




CITY COUNCIL ACTION REQUEST			
DEPARTMENT(S) Environmental Services	CEQA Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	COORDINATION City Attorney's Office and City Manager's Budget Office	Director Approval /s/ Lori Mitchell
COUNCIL DISTRICT(S) Citywide			CMO Approval  11/19/24
SUBJECT: First Amendment to the Master Consultant Agreement Between the City of San José and HF&H Consultants, LLC for Commercial Solid Waste and Recycling Programs			
RECOMMENDATION			
Approve the First Amendment to the Master Consultant Agreement between the City of San José and HF&H Consultants, LLC, to increase the maximum compensation from \$350,000 to \$650,000.			
BASIS FOR RECOMMENDATION			
<p>This action will allow the Environmental Services Department, Integrated Waste Management Division, to utilize funding from the California Department of Resources Recycling and Recovery (CalRecycle) Senate Bill 1383 Local Assistance Grant previously awarded so that HF&H Consultants, LLC (HF&H) can provide ongoing support and service for the City of San José's (City) commercial solid waste and recycling programs, as required annually under Senate Bill 1383.</p> <p>On August 2, 2023, the City entered into a master consultant agreement (MCA) with HF&H for a maximum compensation of \$350,000, with a term ending June 30, 2027. HF&H provides consultant support for the City's commercial solid waste and recycling programs, including but not limited to, analyzing the rate structure, assisting with rate adjustments, assisting with the annual state requirement for contamination monitoring with route reviews, and assisting with the evaluation and enhancement of the City's Construction & Demolition (C&D) program.</p> <p>In February 2024, the City was awarded \$2,491,270 in grant funding from CalRecycle that supports the City's implementation efforts to achieve Senate Bill 1383 goals. These grant funds were received in May 2024 and must be utilized by April 1, 2026. Senate Bill 1383 requires cities to reduce the amount of organic waste going to landfills by 75% and to rescue at least 25% of currently disposed edible food by 2025. The City utilizes the grant funding in key areas to ensure the successful implementation of Senate Bill 1383, including mandatory commercial route reviews to monitor container contamination. The funding from the CalRecycle grant will cover the costs of the route reviews that are a component of the HF&H MCA.</p> <p>The Integrated Waste Management Division also manages the City's C&D program and engaged HF&H to begin work covered under the MCA to evaluate the City's current C&D program and to</p>			

recommend areas of necessary improvement. HF&H worked on Phase 1 of the analysis, which included a review of the City-certified facility standards and certification process and provided recommendations to aid the City in the redesign of performance metrics to effectively monitor the facilities. Increasing the compensation on this MCA will allow the City to begin Phase 2 of the C&D program updates, which include many needed changes to the non-exclusive franchised hauler system, franchise fee evaluation and development, analysis for a new ordinance and associated updates, as well as stakeholder engagement. These updates are critical for the City to improve program efficiency and divert C&D materials away from the landfill, allowing the City to continue to meet its commitment to work towards zero waste.

The Environmental Services Department has already issued service orders for some of the work in these areas and is requesting an increase in maximum total compensation from \$350,000 to \$650,000 to allow City staff to continue to meet Senate Bill 1383's mandated regulatory requirement for route reviews and to complete the work needed to update and improve the C&D program to efficiently serve the community.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE

Services performed by HF&H under the MCA are authorized by service orders. An appropriation is not required for the execution of the MCA, but is required for each service order. Existing appropriation totals are expected to fully support any additional costs under this amendment.

The recommended amendment to the MCA of \$300,000 will be funded by the CalRecycle SB1383 2024 Grant appropriation (\$110,000) and the Environmental Services Department's Non-Personal/Equipment appropriation (\$190,000) in the Integrated Waste Management Fund.

Service orders funded through the Integrated Waste Management Fund will have no impact on the General Fund.

FOR QUESTIONS CONTACT: Valerie Osmond, Deputy Director, at (408) 535-8557 or valerie.osmond@sanjoseca.gov