractual obligations; two, determine if Republic Services has exceeded contractual limits on the use of green waste as alternative daily cover (ADC) at the Kellar Canyon Landfill and determine if there is evidence that Republic Services is using CCCSWA green waste mixed with food material as ADC; three, assess the adequacy of the CCCSWA's annual reporting against requirements established by CalRecycle as it relates to green waste composting and ADC use," stated Morsen.

Since 2007 Lamorinda CCCSWA's customers have been able to discard their food waste in their green bins with the understanding that Waste Management trucks take it to the compost facility operated by Republic Services on Newby Island in Milpitas, where it is turned into a byproduct for local farmers. The practice was extended to Walnut Creek in 2011.

At the Jan. 30 meeting, Tim Argenti, Republic Services general manager, stated that all the material collected to be composted at Newby Island is composted there, as per the contract and as attested by a third party yearly review. In a statement to the board, Argenti qualified the attack as "a desperate attempt by our competitors to derail the Request For Proposal process."

The two final contenders for trash collection and processing are Republic Services and Mt. Diablo-Recology. At the meeting, the CCCSWA's ad hoc committee and staff, and HF&H Consultants presented a recommendation to the board to choose Republic Services as the preferred provider for collection, transfer, organics processing and disposal services, and Pacific Rim Recycling as the preferred provider for recyclable processing. The report's recommendation was based upon Republic's lower cost for the same diversion rate and lower transition risk, and concluded that Republic was the highest value option.

Tensions rose once again when allegations of Brown Act violations during the selection process were made by Wilson Wendt from the law firm Miller Starr Regalia, which represents Mt. Diablo-Recology LLC. He said that the ad hoc committee analyzing the proposals made decisions instead of recommendations.

CCCSWA's lawyer indicated that he did not believe there were any violations and he was corroborated by members of the ad hoc committee, however, he recommended postponing the decision to avoid a legal battle that would take even more time.

Many community members came to the meeting in support of Republic, praising Argenti and his team for exemplary service and community support, among them Anne Grodin of Lafayette and Edy Schwartz of Moraga. The staff report also listed dozens of communications by residents asking board members to support Republic Services and Pacific Rim Recycling.

The new 10-year franchise agreement being negotiated will offer new services that should lead the region to meet the state's target of a 75 percent diversion rate by 2020. Both Republic and Mt. Diablo-Recology plan to add new services such as recycling of batteries, rigid plastics and plastic bags. Republic also plans to add cell phone and compact fluorescent bulb weekly collection.

The Intelliwaste investigation report is scheduled to be finalized in time for the Feb. 27 CCCSWA board meeting.

Reach the reporter at: sophie@lamorindaweekly.com