

THE CITY OF

PLEASANTON[®]

MEMORANDUM

Date: June 17, 2026

To: Mayor and City Council

From: Joe Calabrigo, City Manager
Alexa Jeffress, Assistant City Manager
ZeeLaura Page, Waste and Recycling Manager

Subject: Update on the Negotiations with Pleasanton Garbage Services for Solid Waste Franchise and Transfer Station Evaluation

SUMMARY

The City of Pleasanton (City) maintains an exclusive franchise agreement with Pleasanton Garbage Service (PGS) for solid waste, recycling, and organics collection services from July 1, 2018 through June 30, 2029. As the agreement approaches expiration, the City has been evaluating future service options, including community and stakeholder input, transfer facility feasibility, cost considerations, and alternative service delivery models used by other California jurisdictions. In November 2025, the City Council directed staff to engage in six months of sole-source discussions with PGS to evaluate the feasibility of upgrading the existing PGS-owned transfer station in Pleasanton to meet current and future community needs.

Following the recommendation of the Waste and Recycling Subcommittee, staff is extending the sole-source discussions with PGS for an additional six months to allow further evaluation of the feasibility of upgrading the existing transfer station. PGS has experienced delays and challenges during design development, such that negotiations will not be completed within the originally anticipated six month timeframe. This extension enables PGS to develop a detailed facility plan addressing key issues such as regulatory compliance, site constraints, traffic circulation, and compatibility with adjacent and future development.

The extension also allows continued negotiation of potential service enhancements and alignment with City priorities, while providing time to fully assess capital investment needs and potential rate impacts. Staff will return to the City Council at the end of the 2026 calendar year with findings following this extended six-month evaluation period, including consideration of a potential short-term extension of the existing collection agreement.

BACKGROUND

Pleasanton Garbage Service (PGS) has served as the City's exclusive franchise hauler since 1989, with service to the community dating back to the 1970s. Over this period, the City's ratepayers have supported the development of significant solid waste infrastructure, including the transfer station on Busch Road. The solid waste franchise represents a critical long-term public service investment of approximately \$500 million over the 11-year term of the franchise agreement. While the transfer station is an important operational component, it accounts for a relatively small portion (approximately 5 percent) of total system costs. As such, staff is evaluating transfer station improvements within the broader context of the full franchise system to ensure the City achieves a solution that is cost-effective, operationally reliable, environmentally compliant, and delivers the highest value to ratepayers.

Recent factors, including planned residential development in East Pleasanton and identified compliance and operational challenges at the existing transfer station, have prompted further evaluation of the facility's long-term feasibility. Over the past several months, Pleasanton Garbage Service (PGS) has explored opportunities to purchase or lease adjacent properties to accommodate relocation, operational expansion, or additional vehicle parking. PGS engaged neighboring property owners, including SteelWave and Amazon, at this time, those discussions have not resulted in a feasible site for expansion or relocation. Staff remain open to reviewing any viable options for relocation or expansion should an opportunity become available.

Concurrently, City staff, in coordination with multiple departments, conducted preliminary evaluations of the current location for potential facility improvements and identified several key considerations that would need to be addressed. These include site size and physical constraints, vehicle circulation and parking limitations, environmental permitting and regulatory compliance requirements, stormwater and fire protection improvements, and other infrastructure upgrades necessary to support continued long-term operations.

As part of this process, staff from Planning, Public Works, Fire, and other divisions have provided preliminary input to guide PGS in preparing a formal development application. These comments highlight the complexity of potential upgrades, including the need for environmental review under the California Environmental Quality Act (CEQA), stormwater compliance, traffic and queuing analysis, and coordination with planned roadway improvements along Busch Road.

In parallel, staff have continued to assess broader policy considerations related to the franchise agreement, including procurement options, service delivery models, and long-term system performance. This comprehensive approach ensures that future decisions are informed by technical feasibility, financial impacts, regulatory requirements, and community priorities.

DISCUSSION

At the September 23, 2025 Waste and Recycling Subcommittee meeting, members expressed strong interest in maintaining a transfer station within the City to support long-term operational needs and local service reliability.

On November 18, 2025, the City Council directed staff to extend sole-source discussions with PGS for six months to allow additional time to evaluate the feasibility of upgrading the existing transfer station

to meet community needs. PGS is working in coordination with its engineering consultant and development counsel to prepare a facility upgrade plan that meets defined City requirements and enables a thorough feasibility assessment.

PGS was required to submit the facility plan to the City no later than February 18, 2026, to allow sufficient time for staff review, discussion, and refinement. Concurrently, negotiations regarding the collection agreement were to be ongoing through May 18, 2026, providing a six-month period for analysis and coordination. Following this period, staff would return to the City Council with the results of the evaluation and a recommendation, including consideration of a potential three-year extension of the current franchise agreement to accommodate the transfer station development and construction.

To support a comprehensive feasibility assessment, the City requested that the facility plan address several key considerations, including:

1. Resolution of past compliance issues and measures to ensure ongoing regulatory compliance;
2. Site constraints, including space limitations, land use challenges, permitting requirements, and operational needs such as vehicle parking;
3. Traffic circulation, access, and on-site queuing to ensure safe and efficient operations; and
4. Potential impacts to existing and future East Pleasanton development, including mitigation strategies for noise, odor, traffic, litter, and other quality-of-life concerns.

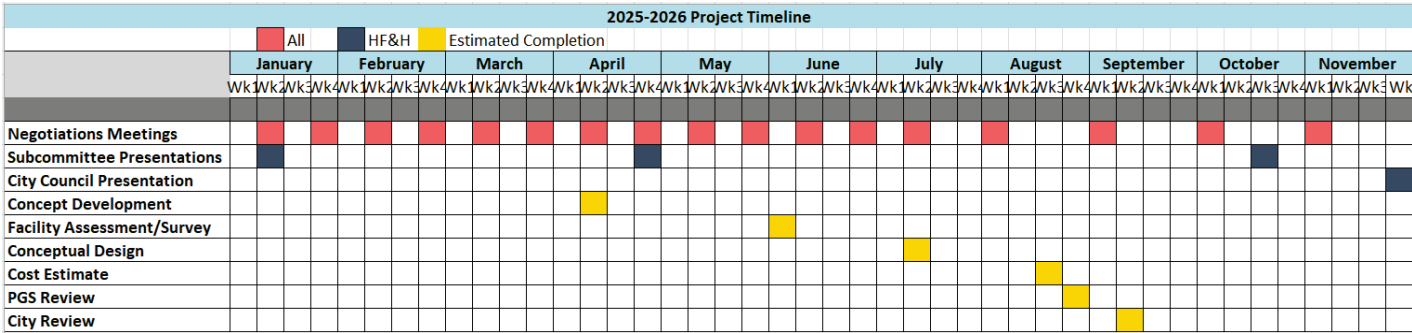
On March 30, 2026, PGS submitted a preliminary site plan along with a proposed facility improvements project narrative. The submittal was reviewed by the City's Staff Design Review Board on April 16, 2026, and consolidated comments were provided to PGS on May 6, 2026. These comments, developed by multiple City departments, are intended to guide preparation of a formal Preliminary Application. Staff notes that the comments provided are preliminary in nature and that additional, more detailed feedback will be issued upon review of a complete application.

Due to delays in the design development process and the need for additional technical analysis and coordination, the project schedule has been extended. A revised schedule is proposed to reflect these adjustments and ensure adequate time for thorough evaluation and informed decision-making.

Original schedule:

	2025-2026																							
	December				January				February				March				April				May			
	1-5	8-12	15-19	22-26	29-2	5-9	12-16	19-23	26-30	2-6	9-13	16-20	23-27	30-3	6-10	13-17	20-24	27-1	4-8	11-15	18-22	25-29	1-5	8-12
Kickoff Meeting																								
Negotiation Meetings - Bimonthly to Monthly																								
Subcommittee Presentations																								
City Council Presentation																								

Proposed Revised Schedule:



CONCLUSION

The revised schedule allows additional time for PGS to prepare a complete Preliminary Application and provide the technical information necessary for staff to evaluate the feasibility, cost, regulatory requirements, and potential ratepayer impacts of the proposed transfer station improvements. Extension of the evaluation period will support a more informed decision before staff returns to the City Council in late 2026 with findings and recommendations regarding the Transfer Station and the future of the solid waste franchise agreement, including any potential short-term extension.

Attachment: Transfer Station Concept Design Schedule

