



Office of the City Manager

CONSENT CALENDAR

June 10, 2014

To: Honorable Mayor and Members of the City Council

From:  Christine Daniel, City Manager

Submitted by: Andrew Clough, Director, Public Works

Subject: Contract No. 9400 Amendment: HF&H Consultants, LLC for a Sustainable Refuse Rate Study

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute an amendment to Contract No. 9400 with HF&H Consultants, LLC for a Sustainable Refuse Services Rate Study to increase the contract amount by \$15,000 for a total contract amount not to exceed \$155,000; and extending the term of the contract to September 30, 2014.

FISCAL IMPACTS OF RECOMMENDATION

Funding for the contract amendment is available in the FY 2014 Zero Waste Fund (Fund 820) budget. The contract amendment has been assigned CMS No. ARC63.

Original contract amount	\$122,792
Previous amendment	\$17,208
Current amendment	\$15,000
Total NTE amount	\$155,000

CURRENT SITUATION AND ITS EFFECTS

The City contracted with HF&H Consultants, LLC in July 2013 for a Sustainable Refuse Services Rate Study (Resolution No. 66,272-N.S.). In late 2013, HF&H also provided support for the Proposition 218 process, and the contract was amended in February 2013 (Resolution 66,491-N.S.) to fund additional work required for the project. More recently, with staff changes in Public Works Fiscal Services and Zero Waste Division management, HF&H has conducted further analysis and supported continuing staff to implement the final phases of the process.

BACKGROUND

HF&H worked with Public Works staff to develop a sustainable rate structure for all customers based on appropriate cost of service allocations. After presentations and reports to Council, a Proposition 218 majority protest process was conducted and on May 20, 2014 a public hearing and final Council action took place. During this time, both the Zero Waste Manager and Administrative & Fiscal Services Manager resigned their

positions with the City, and HF&H was called on to supplement staff capacity and assist with the final phases of implementing the Refuse Rate project.

HF&H was selected from the City's Request for Proposals (RFP) process to analyze the City's refuse rates and develop a Proposition 218-compliant and sustainable rate structure in 2013. They have demonstrated and applied their understanding of the project scope, Proposition 218 compliance, recycling goals, and rate structures relating to zero waste, and have adapted to changing needs.

ENVIRONMENTAL SUSTAINABILITY

The City provides a variety of Zero Waste services that are all intended to support achieving the community's goal of zero waste by 2020. HF&H has been an integral part of the process to study and recommend new residential and commercial refuse collection rates, and establish a sustainable rate structure to support the Zero Waste Division.

RATIONALE FOR RECOMMENDATION

The City was required to comply with Proposition 218, which sets out detailed rules for local governments to follow in levying or increasing fees and assessments, and requires specific knowledge of the law, and of extensive rate and cost analysis. Staff does not have in-house resources with the time or expertise to perform the necessary analysis for the rate review process.

ALTERNATIVE ACTIONS CONSIDERED

None. The Proposition 218 process needed to be completed and, depending on the outcome, rate increases or an annual adjustment need to be in effect for FY 2015.

CONTACT PERSON

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Attachments:
1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 9400 AMENDMENT: HF&H CONSULTANTS, LLC FOR A
SUSTAINABLE REFUSE RATE STUDY

WHEREAS, the City contracted with HF&H Consultants, LLC in July 2013 for a Sustainable Refuse Services Rate Study, and since then they have also provided support for the Proposition 218 process; and

WHEREAS, the HF&H contract was amended in February 2013 to fund additional work required for the project, and more recently, with staff changes in Public Works Fiscal Services and Zero Waste Division management, HF&H conducted further analysis and supported continuing staff to implement the final phases of the process; and

WHEREAS, the City was required to comply with Proposition 218 for the rate increases, which required specific knowledge of the law and of extensive rate and cost analysis; and staff does not have in-house resources with the time or expertise to perform the necessary analysis for the rate review process; and

WHEREAS, funding is available in the FY 2014 Zero Waste Fund (Fund 820) budget, and the contract amendment has been assigned CMS No. ARC63.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to Contract No. 9400 with HF&H Consultants, LLC for a Sustainable Refuse Services Rate Study to increase the contract amount by \$15,000 for a total contract amount not to exceed \$155,000; and extending the term of the contract to September 30, 2014. A record signature copy of said amendment to be on file in the Office of the City Clerk.

