



Agenda Item No: 1.d

PLACENTIA CITY COUNCIL AGENDA REPORT

Meeting Date: May 20, 2025

Submitted by: Samantha Byfield

From: Public Works

Subject:

Amendment No. 4 to Professional Services Agreement with HF&H Consultants, LLC, for Refuse Contract Negotiations and SB 1383 Compliance Assistance

Financial Impact:

Fiscal Impact:

Expense: \$45,000 Annual Contract Amount

Budget: \$65,000 FY 2024-25 Refuse Administration Fund (374386-6099)

Summary:

In July 2020, the City entered into an agreement with HF&H Consultants, LLC (HF&H) under the City Administrator's approval authority for \$24,999 to assist the City with preparing to implement the extensive regulatory administrative burdens mandated in SB 1383. On April 6, 2021, the City Council approved Amendment No. 1 to the Agreement for HF&H to assist the City in negotiating a fully restated and amended solid waste handling agreement with Republic and ordinance support to address the requirements of SB 1383. The amendment extended the term of the agreement to December 31, 2022, and increased the not-to-exceed contract amount to \$119,999. In December 2022, Amendment No. 2 was executed under the City Administrator's approval authority to extend the term of the agreement to June 30, 2024. On February 20, 2024, City Council approved Amendment No. 3 to amend the scope of work to include additional tasks, increase the contract not-to-exceed amount by \$35,000 for a total cumulative amount of \$154,999 and extend the term through June 30, 2025, to complete the contract negotiations with Republic. Staff is proposing Amendment No. 4 to extend the contract term by two years and to add \$90,000 for a revised cumulative contract amount of \$244,999 to have sufficient contractual authority for the remainder of the contract term. The contract costs for these services are included in the current Fiscal Year 2024-25 Operating Budget. The future cost of the services will be included in the operating budgets for future fiscal years.

Recommendation:

Recommended Action: It is recommended that the City Council take the following actions to:

1. Approve Amendment No. 4 to the professional services agreement with HF&H Consultants, LLC, for refuse contract negotiations and SB 1383 compliance assistance services to extend the contract term by two years and increase the cumulative contract not-to-exceed amount by \$90,000 for a revised cumulative contract amount of \$244,999 for the entire contract term; and

2. Authorize the Acting City Administrator and/or his designee to execute all necessary documents, in a form approved by the City Attorney.

Strategic Plan Statement:

There is no specific Strategic Plan Goal or Objective associated with this Council action.

Discussion:

In July 2020, the City entered into an agreement with HF&H for \$24,999 for the development of a contract profile and Senate Bill (SB) 1383 Gap Analysis as part of joint effort with the cities of Brea, Fullerton, Garden Grove, and Yorba Linda to analyze and ultimately negotiate a completely restated franchise agreement with their solid waste hauler for implementation of SB 1383 mandates. On April 6, 2021, the City Council approved Amendment No. 1 to the Agreement with HF&H to assist the City in negotiating a restated agreement with Republic, consolidating all previous amendments, and negotiating a new citywide organic waste recycling program. The amendment also extended the term of the agreement to December 31, 2022, and increased the not-to-exceed contract amount to \$119,999. In December 2022, Amendment No. 2 was executed under the City Administrator's administrative approval authority to extend the term of the Agreement to June 30, 2024. Amendment No. 3 was approved by the City Council on February 20, 2024, and amended the scope of work to include additional tasks, increased the contract not-to-exceed amount by \$35,000 for a total cumulative not-to-exceed amount of \$154,999, and extended the term through June 30, 2025, to complete the contract negotiations with Republic.

Staff presents Amendment No. 4 for the City Council's consideration. Originally, negotiations with Republic were anticipated to conclude within 10 months. The City and Republic have been unable to reach agreement on rates and terms, and as a result the negotiations have been and are now in the fourth year. Additionally, key members of both the Republic and City negotiating teams and management staff have been replaced, which has added time and additional cost to this project. HF&H has diligently supported the City throughout this process, offering a draft amended agreement, analyzing various cost proposals, and actively participating in negotiation sessions and updating the City Council Sewer and Refuse Ad Hoc Committee members and City Council as needed. Given the complexity of the negotiations and the necessity to comply with SB 1383, the ongoing assistance of HF&H remains crucial for the City's success in reaching a revised agreement with Republic.

HF&H has supported a variety of jurisdictions and agencies throughout the State with strategic waste diversion planning, cost-of-service and rate studies, and negotiations of new franchise agreements related to SB 1383 compliance. HF&H has assisted other Orange County cities including Anaheim, Brea, Garden Grove, Santa Ana, and Yorba Linda in negotiating and implementing a new and/or amended agreement with Republic for SB 1383 compliance and continue assisting the cities of Fullerton, Huntington Beach, and Seal Beach in this endeavor. They have extensive experience and knowledge of the City's current franchise agreement and negotiations. As such, Staff is recommending the approval of Amendment No. 4 to the agreement with HF&H to increase the contract amount to add \$90,000 for a revised cumulative contract amount of \$244,999 and extend the term two years to June 20, 2027 to allow HF&H to continue assisting the City in finalizing contract negotiations with Republic.

Fiscal Impact Summary:

The recommended action will approve Amendment No. 4 to the Professional Services

Agreement with HF&H, increasing the total contract amount by \$90,000 for the remainder of the extended two-year term, for a revised total not-to-exceed contract amount of \$244,999. Sufficient funds exist for the recommended actions. The future cost of the services will be proposed in the operating budgets for future fiscal years.

Attachments

[Amendment_No._4_to_HFH_Consultants_-_SB_1383_Contract_Negotiations.pdf](#)

[Attachment 2 - Certificates of Insurance](#)