

PROPOSAL TO THE

City of Fortuna

FOR

Franchise Agreement Negotiation Support and SB 1383 Compliance Assistance

PREPARED BY

CSG Consultants, Inc.

June 2, 2023

550 Pilgrim Drive, Foster City, CA 94404
phone 650.522.2500 | *fax* 650.522.2599 | www.csgegr.com
Foster City • Pleasanton • San Jose • Sacramento • Newman • Paso Robles • Orange



Employee-Owned

Cover Letter

June 2, 2023

Merritt Perry, City Manager
City of Fortuna
621 11th Street
Fortuna, CA 95540

Re: Updated Proposal to Complete Franchise Agreement Negotiation and SB 1383 Compliance Assistance

Dear Mr. Perry,

Thank you for your feedback on June 2, 2023, regarding our proposal for Franchise Agreement Negotiation and SB 1383 Compliance Assistance for the City of Fortuna. This proposal is updated based on that conversation and we look forward to providing the City with franchise agreement negotiation support to ensure the City's new franchise agreement meets SB 1383 requirements and other state mandates cost-effectively and includes industry standards and best practices.

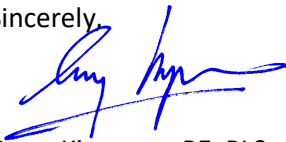
Kathleen Gallagher will serve as the Project Manager, and she brings over 29 years of sustainability program management and waste management experience. Since SB 1383 regulations were approved, she has assisted several jurisdictions to be SB 1383 compliant and has worked to become an SB 1383 subject matter expert. You will find Ms. Gallagher's resume in this proposal. Ms. Gallagher's contact information is as follows:

Kathleen Gallagher, Senior Sustainability Manager
550 Pilgrim Drive, Foster City, CA 94404
(650) 489-9097 mobile | kathleeng@csgengr.com

The attached scope of work will be provided to the City on a not to exceed basis of \$22,000 and details are included in the scope of work. Please feel free to contact Ms. Gallagher with any questions or comments you may have regarding our proposal.

We look forward to providing these services to the City of Fortuna.

Sincerely,



Cyrus Kianpour, PE, PLS
President, CSG Consultants, Inc.



Employee-Owned

Firm Profile

CSG Consultants, Inc. (CSG) is an employee-owned, California company with our corporate and local office in Foster City and additional offices in Pleasanton, San Jose, Sacramento, Newman, Fresno, Paso Robles, and Orange. Founded in 1991, **CSG performs work solely for public agencies**, eliminating the potential for conflicts of interest. In this way, we can focus exclusively on the specific needs of our municipal clients. The majority of the 350+ individuals within our firm have provided public agency services throughout their entire careers. Our talented personnel bring a wealth of ideas and experiences, having held positions with communities facing similar development opportunities as the City of Fortuna.

NAME OF FIRM: CSG Consultants, Inc.

PROJECT CONTACT: Kathleen M Gallagher, Principal Senior Sustainability Manager

HEADQUARTERS & 550 Pilgrim Drive, **Foster City**, CA 94404

LOCAL OFFICE: (650) 522-2500

REGIONAL OFFICES: 3875 Hopyard Road, Suite 141, **Pleasanton**, CA 94588

3150 Almaden Expressway #255, **San Jose**, CA 95118

1303 J Street, #270, **Sacramento**, CA 95814

930 Fresno Street, **Newman**, CA 95360

5151 N. Palm Avenue, Suite 530, **Fresno**, CA 93704

806 9th Street, Suite 2A, **Paso Robles**, CA 93446

3707 W. Garden Grove Boulevard, #100, **Orange**, CA 92868

YEARS IN BUSINESS: 32 • Founded in 1991

EMPLOYEES: 350+

TYPE OF BUSINESS: California Corporation • Incorporated June 15, 2000, • Federal ID: 91-2053749



Comprehensive Municipal Services

CSG is customer-centric and organized into the lines of business outlined below, each managed by experts in their respective fields.

PLANNING & SUSTAINABILITY

*Climate Action Plan Development
Greenhouse Gas Reduction Program Implementation
Energy Efficiency, Water Conservation Program Implementation
Zero Waste Programs
CEQA Environmental Review
AB 32 Compliance
Grant Writing /Management
Staff Augmentation
Project Management Including Plan, Zoning and Policy Amendments*

PUBLIC WORKS ENGINEERING & DESIGN

*Capital Improvement Project Design:
Transportation/Roadway, Water and Sewer Utilities, Traffic Engineering
Development Review, Plan Check, Surveying and Mapping, Storm Water Program Compliance (NPDES, QSP/QSD)*

BUILDING & FIRE LIFE SAFETY

*Building Department Administration
Building Plan Review and Inspection
Fire Plan Review and Inspection
Structural Plan Review
OSHPD3 Review
CASp Assessment and Inspection
Public Facilities Assessment
LEED/Green Building Services
Code Compliance/Enforcement
Staff Augmentation*

CIP PROJECT & PROGRAM MANAGEMENT

*Capital Improvement Program Development and Implementation
Federal and State Grant Administration
Rule 20A Undergrounding.
Staff Augmentation Including: Design
Consultant Coordination, Project Scoping, RFP Preparation*

CONSTRUCTION MANAGEMENT & INSPECTION

*Contract Administration, including Resident Engineer Oversight, Inspection and Construction Management
Constructability/Biddability Reviews
Cost and Schedule Control
Claims Avoidance*

INFORMATION TECHNOLOGY

*GreenVue Software
Digital Plan Review
Electronic Archiving
Web-Based Construction Management Asset Management
Project Management
GIS and IT Support*

CSG Professionals Staff Composition

Our professional municipal services staff consists of the following types of professionals:

- ▶ *Sustainability Professionals*
- ▶ *Planning & Environmental Professionals*
- ▶ *Building Plan Reviewers & Inspectors*
- ▶ *Fire Plan Reviewers & Inspectors*
- ▶ *Structural Engineers*
- ▶ *Plan Review Engineers*
- ▶ *Building Officials*
- ▶ *Civil Engineers*
- ▶ *Grading Improvement Plan Reviewers & Inspectors*
- ▶ *Construction Managers*
- ▶ *Construction Inspectors*
- ▶ *Information Technology Professionals*
- ▶ *Certified Access Specialist Professionals (CASp)*
- ▶ *Code Enforcement Officers*

Scope of Work

- Task 1: Project Initiation, document review and meeting with City staff regarding the city's current franchise agreement, quarterly/annual reports from Recology, CalRecycle Annual Report, communication from Recology and CalRecycle regarding the Compliance Action Plan (CAP).** Discuss City of Fortuna's current collection programs, routes, accounts and process, CalRecycle Electronic Annual Report (EAR), Recology quarterly/annual reports, the current rate application, and prior discussions with Recology regarding their franchise agreement. Prepare agenda, questions, summary documents regarding the City's service area gaps and compliance gaps. Request additional data needed from city staff. Prepare timeline for project based on feedback from City staff.
- Task 2: Complete Analysis of Recology's Data, CalRecycle's CAP, and Provide Technical Assistance in Franchise Agreement Negotiation Meetings to ensure City's Franchise Agreement includes SB 1383 compliant programs and includes current industry standards.** Complete analysis of data provided by Recology, and complete analysis and timeline from CalRecycle's Compliance Action Plan to ensure compliance with new franchise agreement for City staff consideration and review. This task includes analysis of data provided by Recology that contains disposal and diversion data, routes, and accounts for residential, commercial, city sector data, and other data specific to City of Fortuna. Provide summary assessment to City staff of analysis. This task also includes developing documents, completing analysis, and drafting agendas for meetings with Recology. Prepare questions for Recology prior to each meeting for Recology and discuss with City staff prior to each meeting.
- Task 3: Provide analysis of SB 1383 programs and relation to cost proposal submitted by Recology and provide summary of analysis to City staff. Meet with Recology staff and City staff to discuss proposal.** Provide facilitation of data for City's contracted staff to complete analysis of Recology's SB 1383 Cost Proposal. Provide findings of analysis regarding Recology's SB 1383 cost proposal to include questions regarding Recology's rate assumptions, data used, profit, rate setting and other technical assistance to provide the City with a transparent cost proposal in coordination with city staff and city contracted staff. Participate in meetings with Recology to support the City in achieving cost effective programs that meet state mandates and include industry standards and best practices.
- Task 4: Complete analysis of Recology's draft franchise agreement provided on March 22, 2023, and prepare redlined franchise agreement for city staff review.** Provide redlined document that includes SB 1383 programs and services that align with current industry standards and include additional redlined sections to include diversion requirements and liquidated damages for non-compliance, current industry standards for reporting requirements and customer service requirements, and other requirements. Redline franchise agreement to include fair and transparent hauler compensation and rate setting methodology. Meet with City staff and Recology to discuss redlined franchise agreement and achieve consensus on franchise agreement language.

- Task 5:** Provide recommendation and analysis for a new SB 1383 fee (as allowed and included in the SB 1383 regulations) to provide the City with a sustainable revenue stream for SB 1383 programs for inclusion in the new franchise agreement. CSG will develop analysis of a new potential SB 1383 fee (as allowed and included in the SB 1383 regulations) that could be included in the new franchise agreement to provide a sustainable revenue stream to fund City staff/programs to meet SB 1383 requirements such as reporting, procurement, technical assistance, monitoring, etc. The SB 1383 fee would be a 'pass-through cost' and would be independent of any franchise fee or other fees. CSG will provide draft analysis and recommendation for City staff review.
- Task 6:** Provide technical assistance at the direction of City staff on a time and materials basis per the cost per hour noted in the Scope of Work Cost on page 7. This task includes, upon direction by City staff, CSG staff can complete additional tasks on time and materials basis, per the hourly rate included in this Scope of Work Cost included on page 7.

Kathleen Gallagher



Principal/Senior Sustainability Manager

CERTIFICATIONS & AFFILIATIONS

Joint Venture Silicon Valley Network,
Climate Protection Task Force
Pacific Energy Center Certification for
Energy Efficiency Auditing

AWARDS

Beacon Award Winner for
Sustainability Platinum
Beacon Award Winner GHG Reductions
for Community & Municipal

EDUCATION

Political Science, Natural Resources
University of Michigan | Ann Arbor, MI
Series 7 Financial Consultant
Certification

VALUABLE SKILLS

Climate Action Plan Development
Zero Waste/Recycling Management
Construction & Demolition
Recycling/CalGreen
CalRecycle Compliance
Energy Efficiency/Water Conservation
Public Education/Outreach
Environmental Preferable Purchasing
Policies
City Task Force Facilitation
Presentations to Elected Officials
Grant Writing

Ms. Gallagher is a Sustainability Programs Manager for CSG Consultants and has over 28 years of experience in Climate Action Planning, sustainability program development, recycling, and solid waste contract management. She has served as project manager for Solid Waste and Recycling Programs, Climate Action Plan (CAP) development, energy efficiency projects, grant administration, and water conservation projects for several Bay Area jurisdictions. Ms. Gallagher has extensive experience working with City task forces, elected officials, city staff, and the residential and business community.

Currently, Ms. Gallagher serves as the Sustainability Programs Manager for the Town of Colma where she is updating the Climate Action Plan for 2030 GHG reduction targets. She manages the development/ implementation of the Town's Climate Action Plan (CAP). Her efforts earned the Town a Platinum Beacon Award from the Institute for Local Government for implementation of best practices for sustainability. Additional projects include serving as the recycling, organics, and solid waste program technical expert for the development of the Town's Request for Proposal for recycling/solid waste collection. Ms. Gallagher served as the technical expert for development of the new franchise agreement with a special focus on commercial and organics diversion programs. Ms. Gallagher completes CalRecycle compliance reporting to meet AB 939, AB 341, SB 1383 requirements and facilitates CalRecycle staff audits.

Ms. Gallagher also provides Sustainability Program Management services for the Integrated Waste Management Program for San Benito County's Regional Agency. Projects include managing landfill operating contract compliance and landfill diversion programs, managing compliance with mandates, contract administration for the franchised and non-franchised agreements, household hazardous waste programs, public education/outreach programs, providing technical assistance to the County staff and County committees, and managing grants for the Regional Agency. Ms. Gallagher also completes CalRecycle compliance reporting to meet AB 939, AB 341, SB 1383 and SB 1016 requirement and the CalGreen Construction and Demolition recycling requirements.

ADDITIONAL RELEVANT EXPERIENCE

Ms. Gallagher developed Hillsborough's Climate Action Plan in collaboration with the Sustainable Hillsborough Task Force with elected officials and Town staff. She developed the following new sustainable programs for Hillsborough:

- Solar Community Program design and implementation
- Construction and Demolition Recycling Programs
- Municipal Green Building Policy development and implementation
- Residential Energy Efficiency Program
- Energy Efficiency, Green Building and Solar Workshops design and implementation
- Climate Protection Grant Proposal completion (awarded full grant funding)

She facilitated CAP development with the City of Burlingame's Green Ribbon Task Force that consisted of City Council members, City commissioners, residents, and business community members. Ms. Gallagher developed the Climate Action Plan's guiding principles, greenhouse gas reduction programs, estimated costs, timelines, and reduction targets. Ms. Gallagher coordinated CAP development with City staff and community through a Community Climate Action Plan Workshop. Concurrent with CAP development, she developed a green building program, solar community program and energy efficiency workshops for immediate sustainability program implementation.

Scope of Work Cost

CSG's cost for this project are provided in the table below.

Tasks	Senior Sustainability Manager \$200 per Hour	
	Hours	Cost
Task 1: Project Initiation, document review and meeting with City staff regarding the city's current franchise agreement, quarterly/annual reports from Recology, CalRecycle Annual Report, communication from Recology and CalRecycle regarding the Compliance Action Plan (CAP).	9	\$1,800
Task 2: Complete Analysis of Recology's Data, CalRecycle's CAP Provide Technical Assistance in Franchise Agreement Negotiation Meetings to ensure City's Franchise Agreement includes SB 1383 compliant programs and includes current industry standards.	28	\$5,600
Task 3: Provide analysis of SB 1383 programs and relation to cost proposal submitted by Recology and provide summary of analysis to City staff. Meet with Recology staff and City staff to discuss proposal. Facilitate data for contract staff.	14	\$2,800
Task 4: Complete analysis of Recology's draft franchise agreement provided on March 22, 2023, and prepare redlined franchise agreement for city staff review.	48	\$9,600
Task 5: Provide recommendation for a new SB 1383 fee (as allowed and included in the SB 1383 regulations) to provide City with a sustainable revenue stream for inclusion in the new franchise agreement.	11	\$2,200
Task 6: Provide on call, as needed technical assistance, at the direction of City staff on a time and materials basis at \$200/hr.	As Needed	As Needed
Total Cost:		\$22,000

All hourly rates include overhead costs including, but not limited to, salaries, benefits, Workers Compensation Insurance, travel, and office expenses. CSG will mail an invoice every month for services rendered during the previous month. On July 1 of each year following the contract start year, CSG will initiate a rate increase based on change in CPI for the applicable region.

Note: Additional tasks can be completed by CSG at the direction of City staff that are outside of the proposed scope of work; additional tasks would be agreed upon by the City and CSG and approved in writing in advance by the City and completed on a time-and-materials basis at the hourly rate provided herein.