



CITY COUNCIL AGENDA REPORT

MEETING DATE: June 19, 2012

ITEM NUMBER:

SUBJECT: HAZARDOUS MATERIALS DISCLOSURE SERVICES

DATE: JUNE 1, 2012

FROM: FIRE DEPARTMENT/ADMINISTRATION DIVISION

PRESENTATION BY: TOM ARNOLD, INTERIM FIRE CHIEF

FOR FURTHER INFORMATION CONTACT: STEVE BUNTING, INTERIM DEPUTY FIRE CHIEF
(714) 754-5155

RECOMMENDATION:

1. Staff recommends that City Council renew a contract with Consultant Michelle Rudaitis, a sole source vendor, providing hazardous materials disclosure services, and authorize the Mayor to sign a Professional Services Agreement on behalf of the City (Attachment 1 and 2).
2. Authorize the City Manager to sign for any justified rate increase to the contract within his signing authority and to extend the contract for four (4) additional one-year terms.

BACKGROUND:

The Costa Mesa Fire Department currently manages the Hazardous Materials Disclosure program as a Participating Agency to the Orange County Health Care Agency, which is designated as the Certified Unified Program Agency (CUPA) for all Orange County by the California Environmental Protection Agency. The hazardous materials disclosure informs firefighters as to the quantity and location of hazardous materials in a building when quantities are greater than 55 gallons, 200 cubic feet or 500 pounds. The disclosure also makes the information available to residents, businesses and others in accordance with federal and state "Emergency Planning and Community Right to Know" (EPCRA) regulations.

As a private consultant, Ms. Rudaitis has shown she is extremely qualified to perform the duties necessary to continue the management of the City's Program. In 2008 she was granted a contract to work directly for Costa Mesa. She has been diligent in maintaining the disclosures while also assisting fire suppression crews with training and code enforcement. In 2010, she updated the Costa Mesa Hazardous Materials Area Plan as required by the California Health and Safety Code, Sec. 25503(c). Additionally she has been successful in collecting funds through cost recovery for incidents in which a spiller has been identified.

ANALYSIS:

Ms. Rudaitis has 22 years experience with hazardous materials with many of those years working for Costa Mesa. She is well versed in the requirements of the program and has worked with the County CUPA since its origination in 1997, enabling her to be familiar with CUPA's standard procedures.

By continuing to contract directly with Ms. Rudaitis, the City will continue to realize a cost savings by eliminating additional layers of administration for the Program. Additionally, Ms. Rudaitis has been extremely helpful in filing for, and obtaining, cost recovery payments for hazardous materials spills. Ms. Rudaitis has been instrumental in completing the paperwork and follow-through necessary for Costa Mesa to collect an additional \$37,000 in "cost-recovery" in the last twelve months. This means she has collected a total of approximately \$137,000 between the "cost-recovery" and "Haz Mat" disclosure program.

In 2012, through the efforts of Ms. Rudaitis, the City of Costa Mesa became the third city in Orange County to switch to electronic filing of disclosures, which is intended to reduce the amount of paperwork required by businesses that are required to disclose by California law.

Staff desires to retain Ms. Rudaitis by renewing a professional services agreement with her, as a sole source vendor.

ALTERNATIVES CONSIDERED:

An alternative would be to discontinue managing the Program; however, this alternative is not recommended by staff, as City Council has previously given direction for the Fire Department to manage the City's Program in the best interest of our citizens, business community and first responders.

No other alternatives were considered, since administering the City's Hazardous Materials Disclosure Program has proven to be effective since June 2, 1997, when the City signed an agreement with the Orange County Health Care Agency (OCHCA) to manage the Program as a participating agency to the OCHCA.

FISCAL REVIEW:

The terms of the attached service agreement are for services provided during the 2012-2013 fiscal year at a cost not to exceed \$80,000. The proposed contract cost has not increased from the contract rate approved for the 2008-2009 fiscal year with the consultant. The adopted fiscal year 2011-2012 budget provides \$80,000 for consulting to administer the City's Hazardous Materials Disclosure Program. These program costs are offset by the collection of Hazmat Disclosure Fees estimated at \$100,000 for the 2011-2012 fiscal year.

LEGAL REVIEW:

The City Attorney has reviewed and approved the agreement as to form.

STEVE BUNTING
Interim Deputy Fire Chief

TOM ARNOLD
Interim Fire Chief

Bobby Young
Director of Finance

Thomas Duarte
City Attorney

DISTRIBUTION: City Manager
Assistant City Manager
Deputy City Clerk
Director of Finance
Staff

ATTACHMENT: 1 [Professional Services Agreement](#)
2 [Sole Source Justification](#)