



PUBLIC WORKS DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255
TELEPHONE: (408) 777-3354 • FAX: (408) 777-3333
CUPERTINO.ORG

CITY COUNCIL STAFF REPORT

Meeting: May 7, 2024

Subject

Approve a first amendment with HF&H Consultants, LLC, to provide solid waste consultant services for a not-to-exceed amount of \$430,000 and extend the contract date to August 31, 2026.

Recommended Action

1. Authorize the City Manager to execute a first amendment with HF&H Consultants, LLC, increasing the contract amount by \$80,000 for a new total not-to-exceed contract amount of \$430,000, and extending the term from August 31, 2025, to August 31, 2026.
2. Approve a Budget Adjustment in the amount of \$80,000 in the Resource Recovery Fund for HF&H Consultants, LLC (520-81-801 750-174).
3. Adopt Resolution No. 24-xxxx approving budget modification #2324-339, approving a Budget Adjustment in the amount of \$80,000 in the Resource Recovery Fund for HF&H Consultants, LLC (520-81-801 750-174).

Reasons for Recommendation

On July 19, 2022, City Council approved an agreement in the amount of \$350,000 with HF&H. Scope in the agreement includes assisting the City in identifying and assessing post-collection options and approaches for disposal of garbage, processing garbage for recovery of recyclables, and construction and demolition (C&D) debris processing.

Since the execution of the agreement, HF&H has completed the review of Recology's proposed cost-based rate adjustment for the fourth year of the franchise agreement and a review and audit of the hauler.

The City needs the support of HF&H to continue to negotiate and secure new post-collection services within the City as the task is multi-phased and multi-faceted and is expected to result in more than one negotiated agreement. Due to complexities in procurement, securing these services requires additional time and budget.

The approval of this amendment to the agreement with HF&H allows the City to continue to utilize the firm's solid waste industry expertise to support the completion of

critical and time-sensitive solid waste projects. Therefore, staff recommends extending the contract term through August 31, 2026, and increasing the not-to-exceed amount by \$80,000 for a total contract amount of \$430,000.

Sustainability Impact

CalRecycle reports that, of the nearly 35 million tons of waste that reaches California's landfills each year, approximately 80% could be recoverable. Though Cupertino is exceeding State mandates for waste diversion, the City's continued efforts to accelerate zero waste targets recommended in the City's Climate Action Plan align with Assembly Bill 32 goals and reflect those adopted by adjacent jurisdictions. Establishing a new agreement for post-collection management of waste will provide solid waste diversion that meets or exceeds State and City goals and requirements while maintaining a regionally competitive maximum rate structure for collection and disposal services.

Fiscal Impact

The HF&H agreement is funded by the Resource Recovery Fund (Fund 520), so there is no impact to the General Fund. Additionally, per Exhibit E1.2.E.4 in the Franchise Agreement, Recology is required to reimburse the City for rate application review costs. Rate Period Four was a cost-based review year, requiring HF&H to conduct extensive cost data collection and review for accuracy for \$85,000. Recology will reimburse the City for the amount, thus offsetting this requested increase. Expenses for this agreement are budgeted under a special project account "Special Projects New Landfill Agreement/Solid Waste contract," A budget adjustment to 520-81-801 750-174 is needed to reflect this increase as noted in Resolution 24-XXX (Attachment C).

California Environmental Quality Act (CEQA)

Not applicable.

Prepared by: Ursula Syrova, Environmental Programs and Sustainability Manager

Reviewed by: Chad Mosley, Director of Public Works

Reviewed by: Matt Morley, Assistant City Manager

Approved for Submission by: Pamela Wu, City Manager

Attachments:

A - First Amendment to HF&H Master Agreement

B - HF&H MSA for Solid Waste Consulting Services

C - Draft Resolution