



THE CITY OF SAN DIEGO  
**REPORT TO THE CITY COUNCIL**

**DATE ISSUED:** May 31, 2011 **REPORT NO:** 11-084  
**ATTENTION:** Honorable Council President Tony Young and Council Members  
**SUBJECT:** Preliminary Statement of Work for Landfill Operations - Revised  
**REFERENCE:** Adopted Managed Competition Guide dated July 26, 2010

**REQUESTED ACTION:**

Approve the Preliminary Statement of Work for the Landfill Operations.

**STAFF RECOMMENDATION:**

Approve the Preliminary Statement of Work for Landfill Operations to serve as the foundation of the Landfill Statement of Work.

**SUMMARY:**

The City of San Diego is committed to delivering quality services to taxpayers, residents, and visitors in the most economical and efficient means possible. This commitment can also be expressed as delivering services through “competitive government,” defined as government with processes in place to validate that service quality and costs are comparable to those offered by any legitimate available provider.

Managed competition provides a structured, transparent process that allows an open and fair comparison of public sector employees and independent contractors in their ability to deliver services to our citizens. This strategy recognizes the high quality and potential of public sector employees and seeks to tap their creativity, experience and resourcefulness by giving them the opportunity to structure organizations and processes in ways similar to best practices in competitive businesses.

A Preliminary Statement of Work (PSOW) is the first step in the managed competition procurement process. The Preliminary Statement of Work documents service specifications and is presented to the City Council for consideration and public comment to assure all parties that no degradation of service levels will occur as a result of the competition. Once approved, the Preliminary Statement of Work forms the foundation for the complete Statement of Work (SOW) which will be included in the solicitation. We are describing all current functions, but judgments will be made in the final SOW as to what is “in-scope” vs. “out of scope”, based on our market assessment and legal analysis. Attachment (A) provides the Preliminary Statement of Work for the Landfill functions for consideration by the City Council.

**FISCAL CONSIDERATIONS:** None.

**PREVIOUS COUNCIL and/or COMMITTEE ACTION:**

This item was heard at the May 18, 2011 Rules Committee meeting, where Councilmembers asked that their questions be answered and the PSOW be presented to them again at their June 22, 2011 Rules Committee meeting.

**ENVIRONMENTAL REVIEW:**

Consistent with CEQA Guidelines section 15004, approval of the PSOW is not the appropriate time to conduct environmental review. Although CEQA review should occur as early as possible, in this case the level of review required will depend upon the details of the statement of work and responses to the statement of work. The ultimate decision is discretionary. Thus, approval of the PSOW does not irrevocably commit the City to a particular outcome because before the City approves a particular contract, the City would consider the environmental impacts. Approving the PSOW would not preclude consideration of and adoption of later-identified mitigation measures and alternatives.

**COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:**

The managed competition program was initiated with the citizens of the City voting to approve Proposition C in November 2006. Staff has spent considerable time working with the labor unions (AFSCME Local 127 and MEA) to receive input on program plans. In addition, we have established a Labor Advisory Committee to facilitate continued work with the unions.

With the passage of Proposition C and the amendment/addition of subsection (c) to City Charter section 117, the Managed Competition Independent Review Board was established to advise the Mayor on whether the proposal of City employees or that of an independent contractor will provide services more economically and efficiently while maintaining service quality and protecting the public interest.

**KEY STAKEHOLDERS AND PROJECTED IMPACTS:**

Given that the competition has yet to take place, it is premature to speculate on precise impacts. However, key stakeholders in this process are City employees, the City's recognized labor unions and the residents and visitors of the City of San Diego.



Chris Gonaver  
Environmental Services Director



Wally Hill  
Assistant Chief Operating Officer

Attachment A: Copy of the Preliminary Statement of Work for the Landfill