

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF THE COUNTY OF SAN BERNARDINO
AND RECORD OF ACTION**

May 19, 2020

FROM

BRENDON BIGGS, Interim Director, Department of Public Works – Solid Waste Management

SUBJECT

Contract with HF&H Consultants, LLC for Solid Waste Disposal Analysis Services

RECOMMENDATION(S)

Approve **Contract No. 20-299** with HF&H Consultants, LLC, for solid waste disposal analysis services, in an amount not to exceed \$875,000 for a five-year term effective July 1, 2020 through June 30, 2025, with the option to extend the contract for two additional one-year periods.

(Presenter: Brendon Biggs, Interim Director, 387-7906)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost) as the Department of Public Works – Solid Waste Management Division (SWMD) is financed by fee revenue. SWMD establishes fees that are charged to the public and other agencies for utilization of the County's Waste Disposal System. The contract amount is projected at an annual cost of \$175,000 per year; however, the contractor may exceed that annual amount, if necessary, to complete the necessary assigned tasks. In no case, however, will the amount exceed \$875,000 in the five-year contract period. Sufficient appropriation and revenue will be included in the SWMD 2020-21 recommended budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

HF&H Consultants, LLC (HF&H) is currently providing consulting and solid waste disposal analysis services for SWMD under Contract No. 15-574, approved by the Board of Supervisors (Board) on August 11, 2015 (Item No. 26) which will expire on June 30, 2020 and included an option to extend the contract for two additional one-year periods; however, SWMD is requesting a new contract for a five-year period with the option to extend the contract for two additional one year periods due to ongoing State mandated regulations and analyses that require assistance from HF&H.

Approval of this non-competitive contract will allow HF&H to continue to assist SWMD with various financial and strategic analyses of the County's solid waste disposal system, such as: franchise hauler agreement negotiations to comply with State mandated regulations associated with organics recycling programs; developing a plan to assist the County with complying with

**Contract with HF&H Consultants, LLC for Solid Waste Disposal
Analysis Services
May 19, 2020**

the organics recycling programs; annual calculation and rate schedule development for collection services provided in the unincorporated area; audits of disposal tonnage, billings, and fees; assistance with other waste agreements; financial advisory analysis and support; and other solid waste analysis services.

This recommended action supports the goals and objectives of operating in a fiscally-responsible and business-like manner by continuing to analyze the dynamic waste disposal and recycling marketplace and rapidly changing regulatory environment to ensure that the County's rates are competitive and reflect the true cost of providing solid waste services, as well as ensuring that the County is in compliance with State mandated regulations and programs.

SWMD is recommending the approval of the five-year contract, with two one-year extensions, in order to facilitate analysis for critical initiatives such as:

- Impacts of legislation on the waste management system, such as AB1826, which mandates commercial organics recycling and an organic recycling program to be implemented, as well as SB1383 that will include residential organics recycling and establishes a statewide goal of reducing organic waste disposal 75% by 2025;
- Ongoing rate structures and market analysis; and
- Financial advisory analysis and support.

PROCUREMENT

A non-competitive agreement is recommended based on HF&H's knowledge of the solid waste industry, which will be crucial to helping SWMD evaluate the rapidly changing industry, with legislation that continues to reduce the amount of waste disposal at landfills. It is imperative to analyze the impacts in order for SWMD to maintain a financially sound, long-term plan for local waste management services.

HF&H represents only public sector entities and specializes in solid waste, integrated waste, and landfill disposal services. HF&H has extensive knowledge and experience in providing the analysis services necessary for a thorough review of the County's solid waste disposal system. HF&H has provided similar review and analysis work for SWMD over the past 20 years, including, but not limited to, term and conditions of the original waste disposal agreement, negotiations of the franchise waste hauler contracts to improve the accuracy of the rate adjustment method, and financial considerations in the 2001 and 2013 disposal system operations contracts.

The County Purchasing Department supports the non-competitive justification for this procurement.

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Jolena Grider, Deputy County Counsel, 387-5455) on April 20, 2020; Purchasing (Jason Cloninger, Lead Buyer, 387-8258) on April 20, 2020; Finance (Jessica Trillo, Administrative Analyst, 387-4222) on April 23, 2020; and County Finance and Administration (Matthew Erickson, County Chief Financial Officer, 387-5423) on May 3, 2020.

**Contract with HF&H Consultants, LLC for Solid Waste Disposal
Analysis Services
May 19, 2020**

Record of Action of the Board of Supervisors
County of San Bernardino

APPROVED (CONSENT CALENDAR)

Moved: Robert A. Lovingood Seconded: Josie Gonzales
Ayes: Robert A. Lovingood, Janice Rutherford, Dawn Rowe, Curt Hagman, Josie Gonzales

Lynna Monell, CLERK OF THE BOARD

BY 
DATED: May 19, 2020



cc: PW/SWM- Meeka w/agree
Contractor- C/O PW/SMW w/agree
File- w/agree
la 05/27/2020