



Folsom City Council Staff Report

MEETING DATE:	12/8/2020
AGENDA SECTION:	Consent Calendar
SUBJECT:	Resolution No. 10560 – A Resolution Authorizing the City Manager to Execute an Agreement with R3 Consulting Group, Inc. for Solid Waste Consulting Services for the Development and Implementation of Mandatory Organics and Recycling Compliance Programs and Appropriation of Funds
FROM:	Public Works Department

RECOMMENDATION / CITY COUNCIL ACTION

Staff requests that the City Council adopt Resolution No. 10560 – A Resolution Authorizing the City Manager to Execute an Agreement with R3 Consulting Group, Inc. for Solid Waste Consulting Services for the Development and Implementation of Mandatory Organics and Recycling Compliance Programs.

BACKGROUND / ISSUE

The Department of Public Works, Recycling Division (Division) is responsible for implementing various state mandated programs for the recycling of bottles, cans, paper, cardboard etc. as well as organic materials such as food waste and green waste. In particular, Mandatory Commercial Organics Recycling (AB 1826) became effective in January of 2016 requiring certain businesses to recycle organic material, including food waste. Initially this applied to a small number of businesses; however, the number of covered businesses increased in January of 2017 and again in January of 2019 and now nearly all businesses are captured. These incremental changes significantly increased the workload associated with the program. In addition to identifying the covered businesses, the Division is required to inform and educate the covered businesses about the requirement, track compliance and provide ongoing outreach efforts to each non-compliant business to work with them toward becoming compliant.

To assist with increasing requirements, the Division hired two part-time staff in Fiscal Year 2016-17. Knowing this was a temporary solution, full time recycling positions were added to the rate study and requested in Fiscal Year 2019-20 and Fiscal Year 2020-21, but not fulfilled.

Prior to the January 2019 increase in captured businesses, the Division sent a letter to notify the impacted businesses of the requirement. Despite the notification, very few businesses have adopted a program. In most cases, becoming compliant is costly since it requires subscribing to a collection service and restructuring their waste handling practices. The onerous nature of this program is met with resistance and the Division's part-time staff were unable to keep up the level of ongoing assistance needed.

Also, in January of 2019, California Department of Recycling and Resource Recovery (CalRecycle) expressed concern with the number of businesses still out of compliance and put the City on an informal compliance schedule consisting of a plan to achieve compliance as well as monthly reporting. At this point the Division consisted of 50% of one full-time employee and two temporary part-time employees working very limited hours. Due to the need for additional help the Division added more temporary part-time staff; however, high turnover and lack of experience among part-time staff has resulted in recruiting, training, and managing becoming a primary task for the full-time staff person.

Despite the challenges, the Division was making incremental progress and was hopeful that Fiscal Year 2020-21 would bring additional full-time staff to satisfy program needs. In March of 2020, all progress stopped when the COVID-19 health orders went into effect. The Division, with concurrence from CalRecycle, suspended plan implementation and reporting. Despite the significant negative impact of the health crisis, on October 26, 2020 the City Manager received a letter from CalRecycle stating that the City has been found to be deficient in the implementation of AB 1826. An action plan is now being formally requested and Division staff will be providing that plan to CalRecycle by the November 25, 2020 deadline. AB 1826 is just one of several recycling laws that require Division resources to maintain compliance.

POLICY / RULE

Section 2.36.080, Award of Contracts of the Folsom Municipal Code states, in part, that contracts for professional services with an estimated value of \$62,014 or greater shall be awarded by City Council.

ANALYSIS

Implementing the AB 1826 action plan being required by CalRecycle, as well as development and implementation of other recycling laws such as Senate Bill 1383, which will require residential organics recycling, necessitates the hiring of additional staff. The Division currently does not have the qualified staff resources readily available and must look to a consultant to provide the staffing to maintain compliance with state laws and regulations.

FINANCIAL IMPACT

The selected consultant has proposed a not-to-exceed amount of \$150,000 through the end of the Fiscal Year 2020-21. Solid Waste consulting services were not budgeted and an additional appropriation of funds will be required. The funds are currently available in the Solid Waste Fund (Fund 540) in fund balance.

ENVIRONMENTAL REVIEW

The Project is exempt from the California Environmental Quality Act (CEQA) under Section 15061(b)(3) (Review for Exemption) of the CEQA Guidelines.

ATTACHMENT

Resolution No. 10560 – A Resolution Authorizing the City Manager to Execute an Agreement with R3 Consulting Group, Inc. for Solid Waste Consulting Services for the Development and Implementation of Mandatory Organics and Recycling Compliance Programs and Appropriation of Funds

Submitted,

Dave Nugen, Public Works Director

RESOLUTION NO. 10560

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH R3 CONSULTING GROUP, INC. FOR SOLID WASTE CONSULTING SERVICES FOR THE DEVELOPMENT AND IMPLEMENTATION OF MANDATORY ORGANICS AND RECYCLING COMPLIANCE PROGRAMS AND APPROPRIATION OF FUNDS

WHEREAS, the City of Folsom, Recycling Division (Division) is responsible for implementation of numerous state laws regarding recycling and organic waste recovery; and

WHEREAS, the California Department of Recycling and Resource Recovery (CalRecycle) is responsible for enforcement of said laws; and

WHEREAS, CalRecycle has determined the Division has gaps in its implementation of the Mandatory Commercial Organics Recycling law (AB 1826) and has issued a formal request for a plan to address these gaps; and

WHEREAS, the Division does not have sufficient staff resources to address these issues and therefore issued a Request for Proposals for Consulting Services; and

WHEREAS, proposals were received from qualified Consultants and scored by Division staff with R3 Consulting Group, Inc. being selected as the most responsive firm.

WHEREAS, an appropriation of \$150,000 is needed to cover consulting services; and

WHEREAS, funds are available in the Solid Waste Fund (Fund 540) for this appropriation.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Folsom authorizes the City Manager to execute an agreement with R3 Consulting Group, Inc. to provide Consulting Services for the Development and Implementation of Mandatory Organics and Recycling Compliance Programs for a not to exceed amount of \$150,000.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Finance Director is authorized to appropriate \$150,000 from fund balance to the Solid Waste Fiscal Year 2020-21 Operating Budget for consulting services.

PASSED AND ADOPTED this 8th day of December 2020, by the following roll-call vote:

AYES: Council Member(s):
NOES: Council Member(s):
ABSENT: Council Member(s):
ABSTAIN: Council Member(s):

, MAYOR

ATTEST:

Christa Freemantle, CITY CLERK