



TO: Mayor and Council

FROM: Tom Crawford, Interim City Administrator
Craig Hupy, Public Services Area Administrator
Cresson Sloten, Systems Planning Manager

DATE: April 8, 2016

SUBJECT: Follow-Up to Resolution R-16-081 - Organics

During the FY 2016 budget approval process, City Council allocated \$100,000 from the Solid Waste Fund operating budget to create a comprehensive organics management plan. Last summer, staff began the effort to have this plan prepared, as outlined in the November 24, 2015 memo to Mayor and Council regarding the Organics Management Plan Update (see attached). As noted in this memo, the Request for Proposals (RFP) to solicit firms to prepare the plan was significantly modified during the process to clarify and add more detail to the scope of work. Council later approved a contract with CB&I Environmental & Infrastructure, Inc. to prepare an Organics Management Plan for the City at a contract value of \$204,690.00 with a contingency amount of \$20,469.00 (Resolution R-16-084) (see attached) utilizing the previously mentioned \$100,000 of allocated funds and an appropriation of \$125,159 from the Solid Waste Fund Balance.

This effort will review a comprehensive range of criteria that will be considered in evaluating options and developing recommendations to initiate a comprehensive organics management program in the City, including: diversion potential; costs; convenience for residents and businesses; community acceptance; and best practices/experience in other communities. The resulting plan can serve as a basis for implementing potential pilot programs. More specifically, CB&I's contract scope includes the following tasks:

Community Engagement

- ❖ The consultant team will work with City staff to establish two advisory committees to assist with the development of the plan - a commercial organics advisory committee and a residential organics advisory committee
- ❖ The consultant team will conduct interviews of focused stakeholders
- ❖ The consultant team will conduct a random sampling survey of city residents to provide input from the "customer perspective"

Identify and Evaluate Opportunities and Needs

- ❖ The consultant team will compile baseline information on quantities and sources of organics with the City, including the distribution across account sectors (e.g., single-family, multi-family, commercial accounts in the downtown and outside the downtown)
- ❖ The consultant team will research organics collection programs in other communities, including information on quantities collected and participation rates in these other communities

Identify and Evaluate Logistics and Resource Needs

- ❖ The consultant team will perform a detailed analysis of resources needed for potential expanded organics collection and processing services, such as:
 - Trucks and equipment
 - Containers
 - Route parameters, such as number of drivers/helpers and stops per route;
 - Staff hours for administering the programs, including: project management; customer service; education and outreach; and, field operations supervision/management
 - Required training
 - Availability of space in downtown alleys to support additional containers for organics as well as collection equipment
 - Regulatory/health requirements for segregation and storage of organics at businesses

Implementation Strategy Recommendations

- ❖ The consultant team will synthesize the research and analysis, the input provided by the advisory committees and stakeholder interviews, resident survey, and other public comments into a recommended approach for implementing a comprehensive organics management program in Ann Arbor
- ❖ The implementation plan will address:
 - Best practices in other communities with similar conditions to Ann Arbor
 - Types of programs to be implemented as part of an overall organics management strategy
 - Discussion of which program elements are best managed by the City and which should be contracted out by the City
 - Review of City Code sections that may need to be modified (if any) to implement the programs
 - Recommended phasing of implementation of specific programs
 - Discussion of how the recommended programs fulfill the City's Sustainability Framework goals

The project schedule calls for these tasks to be completed by the end of 2016/early 2017 to allow for funding of the initial plan recommendations to be considered as part of the FY2018/FY2019 City budget process.

On March 10, 2016 City Council passed Resolution R-16-081 (see attached), which directed the City Administrator to work with City staff to develop a budget and timeline for:

- The implementation of a pilot (1-year) organics collection program in the DDA
- The implementation of an additional 1-year pilot program, working with AAPS food service to collect organic waste and with Food Gatherers to collect unrecoverable organics
- The creation of an effective outreach and educational program on organics collection, to be targeted for use within the DDA

Staff from Systems Planning, Field Operations, Customer Service and Financial Services have worked to provide the requested information. As part of this effort, the following items of clarification and added detail were provided by the Council sponsors of this resolution:

- The pilot organics collection program in the DDA would include ten restaurants in the DDA rather than all of the restaurants in the DDA
- The pilot program with the AAPS would include only nine of the Ann Arbor Public Schools sites in the City
- The pilot program with Food Gatherers would collect donated food supplies that are no longer suitable for human consumption
- All of these pilots are intended to run concurrently
- The outreach and educational program is intended to cover the entire DDA area, providing information on the pilot program, other programs offered by the City, and the larger range of recovery opportunities and responsible handling of solid waste in the challenging geography of the downtown
- The goals of these pilot programs is to establish benchmarks for the setup, implementation, monitoring and reporting of comprehensive food waste recovery services at commercial and institutional locations within the City; to help identify opportunities and challenges of organics collection; and, to assess long-term and expanded viability of such programs in the future

With this more detailed understanding of the intention of Resolution R-16-081, staff believes the goals of the pilot program can be achieved through the implementation of an Organics Management Plan. CB&I Environmental & Infrastructure, Inc. is about to commence their efforts to develop this plan. Staff recommends the Organics Management Plan be completed prior to implementing any pilot program. This would allow for the findings and recommendations of the Organics Management Plan to inform the development of pilot programs that would provide the most benefit to the ultimate implementation of organics collection programs in the City.

In addition to the timing of the suggested pilot programs, Resolution R-16-081 also requested information on any budgetary impacts from these programs. Staff cannot reasonably develop budget impacts until the *Organics Management Plan* has been completed, which will allow for the results of this comprehensive planning effort to form

the basis of the proposed budget. Budgeting could occur as part of the FY2018/FY2019 budget process as currently intended, or as an amendment to the FY2017 budget if approved by Council before the end of the fiscal year.



TO: Mayor and Council

FROM: Tom Crawford, Interim City Administrator

DATE: November 24, 2015

SUBJECT: Organics Management Plan Update

As part of the FY16 budget amendments approved by City Council in Enactment No. R-15-169, \$100,000 in funding was allocated for the creation of a comprehensive organics management plan. Below is an update on the progress of this effort.

- Staff issued RFP #934 *Organics Management Plan* with a due date of September 21, 2015.
- The RFP was sent to 213 firms via BidNet by the City's Procurement Unit, and it was opened by twenty-one firms. However, only one response to the RFP was received on the due date.
- With this plan being the foundation to what could become a new major program for the City requiring significant resources, staff made the determination to cancel RFP#934 due to the lack of a suitable number of respondents.
- Staff reevaluated the initial RFP document, and made significant changes and adjustments, to clarify and add more detail within the scope of work.
- Staff issued RFP #951 *Organics Management Plan* with the modified scope of work. Submittals for this RFP are due on December 4, 2015.
- Interviews for the short-listed respondents are anticipated for the week of December 14th.
- Presentation of a contract award resolution to City Council is anticipated for February 2016.

TC:css

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cc: Craig Hupy, P.E., Public Services Administrator
Cresson Sloten, P.E., Systems Planning Manager
Matt Naud, Environmental Coordinator
Christina Gomes, Solid Waste and Recycling Programs Coordinator



City of Ann Arbor

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<http://a2gov.legistar.com/Calendar.aspx>

Master

File Number: 16-0110

File ID: 16-0110

Type: Resolution

Status: Passed

Version: 2

Reference:

Controlling Body: City Council

File Created Date : 03/10/2016

* **File Name:** 3/10/16 Resolution for Organics Management Plan

Final Action: 03/10/2016

Title: Resolution to Award a Contract with CB&I Environmental & Infrastructure, Inc., for Organics Management Plan (\$204,690.00) and Contingency (\$20,469.00) (RFP No. 951) and Appropriate Funds from Solid Waste Fund Fund Balance (\$125,159.00) **(8 Votes Required)**

Notes:

Sponsors:

Enactment Date: 03/10/2016

Attachments: RFP 951 CBI Organics Management Plan Contract, CBI organics Proposal

Enactment Number: R-16-084

Drafter/Contact: Christina Gomes

Hearing Date:

* **Admin/Mgr:** Craig Hupy, Public Services Area Administrator

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
2	City Council	03/10/2016	Approved				Pass
	Action Text:	A motion was made by Councilmember Ackerman, seconded by Councilmember Grand, that the Resolution be approved. On a roll call, the vote was as follows with the Mayor declaring the motion carried:					
		Yeas:	9	Councilmember Briere, Councilmember Lumm, Councilmember Kailasapathy, Councilmember Warpehoski, Mayor Taylor, Councilmember Grand, Councilmember Westphal, Councilmember Ackerman, and Councilmember Smith			
		Nays:	1	Councilmember Eaton			
		Absent:	1	Councilmember Krapohl			

Text of Legislative File 16-0110

Resolution to Award a Contract with CB&I Environmental & Infrastructure, Inc., for Organics Management Plan (\$204,690.00) and Contingency (\$20,469.00) (RFP No. 951) and Appropriate Funds from Solid Waste Fund Fund Balance (\$125,159.00) **(8 Votes Required)**

Attached for your consideration is a resolution to approve a contract with CB&I Environmental & Infrastructure, Inc., for professional services to develop a comprehensive Organics Management Plan for the City. In May of 2015, City Council amended the FY16 Solid Waste Operating and Maintenance Budget (Resolution R-15-169) with a \$100,000.00 increase from the Solid Waste Fund fund balance to develop a Comprehensive Organics Management Plan for City Council to consider, including funding and program recommendations. Recognizing that this plan will be the foundation to what could become a new major program for the City requiring significant resources, staff determined that outside resources are needed to develop this plan.

The City issued RFP No. 934 to solicit proposals from consultant firms to perform this work. This RFP was promoted to environmental consultants, and was posted on BidNet. Only one proposal was received. Staff then reassessed the original RFP, rewrote the scope of work to include more clearly defined and detailed goals and tasks, and issued it under RFP No. 951. The City received two proposals in response to this second RFP and interviewed both respondents. Based on the proposal review and interviews, CB&I Environmental & Infrastructure, Inc. was found to meet the needs and requirements identified in the RFP, and was selected based on the quality of their work plan and related experience.

This project will review a comprehensive range of criteria that will be considered in evaluating options and developing recommendations to initiate a comprehensive organics management program in the City, including: diversion potential; costs; convenience for residents and businesses; community acceptance; and best practices/experience in other communities. The contract includes community engagement as a primary element of the Organics Management Plan, and includes a stakeholder participation plan in the scope of work.

Budget/Fiscal Impact

The approved FY16 Solid Waste Operations and Maintenance budget includes \$100,000.00 in funding for this work, so the remaining funding for this contract and contingency (\$125,159.00) is to be appropriated from the Solid Waste Fund fund balance.

Sustainability Framework

This work will further the Responsible Resource Use goals of the City's Sustainability Framework.

Prepared by: Christina Gomes, Solid Waste and Recycling Program Coordinator

Reviewed by: Craig Hupy, Public Services Area Administrator

Approved by: Tom Crawford, Interim City Administrator

Whereas, Ann Arbor City Council directed City staff (Resolution R-15-169) to develop a Comprehensive Organics Management Plan, including funding and program recommendations, coordinated through the Environmental Commission to engage the wider community;

Whereas, RFP (Request for Proposal) No. 951 was issued to procure outside resources needed to develop this plan;

Whereas, CB&I Environmental & Infrastructure, Inc., has been selected to provide these services based on their work plan and fees in response to the RFP;

Whereas, CB&I Environmental & Infrastructure, Inc., complies with the City's non-discrimination and Living Wage Ordinances; and

Whereas, Funding for this work is available in the approved the FY16 Solid Waste Fund Operating Budget (\$100,000.00) and Solid Waste Fund fund balance (\$125,159.00);

RESOLVED, That the City Council appropriates \$125,159.00 from the Solid Waste Fund fund balance to the FY16 Solid Waste Fund Operating Budget for the development of a Comprehensive Organics Management Plan;

RESOLVED, That the City Council approves a contract with CB&I Environmental & Infrastructure, Inc. for Material Recycling Facility Contract Development in the amount of \$204,690.00;

RESOLVED, That a contingency in the amount of \$20,469.00 (10%) be established and that the City Administrator be authorized to approve amendments to the contract with CB & I Environmental & Infrastructure, Inc., not to exceed the contingency amount;

RESOLVED, That the funding for the contract and the contingency amount be made available without regard to fiscal year;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute the agreement for services after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take all necessary administrative actions to implement this resolution, including the authority to approve amendments within the contingency amount.



Legislation Details (With Text)

File #: 16-0326 **Version:** 1 **Name:** 3/10/16 Budget Timeline for Pilot Organics Collection Program

Type: Resolution **Status:** Passed

File created: 3/10/2016 **In control:** City Council

On agenda: 3/10/2016 **Final action:** 3/10/2016

Enactment date: 3/10/2016 **Enactment #:** R-16-081

Title: Resolution Directing the City Administrator to Develop a Budget and Timeline for a Pilot Organics Collection Program

Sponsors: Sabra Briere, Chip Smith, Zachary Ackerman

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
3/10/2016	1	City Council	Approved	Pass

Resolution Directing the City Administrator to Develop a Budget and Timeline for a Pilot Organics Collection Program

Whereas, The Council-approved budget for 2016 includes \$100,000 to create a comprehensive organics plan for the city of Ann Arbor; and

Whereas, The Council will consider a contract for the creation of the organics plan at its meeting on March 10, 2016, as well as an expanded budget (an additional \$125,159); and

Whereas, The Environmental Commission recently approved a resolution requesting that the City Council establish a budget for a pilot organics collection program; and

Whereas, The cost of tipping fees for solid waste is expected to increase and organic waste - which could be diverted to compost - makes up as much as 40% of all solid waste; and

Whereas, A pilot program to collect organic waste would help establish metrics for an expanded organics plan;

RESOLVED, That the City Council directs the City Administrator to work with City staff to develop a budget and timeline for

- The implementation of a pilot (1-year) organics collection program in the DDA; and
- The implementation of an additional 1-year pilot program, working with AAPS food service to collect organic waste and with Food Gatherers to collect unrecoverable organics; and

- The creation of an effective outreach and educational program on organics collection, to be targeted for use within the DDA; and
- The identification or and budget impact for any additional needed staff positions to implement these programs; and

RESOLVED, That the City Administrator will provide this information to City Council on or before April 8, 2016.

Sponsors: Councilmembers Briere, Smith and Ackerman

As Amended by Ann Arbor City Council on March 10, 2016

Attachments:

<http://a2gov.legistar.com/LegislationDetail.aspx?ID=2592020&GUID=A863FC3E-0432-46E1-9D29-FDB65AA9344B&Options=&Search>