



# STAFF REPORT

## CITY of YORBA LINDA

ADMINISTRATION DEPARTMENT

**DATE:** NOVEMBER 5, 2024

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM:** MARK PULONE, CITY MANAGER  
**PREPARED BY:** GEOFF SPENCER, PRINCIPAL MANAGEMENT ANALYST

**SUBJECT:** AGREEMENT AMENDMENT WITH HF&H CONSULTANTS FOR PROFESSIONAL SERVICES RELATED TO SOLID WASTE HAULER COMPLIANCE REVIEW

### **RECOMMENDATION**

It is recommended that the City Council authorize the City Manager to sign Amendment No. 2 to the Agreement for Professional Services with HF&H Consultants, increasing the total contract sum to \$205,112.

### **BACKGROUND**

On June 7, 2022, the City Council adopted Resolution No. 2022-5803 approving the Third Amendment to the Agreement for Solid Waste Handling Services between the City of Yorba Linda and Republic Waste Services of Southern California, LLC as it relates to Senate Bill 1383 (SB 1383).

An amendment to the Franchise Agreement with Republic was necessary to add additional services and requirements due to the City's state-mandated obligation to implement organic waste collection and related services pursuant to SB 1383. The Bill requires all jurisdictions in California to divert organic waste from landfill disposal by implementing organic waste collection services, an edible food recovery program, new public education and outreach programs, recordkeeping and reporting, procurement of recyclable materials, and inspecting and enforcing noncompliant locations. The program for Yorba Linda went into effect July 1, 2022.

The City utilized the services of HF&H Consultants, LLC (HF&H) to assist staff with negotiating the terms for the amendment to the Franchise Agreement with Republic Services that included the continuation of existing programs as well as the implementation of the new required organic waste collection services and related programs. Furthermore, HF&H performed a financial review of Republic Services' revenues, expenses, and cost allocations to determine that the agreed upon terms provided for reasonable rates for residents.

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On August 2, 2022, the City Council authorized the City Manager to sign the Agreement for Professional Services with HF&H Consultants to help lead the implementation of the City's SB 1383 programs and provide ongoing contract monitoring support. The agreement was extended for an additional two-year period on July 16, 2024 via Amendment No. 1. The proposed Amendment No.2 would increase the total contract sum by \$49,612 for HF&H to conduct the City's triennial compliance review of Republic Services.

## **DISCUSSION**

The Third Amendment to the Franchise Agreement with Republic Services provides for a triennial compliance review (Sec. 23, Third Amendment) to be conducted by the City, and outlines the reimbursement amount that Republic Services will pay to the City for the program. The agreement stipulates that, at a minimum, the City will review Republic Services' performance and compliance with the franchise agreement and that Republic Services will comply with all reasonable requests for information and documentation.

While the third amendment proposes some general areas of review, including the payment of required fees or the implementation of required programs, Yorba Linda residents and businesses will benefit most by a thorough review of Republic Services performance and customer service records in order to identify potential issues and then to work collaboratively with Republic Services to address them.

The scope of this triennial compliance review aligns within the City's current agreement with HF&H Consultants for contract monitoring. To support this project and the City's goals for the compliance review, HF&H is proposing the following objectives:

- Review complaint logs maintained by Republic on a sample basis to determine data required under Section 10.8.3 is maintained and that complaints are initially responded to within one business day.
- Determine if records of the addresses of missed pick-ups are maintained by Republic and missed pick-ups that are called in are collected the following day of the pick-up week per Section 8.1.9.
  - Analyze the locations or routes associated with missed pick-ups, dependent on the availability of data maintained by Republic and budget limitations.
- Confirm Republic's collection vehicles comply with age requirements per Section 9.3 (P).
- Review vehicle maintenance records maintained by Republic for a sample of vehicles to ensure continuous maintenance is performed to prevent liquid from leaking per Section 9.3(E). If complaint data is available that can be traced to a specific vehicle, we will focus on vehicles with a history of leaks.

However, in order to move forward the current total contract sum of the agreement must be increased to accommodate the anticipated costs of the compliance review which was not proposed in Amendment No. 1.

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## **FISCAL IMPACT**

Appropriation of \$49,612 into account no. 1010300-431950 is requested to update the not-to-exceed amount from \$155,500 to \$205,112 in order to complete the triennial compliance review; offset by reimbursement from Republic Services for a net zero impact.

## **ALTERNATIVES**

Do not authorize the City Manager to sign Amendment No. 2 to the Agreement for Professional Services related to SB 1383 compliance and contract monitoring assistance and instead provide further direction.

## **ATTACHMENTS**

- 1.) HF&H Professional Services Agreement Amendment No. 2
  - 2.) Exhibit A4 – Triennial Compliance Review Project
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