



NEWPORT BEACH

City Council Staff Report

June 23, 2026
Agenda Item No. 12

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Award of Professional Service Agreements for the Newport Terrace Closed Landfill Gas Control System to American International Environmental and Tetra Tech

ABSTRACT:

The Utilities Department oversees the operations, maintenance and monitoring (O&M) of the closed Newport Terrace Landfill. Engineering and/or environmental consulting firms assist the City of Newport Beach (City) with the day-to-day operations of the gas control system. The existing professional services agreement for O&M services is set to expire on June 30, 2026. A formal Request for Proposals (RFP No. 26-59) was conducted, and three proposals were received and evaluated. Staff recommends the award of two separate Professional Service Agreements — one with American International Environmental, Inc. for field operations, and one with Tetra Tech BAS for engineering and regulatory compliance — each for a three-year term with a compensation amount not to exceed \$500,000.

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
- b) Authorize the Mayor and City Clerk to execute a three-year Professional Service Agreement with American International Environmental, Inc. for Newport Terrace Closed Landfill Gas Control System Operations and Maintenance Services for a not-to-exceed amount of \$500,000; and
- c) Authorize the Mayor and City Clerk to execute a three-year term Professional Service Agreement with Tetra Tech BAS, Inc. for Newport Terrace Landfill Gas Control System Operations and Maintenance Services for a not-to-exceed amount of \$500,000.

DISCUSSION:

The Newport Terrace residential community is located at the northeast corner of 19th Street and Balboa Boulevard along the City of Newport Beach's westerly boundary with Costa Mesa. The property was acquired by the City and used as a solid waste disposal

site (landfill) in the 1950s and early 1960s. Following the City's sale of property to private interests in the early 1970s, the site was developed into a multi-unit residential condominium community. These residential structures directly flank the perimeter of the adjacent former landfill area. A map of the residential community is included in Attachment C. A gas collection system was installed as part of the residential project's construction and the homeowner's community association Newport Condominium Association (NCA) (was responsible for the system's operation and maintenance.

By October 2004, that responsibility evolved into litigation between the NCA and the City, which culminated in a Settlement and License Agreement in November 2006. The Settlement Agreement established that the City was responsible for: 1) the design and construction of an upgraded gas control system, and 2) the ongoing O&M of the system after completion of construction. The Settlement Agreement also provided that the construction costs and O&M costs are to be shared equally between the City and NCA. Construction work began in September 2007 and was completed in May 2008, with formal acceptance by the City Council on May 7, 2008.

Since 2008, the City has entered into agreements with engineering and/or environmental consulting firms to assist with the day-to-day operations of the gas control system. On April 28, 2026, the City published Request for Proposals (RFP) solicitation No. 26-59 and received three proposals. The proposals were evaluated based on the contractor's qualifications, experience, expertise, costs and their approach to operate and maintain regulatory compliance for the landfill gas control system services.

The following table illustrates the results of the evaluation process:

PROPOSER	TECHNICAL (MAX 2,250)	COST (MAX 750)	TOTAL (MAX 3,000)	OVERALL RANK
Tetra Tech BAS	2,125	662	2,787	1
American International Env	1,900	750	2,650	2
The Converse Professional Group	1,825	595	2,420	3

Tetra Tech BAS received the highest technical score, demonstrating experience and engineering expertise for managing closed landfills. It has a proven track record assisting agencies to navigate and maintain regulatory compliance. Over the past two years, Tetra Tech has been a consultant to the City and provided specialized engineering, forensic testing and workplan development to assist the City in maintaining regulatory compliance.

American International Environmental received the highest cost score demonstrating its cost-efficient qualifications to provide regular equipment monitoring, air sampling, system maintenance and emergency response. The scope of work also requires landfill gas source tests and carbon filter replacements within the system. American International

has a proven track record as it has been responsible for the routine operations and management of the gas system at the City's site for the past five years.

In reviewing the proposals and based on staff experience over the last several years, two separate professional service agreements, dividing up the duties provides the best value to the City. Staff recommends Tetra Tech be retained and its work scope will be tailored towards engineering assistance, work plans and regulatory compliance. A second agreement with American International Environmental is also recommended. Its work scope will be tailored towards the field operations of the system. This combination will provide the City and the system with highly competent and cost-effective resources.

Staff recommends the award of two services agreements, one to Tetra Tech and another to American International Environmental. Each agreement will be for a three-year term and a total agreement compensation amount of \$500,000, respectively. The agreements will cover the day-to-day professional and field expenses, maintenance and repairs, regulatory compliance, and unforeseen costs.

FISCAL IMPACT:

The Fiscal Year 2026-27 adopted budget includes sufficient funding for these agreement services and is approximately \$200,000 per year. The routine day-to-day professional services will be expensed to the Environmental Liability Fund 16003-811008 Services Professional account. Expenses for maintenance and repair services will be expensed to the same fund's 16003-851010 Maintenance and Repairs Equipment account.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENTS:

Attachment A – Professional Services Agreement with American International Environmental

Attachment B – Professional Services Agreement with Tetra Tech BAS

Attachment C – Map of the NCA community with perimeter of landfill gas control system