



City Council Staff Report

Date: June 1, 2011

CONSENT CALENDAR

Subject: APPROVAL OF AMENDMENT NO. 5 TO CONSULTING SERVICES AGREEMENT WITH MSW CONSULTANTS FOR SOLID WASTE CONTRACT MANAGEMENT

From: David H. Ready, City Manager

Initiated by: Public Works and Engineering Department

SUMMARY

On June 29, 2009, the City entered into Agreement No. 5859 with MSW Consultants to provide contract administration, oversight, and technical assistance related to the City's Franchise Agreement with Palm Springs Disposal Services. The agreement and four subsequent amendments expire on December 31, 2011. Amendment No. 5 adds services to finalize the "once weekly" pickup report responses and assist staff with the new agreement negotiation, and increases the total maximum compensation by \$38,285 to \$104,555.

RECOMMENDATION:

- 1) Approve Amendment No. 5 to Agreement No. 5859 with MSW Consultants for solid waste contract management services, in an additional amount not to exceed \$38,285. Total agreement amount shall not exceed \$104,555 and
- 2) Authorize the City Manager to execute all necessary documents.

STAFF ANALYSIS:

The City entered into a Franchise Agreement (Agreement No. 4727) with Palm Springs Disposal Services (PSDS) effective July 1, 2003. The current agreement expires on June 30, 2016, and includes a four year extension if mutually agreed upon, pursuant to the results of a Performance Review. The Performance Review includes a Technical Review, Service Review, Rate Study, Legal Review, Financial Review, and a Performance Satisfaction Survey. The agreement required that the City conduct a Performance Review of PSDS's franchise services. This work was completed under Amendment Number 3. Amendment No. 4 provided services related to an AB939 Audit and extended the expiration date to December 31, 2011. This amendment continues

services to provide a report and suggested agreement for a change to once weekly service, assist in negotiation of a new franchise agreement which would be implemented in conjunction with the change to once weekly service.

FISCAL IMPACT:

Section 5.04 (b) (5) "Financial Review" of the franchise agreement with PSDS requires that PSDS pay for the Financial Review required under the agreement. Therefore, the City has recovered a portion of the cost of the services provided by MSW Consultants specifically related to the financial review of its business operations, in the amount of \$36,940.00. Sufficient funds are available in the Sustainability Account No. 138-1270-43200.

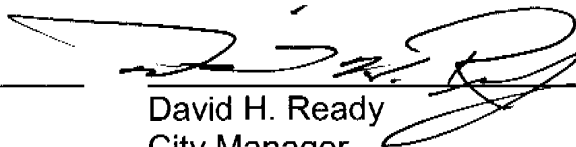
SUBMITTED:

Recommended by:



David J. Barakian
City Engineer &
Director of Public Works

Approved by:



David H. Ready
City Manager

Attachments:

1. Amendment No. 5

AMENDMENT NO. 5 TO PROFESSIONAL SERVICES AGREEMENT NO. 5859
WITH MSW CONSULTANTS FOR
SOLID WASTE CONTRACT MANAGEMENT

The following articles of Agreement No. 5859 are hereby amended as follows:

Exhibit "A" "Scope of Services" - is hereby modified to add:

Finalize Once Weekly Reports and Present Findings:

- 1.1 Review/discuss written comments; meet with PSDS and with City staff
- 1.2 Prepare written response to PSDS comments.
- 1.3 Update draft reports and review with City staff.
- 1.4 Make addition revisions as needed.
- 1.5 Meet with City staff and PSDS to review final reports.

Assist in Negotiations of New Franchise Agreement:

- 2.1 Prepare draft of new franchise agreement based on current agreement and term sheet.
- 2.2 Meet with City staff to develop negotiation strategy
- 2.3 Develop new (simpler) rate structure; build rate model to emulate city and PSDS revenues.
- 2.4 Prepare negotiation materials; meet with City staff and PSDS to discuss new franchise agreement.
- 2.5 Revise new franchise agreement based on discussions with PSDS.

Original:

City Manager Approval:	June 29, 2009
Contract Amount	\$ 22,320
Expired	August 31, 2009

Purchase Order Number(s):	10-0279
Agreement Number:	5859

Amendment #1:

City Engineer Approval:	September 10, 2009
Amount	\$ (0) zero dollars
Expired	October 26, 2009

Amendment#2:

City Engineer Approval: December 1, 2009
Amount of This Amendment \$ (0) zero dollars
Expired December 31, 2009

Amendment#3:

Council Approval January 6, 2010
Amount of this Amendment \$30,000
To Expire December 31, 2010
Amended Contract Total: \$ 52,320
Account Number(s): 138-1270-43200

Amendment#4:

Council Approval March 16, 2011
Amount of this Amendment \$13,950
To Expire December 31, 2011
Amended contract total \$66,270
Account Number 138-1270-43200

Amendment#5:

Council Approval June 1, 2011
Amount \$38,285
To Expire December 31, 2011
Amended contract total \$104,555
Account Number 138-1270-43200

SIGNATURES ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Amendment as of the dates stated below.

"City"
CITY OF PALM SPRINGS

Date _____ By: _____
David H. Ready, City Manager

ATTEST:

Date _____ By: _____
City Clerk

"FIRM"
MSW Consultants
27393 Ynez Road, Suite 259
Temecula, CA 92591

Date: _____ By: _____
David L. Davis, CMA Principal