



**City Manager**  
Allen J. Parker

## NEWS RELEASE

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Media Contact: Monica Lagos  
Manager of Communications  
909-384-5115 | [Lagos\\_Mo@SBCity.org](mailto:Lagos_Mo@SBCity.org)

### **City to pursue service contract negotiation with Burrtec Waste Industries**

*10-year agreement with Burrtec expected to generate new revenue, and improve solid waste, street sweeping and right-of-way cleanup services*

SAN BERNARDINO, CA, November 19, 2015 – On Monday, Nov. 16, the Mayor and Common Council gave City staff the green light to move forward with negotiating a 10-year service contract with [Burrtec Waste Industries, Inc.](#)

The move to a contractor-based service will ensure that the City's 46,800+ resident and business accounts receive adequate solid waste and recycling, street sweeping, and right-of way clean-up services in the long-term. Burrtec's current proposal will maintain customer rates at current levels for the first year, absorb existing full-time employees, provide the City a \$5 million one-time payment and guarantees revenues in the amount of \$24.9 million over the term of the contract. "The financials fall in-line with those indicated in the recovery plan submitted to the federal bankruptcy court in May 2015," City Manager Allen Parker said after Monday's meeting. "This is a vital component to getting the City back on a sound financial path, and alleviating us of an estimated \$20 million investment needed by year-end to replace equipment for the three divisions. Our current internal service structure does not bring in enough revenue to cover those costs."

The six month process included a review of each proposer's financial value, qualifications and experience, financial ability, litigation and regulatory history, local employment, purchasing, and preference. Proposals were received from [Athens Services](#), Burrtec Waste Industries, Inc., [CR&R Waste and Recycling Services](#), and [Republic Services](#). Following the initial review and interviews, Athens and Burrtec advanced to a final review resulting in a side-by-side comparison of their offering. The evaluation committee, consisting of Deputy City Manager, Bill Manis, and external consultants, concluded Burrtec was the best overall proposer. "We sought a service provider that would maintain rates initially, absorb current employees, bring added value to the table and ultimately provide improved customer service," said Bill Manis, a member of the evaluation team who oversees multiple customer-service divisions including public works. "Other key factors that set Burrtec apart were proposed operational enhancements that could yield an estimated \$10 million in cost savings and added revenue, the possible takeover of the City's existing landfill at no added cost to the City, and the building of a BioCMG facility to recover and convert biogas into vehicle fuel for the Burrtec and City fleets and public vehicles."

"We see a great opportunity to contribute to San Bernardino's revitalization and look forward to finalizing an agreement with the City," said, Mike Arreguin, vice president, Burrtec. "Our strong proposal demonstrates our long-term commitment to bring quality service the community."



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A contract consistent with Burrtec's proposal and the terms of the request for proposal is expected to be presented to the Council, for final approval, no later than January 2016. Staff's analysis report and presentation are posted on [www.SBCity.org/bankruptcy](http://www.SBCity.org/bankruptcy).

**About Burrtec Waste Industries, Inc.**

For over 50 years, Burrtec Waste Industries, Inc. has consistently prided itself on providing excellence in service and satisfaction with a strong loyalty to the future of the communities in which it serves. Burrtec and its sister company, EDCO Disposal Corporation, comprise one of the largest privately held solid waste companies in California. Originally started in 1955, the company is still owned and operated by the Burr family. Burrtec prides itself on valuing the markets which it serves and the unique needs of its customers, whether those customers are industrial, commercial, municipal jurisdictions or residential subscribers. Burrtec understands that these communities place their trust in Burrtec, and seeks to follow a corporate policy of always putting its customers first. For more information, visit <http://www.burrtec.com/home>.

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