



To: Mayor and City Council Members
Solid Waste Advisory Commission Members

From: Robert D. Goode, Assistant City Manager

Date: June 5, 2009

Subject: Integrated Solid Waste Management Master Plan

Per your request, we have provided more detail on how the proposed Integrated Solid Waste Management Master Plan (ISWMMP) will help us achieve the Zero Waste goals. We have also explained how staff estimated the cost to develop the ISWMMP.

How will the new Integrated Solid Waste Management Master Plan help us achieve the goals adopted in the Zero Waste Plan?

Policy: The Zero Waste Plan serves as the overarching policy framework to guide the ISWMMP. It provides a list of policy and program options to achieve the goal of a 90% reduction and diversion of per capita for solid waste by 2040. However, many of the policies, ordinances, laws, and rules are not in place at the local and/or state level. A long-term strategy for legislative action will also need to be developed in tandem with the Master Plan. In addition to the Zero Waste Plan, the City is committed to reaching carbon neutrality by 2020. This policy goal is consistent with general sustainability goals, but very different than achieving Zero Waste. At times, implementation of Zero Waste programs could conflict with carbon neutral goals and will require creative, strategic coordination which can be provided using the ISWMMP. As a sub-consultant on the staff recommended consultant team (HDR), Gary Liss, the City's Zero Waste consultant, will play a key role in ensuring that implementation of the Zero Waste Plan is institutionalized in the ISWMMP.

Infrastructure: The Zero Waste Plan recognizes that much of the infrastructure fundamental to achieving our Zero Waste goals is not currently in place. Infrastructure, in this case, includes not just buildings and structures, but also departmental infrastructure such as trucks, carts, educational materials, training, and any other necessary elements to implement the programs required to achieve Zero Waste. The Integrated Solid Waste Management Master Plan will be a detail-oriented plan that identifies concrete, specific infrastructure, funding mechanisms and other step-by-step requirements, including training and public outreach, needed to fully implement and achieve the policy goals outlined in the Zero Waste Plan. Developing an ISWMMP that uses the Zero Waste Plan and the Climate Action Plan as its policy foundation will allow us to proceed aggressively with meaningful measures and lay out a Capital Improvements Program for Council consideration that identifies if any new facilities and infrastructure are necessary and where to locate them.

Coordination: In the last few years, the Solid Waste Services (SWS) Department has added new programs and has changed or revamped older services. However, some of these programs have

been created in “silos,” with minimal coordination across programs or departments. For instance, although Single Stream Recycling launched and has exceeded all the landfill diversion goals, the need for a material recovery facility (MRF) had not been adequately planned for or examined. The ISWMMP will identify all the moving parts and develop a road map to guide future efforts with a coordinated plan.

Program costs: One primary purpose of the proposed ISWMMP is to fully review all recommendations listed in the Zero Waste Plan and the Climate Action Plan and then present a short and long term budget plan that:

1. Identifies all of the actions and costs necessary to accomplish the recommended programs, and
2. Recommends a schedule and funding plan (such as 5 and 10 year rate plan).

Although the first draft of the Zero Waste plan included a preliminary cost assessment and timeline, the draft Zero Waste budget and timeline did not include the details necessary to justify, locate, or fund the initiatives and their related infrastructure; could not consider the City’s current economic climate; nor did it identify which of its suggested services or programs should be provided directly by the City, rely solely on the private sector, or establish public/private partnerships.

How was the estimated cost (\$1.5M) derived for the Request for Qualifications?

The preliminary cost estimate for the general scope of services was derived from an analysis of similar, previous projects done by the City of Austin and other municipalities from around the nation. Project scopes, durations and quality of master planning differed, or were not easily obtained to do an accurate “apples to apples” analysis. However, the scope of services SWS developed was standard for the Solid Waste industry and the scope was also typical for facility and Capital Improvement Projects (CIP) or utility services.

As you know, this estimate was prepared for issuance of the Request for Qualifications (RFQ). At that point in the contract process, staff develops a range of costs that are very preliminary due to the fact that the final, detailed scope for the work has NOT been developed yet. At that stage, the scope of services is general in nature. The detailed scope, and the resulting detailed costs to provide those services, is developed during the contract negotiation phase with the selected consultant team. A 15% contingency is also built into the estimate to account for the probability of additional services being required during the execution of the contract and especially during the public outreach phase, which will be a critical component of this planning process.

During contract negotiation with the selected team, staff works diligently to produce a detailed scope with associated costs to provide those services. Those costs must be lower than the figure authorized by Council, so the preliminary cost estimate included in the agenda is set at the high end of the range of costs developed during the RFQ process. Staff tries to conclude every professional services negotiation with a resulting contract that will provide the required services at the least cost to the City. We have attached the basis for the cost estimate that was used to develop the \$1.5 million top range.