



Staff Report November 12th, 2024

TO: Honorable Mayor and Town Council
FROM: Richard Ly-Lee, Town Engineer
DATE: November 12, 2024
RE: Approval of a Contract Extension and Amendment with R3 Consulting Group for SB 1383 Regulatory Compliance and Solid Waste Program Management Services

Recommendation

Staff recommends that the Town Council adopt a resolution authorizing the Town Manager to extend and amend a contract for on-call professional services with R3 Consulting Group, Inc. in the amount of \$90,000, and extending the contract to 12/31/2025.

Issue Statement and Discussion

In November 2020, the California Department of Resources Recycling and Recovery (CalRecycle) finalized regulations under SB 1383, formalizing statewide requirements to reduce the amount of organic waste disposed in landfills.

The Engineering Department is broken into functional sections consisting of Development Review, Traffic Engineering, Solid Waste Management, and Capital Project Administration. Larger municipalities typically have full-time staff working within these sections, however, in Loomis, the only in-house staff position is the Town Engineer. The Town Engineer is responsible for the overall administration of the Department and relies heavily upon consultants to manage and complete the workload in the various sections.

In November 2022, the Engineering Division issued a Request for Qualifications (RFQ) seeking Solid Waste Management proposals from qualified professionals. Following a review of the proposals, R3 Consulting Group was selected as being the most qualified to meet the Town's needs based upon their technical qualifications, familiarity with providing similar services, strength of their staff, and understanding of the work to be done.

The existing contract with R3 was drafted using the Town's standard "Consultant Contract for Services" agreement template. The term of the existing contract is two years with up to three (3) additional, one-year renewal periods. This extension and amendment represent the first of the three (3) one-year renewal periods. The approved compensation for the initial two-year term (ending on December 31, 2024) was \$160,000. This amount will be close to exhausted if not fully exhausted by the end of the 2024 calendar year. The updated work scope and fee for the renewal term are included as Attachment B.

In the initial term of the contract, R3 completed a compliance audit, worked with CalRecycle to address areas of concern with SB 1383 compliance, amended the Town's solid waste ordinances to align with recent regulatory requirements, reviewed annual rate adjustment applications from

Recology, conducted a feasibility study to consider options for a solid waste JPA, supported the Town in executing a one-year extension to the collection Agreement with Recology, augmented the Building Department in its review and processing of Waste Diversion Plans, facilitated and project managed the acquisition of Procurement Compliance Attributes, helped the Town apply for and manage grant funding, complete annual reports to CalRecycle, and kick-off long-term contract negotiations with Recology. The overall scope of work in the next year will remain relatively consistent with the prior term, with the priority continuing to be SB 1383 implementation and compliance support. Changes and shifting focus in the coming year include the following:

- Drop compliance audit task, now replaced with ongoing recordkeeping.
- Finalize negotiations and subsequent Agreement with Recology.
- Implement Edible Food program (MealPass) with regional partners.
- Heightened management of grant funding.
- Increased quantity of building permit reviews as process continues to be improved.

CEQA Requirements

The proposed action is not subject to review under CEQA pursuant to Section 15060(c)(3), as it is not a project, and Section 15061(b)(3), which exempts administrative items since they will not result in any direct or indirect physical change in the environment.

Financial and/or Policy Implications

The proposed contract with R3 Consulting is amended to increase the budget by \$90,000 over a one-year renewal term for a total contract amount of \$250,000. The contract renewal authorization must therefore be made by Council. Funding for the recommended contract is available from the Town's Solid Waste Fund 560 which has a sufficient balance to fund the requested amendment.

This amount is augmented by the Local Assistance Grant Program (OWR4) funding that R3 helped the Town receive. The Local Assistance Grant Program has been available for two grant cycles, but is not anticipated to be funded again. As of October 1, 2024, \$18,422.50 of the awarded \$75,000 OWR4 funding has been spent. R3 is not the only budget area that can be funded by OWR4.

- The Town's Agreement with Desert View Power will cost ~\$11,000 annually through 2028.
- The Town may choose to subsidize MealPass subscription costs for commercial generators.

Both of the above SB 1383-related programs were contemplated prior to the award of funding. Therefore, all OWR4 funding is supplemental to already available budget sources.

Attachment

- A. Resolution
- B. Work Plan and Cost Estimate

TOWN OF LOOMIS

RESOLUTION NO. 24 - _____

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF LOOMIS
AUTHORIZING THE TOWN MANAGER TO EXECUTE A CONTRACT EXTENSION AND AMENDMENT
FOR PROFESSIONAL SERVICES WITH R3 CONSULTING GROUP IN THE AMOUNT OF \$90,000**

WHEREAS, the Public Works Engineering Department requires additional staff to assist with solid waste regulatory compliance and overall solid waste program management; and

WHEREAS, the duties envisioned require specialized knowledge, in a part-time capacity, which the Town feels can best be provided under a professional services contract; and

WHEREAS, in November 2022, the Town released a Request for Qualifications (RFQ) for Solid Waste Management on-call professional services and a total of two (2) proposals were received; and

WHEREAS, following a review and ranking of the proposals, R3 Consulting Group out of Roseville, California was determined by staff to be the most qualified firm for the professional services contract based upon their technical qualifications, familiarity with providing similar services, strength of staff, and understanding of the work to be done; and

WHEREAS, the Town negotiated an initial scope of services with R3 in the amount of \$160,000 over a two-year term, with up to three (3) additional, one-year renewal periods; and

WHEREAS, the Town Council of the Town of Loomis authorized the Town Manager to execute a contract for on-call professional services with R3 Consulting Group in the amount of \$160,000 on January 10, 2023; and

WHEREAS, the Town's Solid Waste Fund 560 has sufficient funds to cover the cost of the proposed contract amount; and

WHEREAS, the Town Manager recommends that it is in the Town's best interest to extend and amend its professional services agreement with R3 to perform the required services.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Town Council of the Town of Loomis hereby authorizes the Town Manager to execute a one-year contract extension and amendment for on-call professional services with R3 Consulting Group in the amount of \$90,000; and be it

FURTHER RESOLVED that the on-call contract will be drafted using the Town's standard "Consultant Contract for Services" agreement template.

PASSED AND ADOPTED this 12th day of November 2024 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Mayor

ATTEST:

Deputy Town Clerk

October 18, 2024

Mr. Wes Heathcock, Town Manager
Town of Loomis
3665 Taylor Road, Loomis, CA 95650
submitted via email: wheathcock@loomis.ca.gov

SUBJECT: Solid Waste Coordination Services, Extension – R3 Proposal

Dear Mr. Heathcock,

R3 Consulting Group, Inc. (R3) is pleased to submit our proposal to continue providing solid waste coordination services to the Town of Loomis (Town). Our team is uniquely qualified to provide the requested services, in that we will leverage our current work efforts in the Town, with neighboring jurisdictions, and numerous jurisdictions throughout the State with implementing their programs.

Scope of Work

Task 1 Coordination with Key Stakeholders

R3 will continue to attend state and regional meetings, on behalf of the Town, to monitor solid waste issues. R3 will track legislation and anticipated State of California regulations that will impact the Town's recycling and waste reduction program.

Task 1 Deliverables

- Up to fifteen (15) meetings annually, comprised of Placer County, Local Task Force, Western Placer Waste Management Authority, Regional Recycling Group, and/or CalRecycle

Task 2 Solid Waste Program Management

R3 will continue act as an extension to Town staff and provide a variety of ongoing solid waste program support.

This task will consist of the following elements:

- » CalRecycle Reporting & Data Verification
- » Implementation Record Support
- » Education and Outreach (*Please Note: Printing and postage costs for outreach materials are not included in this budget.*)
- » General Program and Staff Support

Task 2 Deliverables

- Complete and submit electronic annual report by August 1 annually.
- Monthly upkeep and maintenance of the SB 1383 implementation record.
- Content and/or collateral for up to four (4) outreach and education campaigns annually.
- Monthly meetings with Town staff to review pertinent issues and develop action plans.
- General program support, as requested.

Task 3 Waste Hauler Agreement Administration & Negotiations

The Town's current franchise agreement with Recology expires on September 30, 2025. R3 will act as Town staff and assume responsibility for negotiating the new contract terms and the tracking and on-time

submittal of all reports and required deliverables, per the franchise agreement. Our team will assist the Town in monitoring Recology's solid waste collection programs and contractual obligations and remain accessible to all customers to provide guidance on disposal, recycling, and proper solid waste management. We will schedule quarterly meetings with Recology and prepare agenda items to review contract compliance components, tonnage and diversion reports, and any current and upcoming solid waste activities.

In summary, this task will consist of the following elements:

- » Waste Hauler Agreement Administration
- » Complete Negotiations with Recology
- » Prepare Amendment to the Agreement
- » Present Amendment to Town Council
- » Programmatic Updates to Match Agreement
- » Rate Adjustment Review & Public Outreach

Task 3 Deliverables

- Quarterly review and tracking of hauler reports.
- Quarterly meetings with Recology staff.
- Attendance at up to 3 negotiation meetings with Town staff and Recology.
- New draft franchise agreement for Town counsel review based on negotiated terms.
- Up to three (3) presentations to Town Council, which may include details of the negotiation process, draft agreement terms and programmatic updates, and rate adjustment review/process.
- Annual rate adjustment notice to be mailed to all affected property owners.

Task 4 Construction and Demolition (C&D) Waste Diversion Support

R3 will continue assisting the Town in monitoring and compliance with the Town's C&D Debris program. R3 will assume responsibility for monitoring and tracking of all loads of C&D to verify compliance with C&D requirements, collaborate with applicable staff departments, provide support for education and outreach, and assist in administering penalties as applicable.

Task 4 Deliverables

- Supporting CALGreen covered building permit review, including reviewing and tracking pre- and post-construction forms.

Task 5 Procurement Compliance Attribute Management

Monthly energy use must be reported to Desert View Power within 10 calendar days after the last day of each calendar month. R3 will continue to track and report on this usage via its established reporting methodology.

Task 5 Deliverables

- Submittal of energy usage to Desert View Power, monthly

Task 6 Edible Food Recovery Program Support

The Town is participating in a regional effort to recover edible food through a mobile app named MealPass. R3 will continue to coordinate with the County and other regional partners to develop and implement this new program.

Task 6 Deliverables

- Progress updates from meetings with regional MealPass partners
- Action plan for the Town's contribution to and participation in the regional effort.

Task 7 Grant Support

R3 will assist the Town by managing and administering current grant programs and submitting reports to the applicable grant agencies. R3 will prepare reports for the SB 1383 Local Assistance Grant Program, Used Oil Payment Program, City/County Payment Program, and Household Hazardous Waste Program, as applicable and as requested by the Town.

R3 will stay up to date on all current and upcoming grant cycles, maintain knowledge of all new and existing solid waste related grants, and provide necessary recommendations to the Town.

Portions of Tasks 1 – 7 may be funded in part by awarded Local Assistance Grant Program funding (OWR4). As of October 1, 2024, \$18,422.50 of the awarded \$75,000 has been spent. R3 will continue to coordinate with the Town to responsibly manage this funding, as R3's is one of multiple costs that can be covered by this funding, including MealPass contributions and PCA payments.

Project Budget

We propose to provide on-call consulting services to the City, in calendar year 2025, on a time-and-materials basis for a total cost of **\$85,000**. This incorporates approximately 300 R3 staff hours for support services in calendar year 2025. Below, we have provided the standard rates for the R3 Project Team that may be involved in providing solid waste consultant services. These hourly rates are subject to periodic adjustments based on CPI.

Unless otherwise agreed in writing, fees for work completed will be billed monthly at the first of each month for the preceding month and will be payable within 30 days of the invoice date.

CLASSIFICATION	RATE
Principal / Sr. Director	\$ 325 per hour
Director	\$ 290 per hour
Sr. Managing Consultant	\$ 250 per hour
Managing Consultant	\$ 225 per hour
Sr. Consultant	\$ 210 per hour
Consultant	\$ 190 per hour
Associate Consultant	\$ 175 per hour
Expert Witness	1.5x Listed Above
REIMBURSABLE COSTS	
Consultants/Subcontractors	Cost plus 10%
Lodging and meals	Direct cost
Travel - Private or company car	At Current Federal Rate
Travel - Other	Direct cost
Delivery and other expenses	Direct cost

Project Team

Carrie Baxter, Principal, will serve as Project Lead and primary point of contact throughout this engagement. **Katelyn Scholz**, Managing Consultant, **Peggy Paulsen**, Communications Director, and **Angela Micheletti**, Associate Consultant, are experienced and talented consultants in understanding regulatory requirements, including AB 827, AB 341, AB 1826, SB 1383-related matters and will provide key analytical support throughout the entire engagement.

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We appreciate the opportunity to submit our proposal. Should you have any questions regarding our proposal, or need any additional information, please don't hesitate to reach out directly.

Sincerely,



Carrie Baxter | *Principal*
R3 Consulting Group, Inc.
916.878.7413 | cbaxter@r3cgi.com