



CITY OF COSTA MESA

Agenda Report

77 Fair Drive
Costa Mesa, CA 92626

File #: 25-327

Meeting Date: 6/17/2025

TITLE:

PROFESSIONAL SERVICES AGREEMENT FOR SOLID WASTE COLLECTION SERVICES AT CITY FACILITIES

DEPARTMENT: PUBLIC WORKS DEPARTMENT / GENERAL SERVICES
DIVISION

PRESENTED BY: RAJA SETHURAMAN, PUBLIC WORKS DIRECTOR

CONTACT INFORMATION: PATRICK BAUER, DEPUTY PUBLIC WORKS DIRECTOR, 714-754-5029

RECOMMENDATION:

Staff recommends the City Council:

1. Award a Professional Services Agreement (PSA) with Ware Disposal, Inc., 1035 E. 4th Street, Santa Ana, CA 92701, for a two (2) year agreement and up to three (3) additional one-year term periods for Solid Waste Collection Services at City facilities for a not-to-exceed initial annual cost of \$145,667, and future annual increases equal to or less than the Consumer Price Index (CPI).
2. Authorize a ten percent (10%) contingency annually for emergency response, special events and other unforeseen costs and approval for Consumer Price Index (CPI) escalation and de-escalation.
3. Authorize the City Manager and City Clerk to execute the PSA and any future amendments to the agreement, only if the rate increase is equal to or less than the annual Consumer Price Index (CPI).

BACKGROUND:

The City currently has an agreement with Ware Disposal, Inc. to remove commercial refuse at 22 City facilities at least once per week and at selected locations on a more frequent basis, up to five (5) days per week. The existing contract with Ware Disposal, Inc. will expire on July 31, 2025.

ANALYSIS:

On March 24, 2025, the City released a Request for Proposal (RFP) on planet-bids for solid waste collection services at city facilities. Five (5) proposals were received to provide these services; a summary of the bid results is included as Attachment 1. Proposals were screened for compliance with the City's RFP and were evaluated based on the method of approach, qualifications, experience, staffing and cost proposal.

To ensure an objective selection process, an evaluation committee was assembled, and all members evaluated proposals independently. After a thorough evaluation of the proposals, it was determined that interviews were needed for the top three (3) proposers. Following the interviews held on May 5, 2025, and combining the scores of the proposal evaluations and interviews, the evaluation committee found Republic Services to be well qualified to perform the requested services. However, Republic Services' cost proposal was over budget. Republic Services confirmed their proposed cost was best and final offer.

The City moved on to the next proposer, who received the second highest score, Ware Disposal, Inc. The cost proposal submitted by Ware Disposal Inc. represents savings to the City in the amount of \$114,333.20. As the current provider, Ware Disposal Inc. also has a good understanding of the scope of services at various City facility locations. Ware Disposal, Inc. has proposed to process the materials through the combined use of sorting at their large volume transfer/processing station, Madison Materials, located in Santa Ana. This will assist the City in maintaining long-term waste diversion goals, including recycling of materials that would otherwise be land-filled.

Therefore, staff recommends award of a PSA to Ware Disposal, Inc. for two (2) years with three (3) one-year renewal periods in a not to exceed amount of \$145,666.80 annually.

ALTERNATIVES:

The City may consider re-issuing the RFP for Solid Waste Collection Services at City facilities. However, this process is unlikely to obtain cost below that of Ware Disposal, Inc. and would also require the City to also extend the current contract with Ware Disposal, Inc. to reduce possible service impacts. Staff does not recommend this option.

FISCAL REVIEW:

The cost of refuse removal services for City facilities is budgeted in the Adopted Fiscal Year 2025-26 Operating Budget in the General Fund (Fund 101) and Housing Authority Funds (Fund 222, 223).

LEGAL REVIEW:

The City Attorney's Office has prepared the Professional Services Agreement (Attachment 2), reviewed this report and approves them both as to form.

CITY COUNCIL GOALS AND PRIORITIES:

This item works toward achieving the following City Council goal:

- Advance Environmental Sustainability and Climate Resiliency
- Strengthen the Public's Safety and Improve the Quality of Life

CONCLUSION:

Staff recommends the City Council:

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