

# SMaRT Station Utilization



Sunnyvale City Council Special  
Meeting

November 29, 2016





***Milpitas: We want your trash!***  
***Cupertino: Yours too!***

# SMaRT Station Facts



- Built in 1993, scheduled for upgrade in 2022
- Receives garbage, recyclables, and yard waste
- Full-service – also drop off, C&D
- High performing facility and operation
- Waste reduction has been very effective
- Station is under-utilized
- Significant economies of scale

# Previous Council Direction

- “Market SMaRT Station capacity beyond the current tri-city consortium.”
- “Create renewed partnerships that are centered on the SMaRT Station and take advantage of economies of scale.”
- “Identify additional revenue sources and ... increase revenues from solid waste programs, services, and facilities without jeopardizing program goals and customer service quality.”



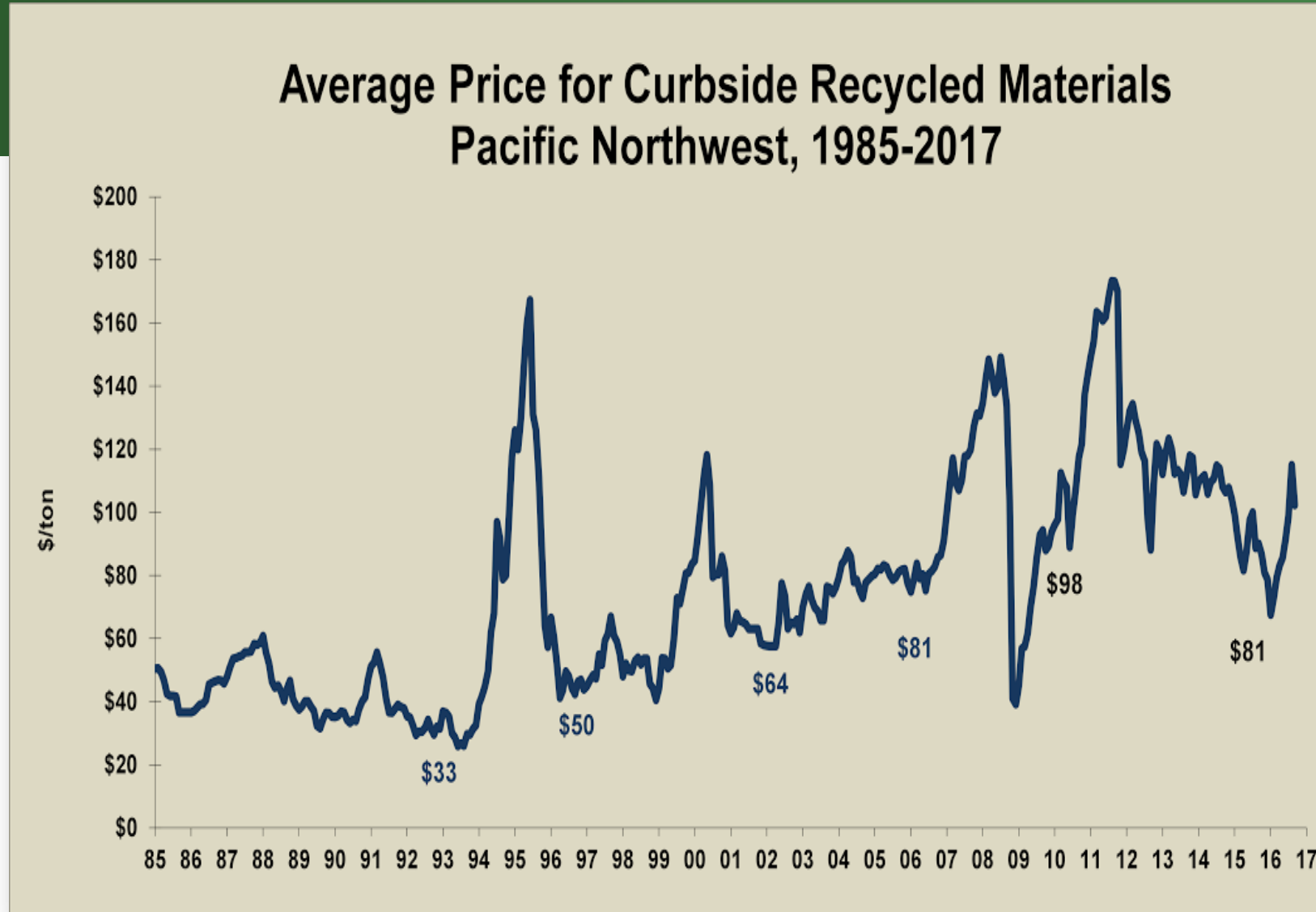
# Policy Considerations

- Station capacity – additional partners
- Market considerations
- Landfill capacity – beyond 2031
- Pricing
- Term – 15 years
- Sustainability – economic, environmental
- Partnerships / Leadership

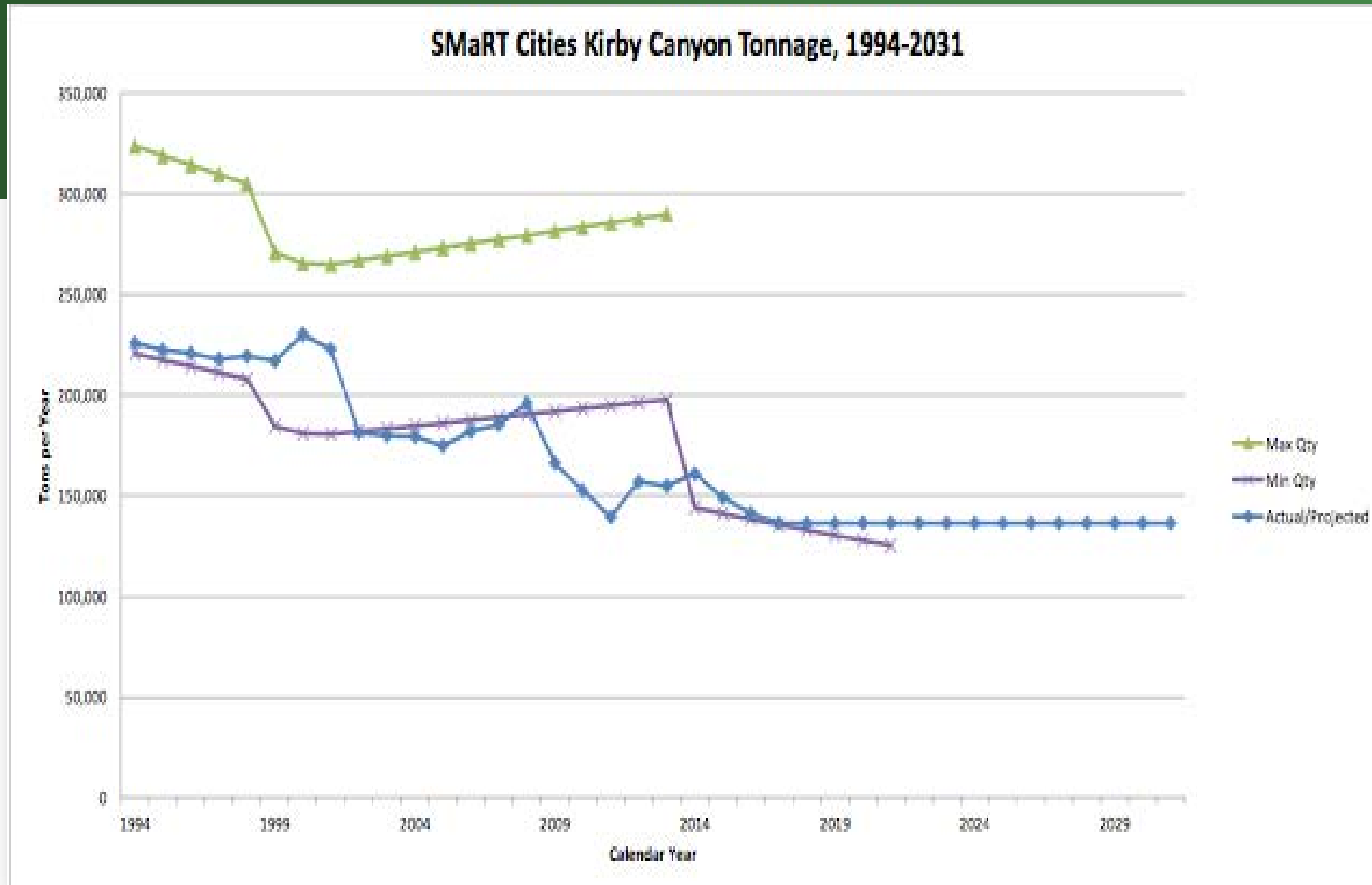




# SMaRT Station Capacity Relation to Markets



# Landfill Capacity



# Pricing

- 100% Cost Recovery
  - Incorporates host fee, land rental, and capital distribution
- Revenue sharing – recommended to be proposed at 25%
- Periodic resets – 4 years





# Policy Considerations (continued)

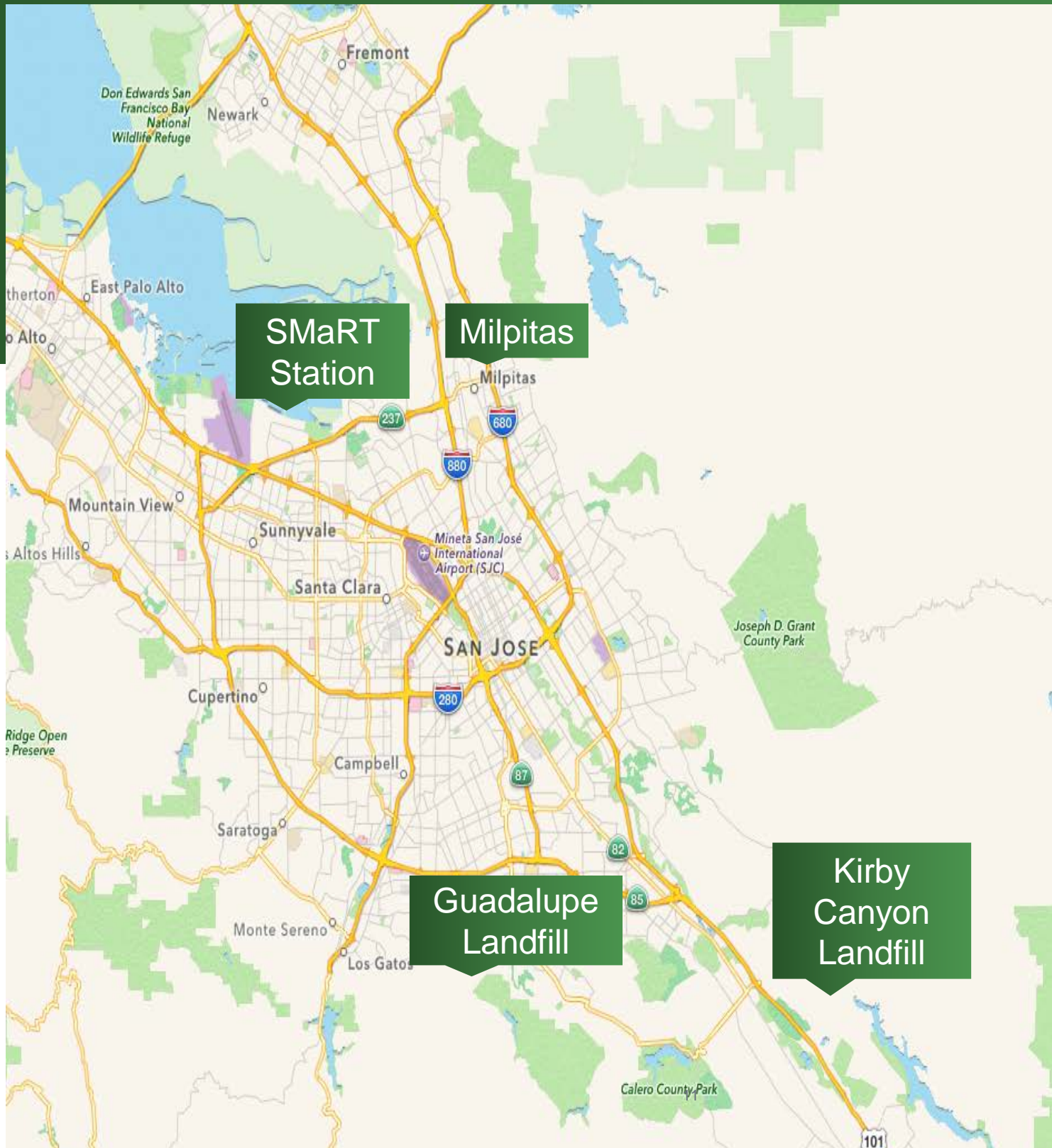
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# Milpitas Action

- Issued RFP October 2015
- Awarded Disposal Contract to Waste Management Guadalupe Landfill
- Awarded Hauling/Sorting Contract to Garden City Sanitation
- Expressed preference for sorting at SMaRT Station
- Need to use Waste Management Kirby Canyon Landfill





# Outcome

- Achieves more complete utilization of the SMaRT Station
- Provides an environmentally sound solution for Milpitas materials
- As proposed, cost per ton decreases from approximately \$80 for the three current cities (Sunnyvale, Palo Alto, and Mountain View) to \$70 for four cities (adding Milpitas)
- Provides a more economically sustainable solution for Sunnyvale (by reducing costs)
- Future considerations – partnership



# Future Actions Needed

- Agreement between Milpitas and Sunnyvale
- Agreement with Waste Management (Kirby Canyon rather than Guadalupe)
- Equitable adjustment with SMaRT Operator (Bay Counties Waste Systems)
- Approval by Mountain View / Palo Alto
- CEQA addendum
- Return to Council in early 2017



# Recommendation

- Authorize the City Manager to negotiate and bring back to Council for approval an agreement with City of Milpitas for the SMaRT Station to process, transfer, and market or dispose recyclables, yard trimmings and municipal solid waste, following completion of required environmental review under CEQA.
- Authorize the City Manager to discuss SMaRT Station options with other jurisdictions such as City of Cupertino and, if appropriate, negotiate, and present to Council for approval an agreement to direct materials to the SMaRT Station, subject to completion of any required environmental review under CEQA.

