



Solid Waste Services

Council Presentation – February 24, 2026

Issuance of New Waste Disposal Agreement





Summary of Disposal Agreement



- A contract where a waste hauler commits to deliver a minimum amount of waste to the City landfill within a contract year.
- If the waste hauler delivers less, they still pay as if they met the minimum.
- In return, the waste hauler receives discounted tipping fees.
- Ensures predictable revenue and landfill utilization.



Background and Findings



- Republic previously delivered 115,000 tons/year under a past contract.
- Since 2022, deliveries dropped to 22,700 tons/year.
- This agreement restores a key partnership and redirects waste flow back to the City.
- Gives Republic same terms as other contract waste haulers at Cefe Valenzuela.



Agreement Highlights & City Benefits



- Term: 2 years (Nov 2025 – Nov 2027)
 - Matches Expiration of other waste haulers
- Minimum Commitment: 22,000 tons/year
- Discounts:
 - 25% off standard rate for meeting minimum
 - Additional 15% off for exceeding 29,260 tons/year
- City Benefits:
 - Generates new revenue in FY26
 - Increased landfill utilization
 - Strengthened regional waste control



Potential Revenue Example

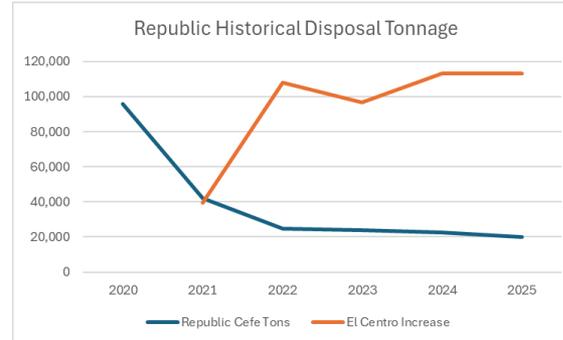


Example Potential Revenue with Increasing Tonnage

Tons	22,000	32,000	42,000	52,000	62,000	72,000	82,000
Revenue	\$729,740	\$1,047,795	\$1,329,694	\$1,611,594	\$1,893,495	\$2,175,395	\$2,45,7295
Additional Revenue		\$166,623	\$448,523	\$730,423	\$1,012,323	\$1,294,223	\$1,576,123
	Contract Minimum						

- \$44.22 – Standard Rate
- \$33.17 – Discount Rate
- \$28.19 – Bonus Rate

The blue line shows the decrease in tonnage Republic has delivered to the City since their previous disposal contract was canceled. The orange line indicates the corresponding increase in tonnage sent to Republic’s El Centro landfill.





Staff Recommendation



- Approve the proposed agreement with Republic Services.
- Aligns with existing hauler contracts.
- Supports long-term financial and operational goals for the Cefe Valenzuela Landfill.



Thank you!