



# *CITY COUNCIL AGENDA REPORT*

---

MEETING DATE: SEPTEMBER 20, 2011

ITEM NUMBER: \_\_\_\_\_

**SUBJECT:** PROFESSIONAL SERVICES AGREEMENT FOR THE ADMINISTRATION OF THE CITY'S SOURCE REDUCTION AND RECYCLING ELEMENT

**DATE:** SEPTEMBER 8, 2011

**FROM:** PUBLIC SERVICES DEPARTMENT/ADMINISTRATION

**PRESENTATION BY:** PETER NAGHAVI, DIRECTOR, DEPARTMENT OF PUBLIC SERVICES

**FOR FURTHER INFORMATION CONTACT:** ALMA REYES, MANAGEMENT ANALYST, AT 714-754-5024

---

## **RECOMMENDATION:**

1. Award a Professional Services Agreement for an amount of \$33,500 to Michael Balliet Consulting, 26351 Tarrasa Lane, Mission Viejo, California 92691, for the administration of the City's Source Reduction and Recycling Element (SRRE) from October 1, 2011, to September 30, 2012.
2. Authorize the Mayor and the City Clerk to execute the Professional Services Agreement (Attachment 1).
3. Authorize the Director of Public Services to extend the Professional Services Agreement on October 1<sup>st</sup> of each fiscal year up to a maximum of five (5) years if the contract adjustment is equal to or less than the annual Consumer Price Index (CPI).

## **BACKGROUND:**

In September 1989, the State of California passed into law AB 939 (Public Resources Code Section 4000 et. seq.). AB 939 established the California Waste Management Board and set forth the requirement that each city and county statewide must divert 25 percent of solid waste from landfills in 1995, and divert 50 percent of solid waste from landfills by December 31, 2000. The legislation also required that the 50 percent diversion rate be maintained each year after the year 2000. In addition, each city and county was required to prepare and adopt a Source Reduction and Recycling Element (SRRE) which set forth the City's plan for recycling and for meeting the 25 percent and 50 percent diversion requirements. The City Council adopted Costa Mesa's SRRE in April 1992.

In order to meet the requirements of AB 939 and to monitor the City's permitted waste haulers for compliance with the Costa Mesa Municipal Code Title 8, governing refuse collection and recycling, the City awarded a six-year professional services agreement in June 1994. With the joint efforts of City staff, the consultant, and the City's permitted waste haulers, the City met the 25 percent diversion requirement in 1995 and was successful in

meeting the 50 percent diversion requirement in the year 2000. Since the year 2000, the City has been able to maintain a diversion rate above 50 percent and remain in compliance with State law.

On July 7, 2005, Council awarded a professional services agreement in the amount of \$30,525. At that time, Council authorized the Public Services Director to renew the contract annually for a five-year term if the contract renewal amount was equal to or less than the Consumer Price Index (CPI). Since the initial award of the contract, the increased contract amount has remained below the CPI.

The existing professional services contract for the administration of the City's SRRE expired on June 30, 2011. At the regular City Council meeting held on July 5, 2011, the City Council approved an amendment to the professional services agreement with Michael Balliet Consulting, commencing July 1, 2011, and expiring September 30, 2011. Maintaining the minimum 50 percent diversion of solid waste as required by AB 939 and continuing to monitor the City's permitted waste haulers for compliance with the City's waste and refuse collection ordinance will be an on-going process. In order to continue the City's diversion, recycling, and monitoring programs, staff has issued a request for proposal (Exhibit A of Attachment 1) for consultant services for the continued administration of the City's SRRE.

### **ANALYSIS:**

Two firms responded to the City's request for proposal (RFP). The proposals were reviewed for responsiveness to the RFP, project understanding, and related experience. Staff found the firm of Michael Balliet Consulting to be well qualified to assist the City in the administration of the City's Source Reduction and Recycling Element Program. Mr. Balliet has been an environmental consultant for the past eighteen years and has an excellent working relationship with the private waste hauling companies operating in the City, as well as with the California Integrated Waste Management Board. His expertise and knowledge were valuable in the City's negotiation of the Solid Waste Franchise system instituted in Costa Mesa. He was also instrumental in devising the quarterly reporting system, currently used by the City to track the hauling and recycling efforts of the current ten commercial haulers operating in the City. Furthermore, he has been actively involved in the recent implementation of the City's construction and demolition waste tracking system.

The proposed Professional Services Agreement is for one-year increments up to a maximum of five years, renewable on an annual basis if mutually agreeable by the consultant and the City. The contract can be renewed by the Director of Public Services, given Council's authority, if the annual adjustment request is equal to or less than the Consumer Price Index (CPI). Contract price renewals above the CPI will be brought before Council for approval. The contract amount of \$33,500 is for the first year of the contract term.

### **ALTERNATIVES CONSIDERED:**

Council could choose to not award the professional services agreement, which would require City staff to absorb the extra administrative and monitoring duties needed for the City to remain in compliance with AB 939.

A second alternative would be to rebid the contract. However, based on the limited response from the first bid process, staff believes we would not receive a lower bid.

**FISCAL REVIEW:**

Funding for this contract is included in the adopted General Fund Budget for fiscal year 2011-2012.

These consultant services are funded by using a portion of the solid waste franchise fee collected from the City's waste haulers. The City collects a solid waste franchise fee from waste haulers to support state mandates such as AB 939.

**LEGAL REVIEW:**

The City Attorney's Office has reviewed and approved the attached Professional Services Agreement as to form.

**CONCLUSION:**

The experience and expertise of Michael Balliet Consulting demonstrates an ability to perform the needed consultant services. It is recommended that the City Council award the contract to Michael Balliet Consulting, approve the attached Professional Services Agreement, and authorize staff to renew the agreement annually for a maximum of five (5) years if the contract renewal amount is less than or equal to the CPI.

\_\_\_\_\_  
ALMA REYES  
Management Analyst

\_\_\_\_\_  
PETER NAGHAVI, DIRECTOR  
Department of Public Services

\_\_\_\_\_  
BOBBY YOUNG  
Director of Finance

DISTRIBUTION: Chief Executive Officer  
City Attorney  
Director of Finance  
City Clerk  
Staff

ATTACHMENTS: 1 - [Professional Services Agreement](#)