Agenda Item No: 1.g

PLACENTIA CITY COUNCIL AGENDA REPORT

Meeting Date: May 19, 2026

Submitted by: Matthew Di Mario

From: Public Works

Subject:

AMENDMENT NO. 5 TO PROFESSIONAL SERVICES AGREEMENT WITH HF&H CONSULTANTS, LLC, FOR REFUSE CONTRACT NEGOTIATIONS AND SB 1383 COMPLIANCE ASSISTANCE

Financial Impact:

Expense: $134,572 Annual Contract Amount

Budget: $75,000 FY 2025-26 Refuse Administration Fund (403-80700-6400)
$87,000 Refuse Administration Fund Balance

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 by Senate Bill (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 franchise agreement with Republic Services 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 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 and increase the contract amount by $35,000 for a total contract not-to-exceed amount of $154,999. Amendment No. 4 was approved by City Council on May 20, 2025 extending the term to June 20, 2027 and increasing the contract amount by $90,000 for a revised contract not-to-exceed amount of $244,999, due to the complexity of the contract negotiations with Republic Services and the City.

Staff is proposing Amendment No. 5 to add $150,000, bringing the revised cumulative contract not-to-exceed amount to $394,999. This contract increase is to complete remaining items for the agreement negotiating process and to provide on-call support for SB 1383 and additional contract requirements in FY 2026-27. The additional contract costs for the current fiscal year are being requested through a fund balance transfer via Resolution R-2026-29. A total of $87,000 is requested through a fund balance transfer for the additional services required to complete the negotiation process with Republic Services. The future cost of services will be

included in the operating budgets for future fiscal years.

Recommended Action:
It is recommended that the City Council:

1. Adopt Resolution R-2026-29, a Resolution of the City Council of the City of Placentia, California, authorizing a budget amendment in Fiscal Year 2025-26 in compliance with the City Charter of the City of Placentia §§ 1206 and 1209 pertaining to appropriations for actual expenditures; and
2. Approve Amendment No. 5 to the Professional Services Agreement with HF&H Consultants, LLC, for refuse contract negotiations and SB 1383 compliance assistance services to increase the contract amount by $150,000 for a revised cumulative contract not-to-exceed amount of $394,999 for the entire contract term; and
3. Authorize the City Administrator and/or her 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 recommended 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. On May 20, 2025, City Council approved Amendment No. 4, which increased the contract amount by $90,000 for a cumulative not-to-exceed contract amount of $244,999 and extended the term to June 20, 2027.

Staff is presenting Amendment No. 5 for City Council's consideration. Negotiations with Republic Services were anticipated to conclude earlier, but conversations on rates and terms extended negotiations into 2026. 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. 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, Huntington Beach, Santa Ana, and Yorba Linda in negotiating and implementing a new and/or amended agreement with Republic for SB 1383 compliance. 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. 5 to the agreement with HF&H to increase the contract amount to add $150,000 for a revised cumulative contract not-to-exceed amount of $394,999 to allow HF&H to continue assisting the City in finalizing contract negotiations with Republic.

Financial Summary:
The recommended action will approve Amendment No. 5, to the Professional Services Agreement with HF&H, increasing the contract amount by $150,000 for the remainder of the term, for a revised total not-to-exceed contract amount of $394,999. Funds for the Fiscal Year 2025-26 expenses will be obtained via Resolution No. R-2026-29, by transferring $87,000 from the Refuse Administration fund balance to pay for the additional services required to complete the negotiation process. The future cost of the services will be proposed in the operating budgets for future years.

Attachments
Attachment 1 - Resolution No. R-2026-29
Attachment 2 - HF&H Consultants, LLC Amendment No. 5
Attachment 2 - Exhibit A - HF&H Proposal