

**CITY OF ALBANY
CITY COUNCIL AGENDA
STAFF REPORT**

Agenda Date: December 19, 2022
Reviewed by: NA

SUBJECT: Contract No. C22-77 with R3 Consulting Group for SB 1383 Implementation Support Services

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SUMMARY

The action before the City Council is to authorize the City Manager to enter into a professional services contract not to exceed \$275,000 with R3 Consulting Group, Inc. for SB 1383 implementation support services spanning a three year period.

STAFF RECOMMENDATION

That the Council:

1. Adopt Resolution No. 2022-142, authorizing the City Manager to execute Contract No. C22-77 with R3 Consulting Group, Inc. for SB 1383 Implementation Support Services; and
2. Appropriate \$130,000 of Measure D funds to cover any costs associated with the Contract.

BACKGROUND

The City of Albany contracts with Waste Management of Alameda County (WMAC) for collection and disposal of landfill, recycling, and organics. The City's current Collection Services Agreement with WMAC, adopted in 2011, does not cover new state mandates related to waste and recycling. SB 1383 is a new state mandate that requires cities to implement provisions aimed to reduce organic materials being sent to the landfill, where they decompose and emit harmful climate change pollutants.

On July 5, 2022, City Council adopted Resolution No. 2022-78, authorizing the release of a Request for Qualifications (RFQ) for SB 1383 compliance services, to help the City achieve the goals and provisions mandated by SB 1383.

DISCUSSION

Senate Bill 1383 is legislation approved in 2016 that requires a reduction in organic waste (food waste, green waste, paper products, etc.) disposed in landfills by 75%, and increase edible food recovery by 20% by 2025. SB 1383 took effect on January 1, 2022, and jurisdictions were required to begin implementation of SB 1383 regulations starting on that date.

Local municipalities are responsible for achieving these targets by requiring mandatory recycling and organic collection, requiring color and labeling changes for carts and bins, establishing food recovery programs, purchasing and using compost and mulch, as well as conducting outreach, reporting, contamination monitoring, inspections, and enforcement. SB 1383 implementation by jurisdictions is being monitored and enforced by the California Department of Resources Recycling and Recovery (CalRecycle).

In July 2021, the Alameda County Waste Management Authority (StopWaste) adopted a countywide Organics Reduction and Recycling ordinance that serves as the SB 1383 enforcement mechanism for Alameda County jurisdictions. On December 6, 2021, the Albany City Council adopted Ordinance No. 2021-11, amending Section 15-2 of the Albany Municipal Code, opting into the StopWaste ordinance. StopWaste is conducting various SB 1383 activities on behalf of its member agencies, including enforcement for mandatory service for businesses, managing the de minimis and space constraint waiver approval process, and conducting outreach to Tier 1 and Tier 2 edible food generators.

The City has an exclusive waste hauling agreement with Waste Management of Alameda County (WMAC) for solid waste, recyclables, and organics. WMAC provides 3-stream collection services for all residential and multifamily properties, and 3-stream services are available to all commercial businesses that fall within SB 1383 thresholds. The agreement was originally effective for 10 years, until October 31, 2021. The City attempted to negotiate a new contract with WMAC between 2020 and 2022, which would have included support for SB 1383 implementation, but the City and WMAC were unable to come to an agreement. The current contract, having utilized two of two possible extensions, is set to expire on March 31, 2028.

Despite support for SB 1383 implementation from StopWaste and Alameda County, and due to a lack of SB 1383 support being defined in the WMAC Collection Services Agreement, there are additional provisions of SB 1383 that place requirements on the City. Due to current staffing levels and capacity, the City requires support of a third-party firm, or firms, to help the City conduct the remaining activities required per SB 1383. As a result, on July 5, 2022, City Council adopted Resolution No. 2022-78, authorizing the release of a Request for Qualifications (RFQ) for SB 1383 compliance services.

On September 14, 2022 the City released an RFQ for SB 1383 Implementation Consulting Services. The City received 4 submissions to the RFQ.

The RFQ listed 8 tasks that the City seeks support with to meet SB 1383 compliance:

- Task 1: Analysis of City Policies & Procedures to Determine Compliance
- Task 2: Technical Assistance to Businesses and Multifamily Properties

- Task 3: Outreach to Tier 1 & Tier 2 Edible Food Generators (as needed)
- Task 4: Compost and Mulch Procurement Planning
- Task 5: Route Reviews & Contamination Monitoring
- Task 6: Recordkeeping & Data Tracking for Tasks Performed
- Task 7: Recordkeeping & Reporting Plan for City Staff
- Task 8: Support with CalRecycle Reporting

After analysis of the proposals, City staff determined that local consulting firm, R3 Consulting Group, Inc. (R3), is best suited to perform the above-mentioned tasks.

R3 is a California Certified Small Business based out of Oakland and Roseville offices. R3 has supported dozens of cities with compliance activities related to waste and recycling mandates. R3 proposed including Cascadia Consulting Group as a subconsultant to the contract, to provide technical assistance for businesses and multifamily properties and to supplement Tier 1 and Tier 2 edible food recovery outreach currently being conducted by StopWaste on an as needed basis. Cascadia Consulting Group is a women-owned, Certified Small Business consulting firm with offices in Oakland, and is the consulting firm that supported the City of Albany with development of its 2019 Climate Action and Adaptation Plan. Cascadia is also currently contracted with StopWaste for SB 1383 outreach support and technical assistance on behalf of member agencies, and as part of the R3 contract with the City of Albany for SB 1383 services, would add additional capacity to the work already being performed at the county level.

R3 and Cascadia consultants will operate as an extension of City staff on tasks related to implementation of SB 1383. Staff will issue task orders to R3 for each task, with which R3 will use to define a specific scope and budget for each task to be performed. The scope of the task and budget of each task will be authorized by staff. R3 will work collaboratively with both the City and WMAC to determine a strategy for SB 1383 compliance that is most efficient and successful for the community. Staff are confident that R3's as needed support, supplemented by Cascadia Consulting Group, will help the City meet more of the provisions of SB 1383.

The City also received a proposal from WMAC, with strong contamination monitoring and technical assistance programs proposed. Staff and WMAC have been discussing the possibility of WMAC conducting the contamination monitoring and business and multifamily technical assistance tasks, rather than R3. If staff and WMAC are able to reach an agreement for a contract specific to contamination monitoring and business and multifamily property technical assistance, staff will bring a proposed contract to City Council.

CITY COUNCIL STRATEGIC PLAN INITIATIVE

Goal 1 Objective 1 of the Strategic Plan is to advance climate action and adaptation. Reducing organic material being sent to the landfill advances climate action.

FINANCIAL CONSIDERATIONS

The requested amount for Contract No. C22-77 is not-to-exceed \$275,000 which will cover all costs associated with implementation of the eight tasks defined in the RFQ, as well as additional

contingency funds for any unpredicted costs or additional services. The contract will be for a three year term.

Staff proposes appropriating \$130,000 of Measure D funds to any costs associated with this contract. Measure D fund revenues are generated from an \$8.23 per ton tax on waste sent to landfills in Alameda County. Each City in Alameda County receives quarterly disbursements of Measure D revenue, based on population size, from the Alameda County Waste Management Authority Board. These funds must be used on programs that advance waste diversion and recycling.

Staff plans to also use already appropriated professional services funds for costs incurred in the current fiscal year, and will request an increase in the next biennial budget to cover costs incurred in future fiscal years.

The contract will be executed using task orders, and the consultant will propose a more detailed budget and hourly costs for each task. R3 provided hourly billing rates for the R3 project team and the Cascadia project team as well as reimbursable costs (Attachment 2). The estimated Project Budget submitted by R3 in its proposal is for the first year of project implementation. Some tasks will continue annually, and some tasks will only occur during the first year of contract implementation.

If staff is able to reach an agreement with WMAC for a contamination monitoring program and business and multifamily technical assistance, it is possible that the City may be able to reduce costs related to implementation of those tasks.

NEXT STEPS

If approved, staff will execute Contract No. C22-77 with R3 Consulting Group Inc., and begin issuing task orders for tasks 1 through 8 starting on January 1, 2023.

If staff and WMAC are able to reach an agreement for a contract specific to SB 1383 contamination monitoring and technical assistance to businesses and multifamily properties, staff will bring a discussion to Council.

Attachments

1. Resolution No. 2022-142
2. R3 RFQ Submission

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RESOLUTION NO. 2022-142

**A RESOLUTION OF THE ALBANY CITY COUNCIL AUTHORIZING
THE CITY MANAGER TO EXECUTE CONTRACT NO. C22-77 WITH
R3 CONSULTING GROUP, INC. FOR SB 1383 IMPLEMENTATION
SUPPORT SERVICES**

WHEREAS, Senate Bill 1383 (SB 1383), which took effect on January 1, 2022, requires a reduction in organic waste disposed of in landfills by 75%, and an increase in edible food recovery by 20%, by 2025; and

WHEREAS, local municipalities are responsible for achieving these targets by requiring mandatory recycling and organic collection, requiring color and labeling changes for carts and bins, establishing food recovery programs, purchasing and using compost and mulch, as well as conducting outreach, reporting, contamination monitoring, inspections, and enforcement; and

WHEREAS, the City needs support from a third party firm to build capacity to meet the requirements of SB 1383; and

WHEREAS, on July 5, 2022, the City Council adopted Resolution No. 2022-78, authorizing the release of a Request for Qualifications (RFQ) for SB 1383 compliance services; and

WHEREAS, on September 14, 2022, the City released an RFQ for SB 1383 Implementation Support Services, and has determined that R3 Consulting Group’s proposal best meets the needs of the City of Albany; and

WHEREAS, Measure D funds are available and appropriate to use for this purpose.

