



# Board Agenda Item 59

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DATE: August 19, 2025

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director  
Department of Public Works and Planning

SUBJECT: First Amendment to Agreement 24-391 with Kochergen Farms Composting, Inc. for Green Waste Removal Services at American Avenue Disposal Site

RECOMMENDED ACTION(S):

**Approve and authorize the Chairman to execute retroactive First Amendment to Agreement 24-391 with Kochergen Farms Composting, Inc. for the provision of green waste removal services at American Avenue Disposal Site, effective upon execution with no change to the original term of July 9, 2024, through July 8, 2029, and removing annual contract limits, with an increase to the maximum compensation by \$159,903, from \$290,097 to \$450,000.**

Approval of the recommended amendment with Kochergen Farms Composting, Inc. will eliminate the annual maximum compensation and increase the contract maximum compensation by an additional \$159,903 for a total maximum compensation of \$450,000 to ensure the continued provision of green waste removal services at American Avenue Disposal Site (AADS), with no disruption in service. This item is countywide.

ALTERNATIVE ACTION(S):

There is no viable alternative action. American Avenue Disposal Site (AADS) is neither permitted nor equipped to process green waste onsite. As a result, any green waste received at AADS must be transported to a facility that holds the necessary organics processing permit, ensuring that it is processed in compliance with state and local regulatory requirements. Without the ability to properly manage and process green waste internally, AADS is unable to divert these materials from landfill disposal in accordance with Senate Bill 1383 regulations.

RETROACTIVE AGREEMENT:

The recommended amendment is retroactive to April 1, 2025, to eliminate the annual contract maximum and increase the total contract maximum for the duration of the agreement. AADS observed a significant and unanticipated increase in the volume of green waste being received at the landfill. Expenditures for FY 2024-25 have been exceeded by \$4,927.18, and there is one pending invoice of \$7,617.60 that will be paid upon approval of the recommended action.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. The expenditures related to the increased maximum compensation will be funded by the AADS Enterprise Fund (Org 9026). Costs already incurred in FY 2024-25, due to higher operational expenses and contamination mitigation, will be accounted

for within the available resources of the fund for that fiscal year. Sufficient appropriations and estimated revenues to cover the ongoing increased costs will be included in the Department of Public Works FY 2025-26 Recommended Budget and in subsequent budget requests.

DISCUSSION:

On July 9, 2024, the County entered into Agreement 24-391 with Kochergen Farms Composting, Inc. for the provision of green waste removal services at AADS. The current agreement is for a term of three years beginning on July 9, 2024, for a maximum of \$52,500 for Year 1, \$55,125 for Year 2, \$57,882 for Year 3, with the option to renew for up to two additional one-year periods for a maximum of \$60,776 for the first extension period, \$63,814 for the second extension period for a total of \$290,097 for the entire term of the agreement. The first amendment will remove the annual maximum compensation and increase the term maximum compensation to \$450,000.

During FY 2024-25, AADS experienced a significant and unforeseen increase in the volume of green waste being received that has exceeded the annual maximum compensation of \$52,500 for Year 1. This surge has led to higher operational costs and capacity constraints that were not anticipated when the agreement was originally executed. Furthermore, the agreement did not account for contamination fees arising from improper sorting or disposal of non-green waste materials. These fees, which were not initially included in the annual maximum compensation, have now become necessary due to the increased efforts required for handling, sorting, and mitigating contamination. These activities are crucial for ensuring continued regulatory compliance with contamination standards for organic processors.

REFERENCE MATERIAL:

BAI #55, July 9, 2024

ATTACHMENTS INCLUDED AND/OR ON FILE:

On file with Clerk - First Amendment to Agreement with Kochergen Farms Composting, Inc.

CAO ANALYST:

Maria Valencia