

HF&H Consultants, LLC
Solid Waste Contract Compliance Review for the City of Yorba Linda
Scope of Work- October 24, 2024

BACKGROUND

The City of Yorba Linda entered into an Agreement for Solid Waste Handling Services, dated April 7, 2015, with Republic Waste Services of Southern California, LLC (Contractor). This agreement was amended by a first, second, and third amendment. The original agreement and the amendments are collectively referred to as “the Agreement.” The Agreement expires on June 30, 2029. A triennial compliance review may be performed once every three years accordance with Section 28.3 of the Agreement. Contractor will reimburse the City \$45,000 for the cost of the compliance review, adjusted annually by CPI on June 30. The reimbursement amount, adjusted as of June 30, 2024, is \$50,031.

AUDIT PERIOD: Calendar year 2024

AUDIT OBJECTIVES

- 1) 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.
- 2) 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.
 - a. Analyze the locations or routes associated with missed pick-ups, dependent on the availability of data maintained by Republic and budget limitations.
- 3) Confirm Republic’s collection vehicles comply with age requirements per Section 9.3 (P).
- 4) 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.

PROJECT TASKS

Our scope of work shall consist of the following tasks:

- 1) We will meet with City staff to confirm the audit objectives.
- 2) We will review background documents, such as the franchise agreement and relevant reports submitted by Republic to the City.

- 3) We will prepare a data and document request for information to be submitted by Republic and the City and meet with Republic to review the requested data.
- 4) We will develop and execute a test plan to select transactions to determine the accuracy of information to be reviewed as part of the audit objectives.
- 5) We will review source documents provided by Republic in order to verify Republic’s compliance with requirements as stated in the Audit Objectives above.
- 6) We will prepare a draft report summarizing the study findings.
- 7) We will review one set of written comments submitted by the City and by Republic regarding the draft report.
- 8) We will prepare a final report after reviewing the comments from the City and Republic and update the draft report once to reflect these comments.
- 9) We will discuss the report’s findings with City staff during a virtual meeting, if requested.

PROJECTED COSTS

We will perform the scope of work based on time and materials not-to-exceed \$49,612.50 without prior written authorization. Hourly rates for our consultants through December 31, 2024, are provided below:

| <u>Position</u> | <u>Rate*</u> |
|----------------------------------|---------------|
| Executive | \$320 - \$350 |
| Senior Project Manager | \$295 - \$315 |
| Project Manager/Senior Associate | \$215 - \$285 |
| Associate Analyst | \$185 - \$200 |
| Assistant Analyst | \$160 - \$180 |
| Administrative Staff | \$125 - \$160 |

*Hourly rates adjust each January 1 by 4.0%.

We will bill the City once per month based on the number of hours worked multiplied by our hourly billing rates, plus expenses incurred. Payment is due within 30 days of invoicing.

The fee amount assumes that the Contractor is cooperative, provides all required information in the format requested, makes personnel available to answer questions in a timely manner, and provides accurate information the first time it is submitted. The fee amount is based on submitting a draft report once and making one set of revisions before finalizing the report.

SCHEDULE

The project is estimated to be conducted over a period of approximately six to nine months from City authorization or notice-to-proceed, assuming timely receipt of all required data in the format requested.