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June 30, 2022

Ms. Jennifer Auletta
Deputy Public Works Director
City of San Leandro
Department of Public Works
14200 Chapman Road
San Leandro, CA 94578

Via email: jauletta@sanleandro.org

Subject: Proposal to Support CalRecycle Compliance and Implementation of SB 1383

Dear Ms. Auletta,

HF&H Consultants, LLC (HF&H) is pleased to provide this proposal to continue providing technical assistance to the City of San Leandro (City) regarding various components of CalRecycle program compliance. This will include implementing the City's CalRecycle compliance plan for AB 341 and AB 1826 and supporting implementation of SB 1383. Through our current engagement with the City, HF&H is participating in a collaborative partnership with the City's franchised hauler, Alameda County Industries (ACI) to support the City in reaching full compliance with AB 341 and AB 1826. These efforts include coordinating site visits and technical assistance to non-compliant entities, supporting City facilities in implementing organics collection service, and assisting the City in navigating CalRecycle's enforcement process. Moving forward, HF&H will continue to engage with Alameda County (StopWaste) and Cascadia to strengthen the City's relationship with these partners and ensure the City receives the full benefits of their StopWaste membership.

This proposal includes work to be performed during Fiscal Year (FY) 2022/23. During that time, HF&H will build off our current work with the City to further develop and implement the City's SB 1383 regulatory compliance plan for FY 2022/23. The following proposal outlines our suggested approach to the scope of work, estimated fees, and proposed team. While some of the tasks are quite specific, we also recognize the need for flexibility to support the City in addressing issues as they arise. Thus, based on mutual discussion the degree of emphasis for each area of focus may shift over the course of the year. We appreciate the strong working relationship that the City and HF&H have developed over the years. We do not take this responsibility lightly and look forward to providing further assistance in these important areas.

Scope of Work

Based on discussion with the City, HF&H proposes the following focus areas for our scope of work:

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1. Assist the City in implementing an SB 1383-compliant organics collection program for commercial customers.

1.1. Continue working with ACI to ensure AB 1826 and AB 341-regulated commercial customers, including multi-family, subscribe to organics collection service.

HF&H will coordinate with ACI and Cascadia to provide the City with a cohesive approach to outreach and technical assistance for commercial customers who are not currently compliant with AB 1826 and AB 341. HF&H will work with up to 77 customers, reaching out via phone to the property contact, performing one site visit to meet with the property owner and providing technical assistance, and providing up to three follow-up calls or emails. Each customer will receive information on regulatory requirements, available services and programs, and recommendations on how to set up a successful organics program. HF&H assumes up to twenty percent of customers may require additional support and has designated resources to provide up to two site visits, one on-site training, and additional educational resources and recommendations to these customers. HF&H will collaborate with ACI to ensure organics collection services are implemented or waivers are granted, as needed, and records are consistently uploaded and maintained in Recyclist. HF&H expects to bring all 77 accounts into compliance by the end of the 2022 calendar year. Focusing on AB 1826 and AB 341-regulated generators will benefit the City twofold by fulfilling CalRecycle's immediate enforcement efforts and preparing the City to implement further SB 1383 compliance measures.

Throughout this task, HF&H will meet monthly with ACI and Cascadia to align outreach efforts and track progress on all non-compliant commercial customers. HF&H will continue to coordinate with the City and ACI, as needed, to facilitate the development of an accurate list of City facilities and service levels and provide recommendations to improve organics collection at City sites. HF&H will provide the City with regular updates at weekly meetings and work quickly to address any challenges or setbacks that may arise.

1.2. Review public education and outreach efforts for compliance with SB 1383, recommend adjustments, and support digital outreach.

HF&H will support the City in the development of consistent public education and outreach messaging for compliance with SB 1383. By leveraging resources developed by StopWaste and integrating them into the City's social media platforms (e.g., NextDoor, Facebook), the City will expand their reach into the digital sphere, thereby engaging a wider audience. HF&H will generate one social media post per month through the remainder of the 2022 calendar year for use on each of the City's social media platforms and that may be adapted for other digital outreach. When appropriate, HF&H will utilize materials produced by StopWaste and/or ACI to reinforce consistent messaging and information across all three stakeholders.

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HF&H will also review other types of public education and outreach collateral, as mutually determined between the City and HF&H, to identify compliance gaps, offer guidance on successful community-based social marketing approaches, and maintain consistent messaging. The City will receive unmatched insights about developing effective educational collateral that HF&H has gained by working with hundreds of jurisdictions across California. After reviewing the materials, HF&H will generate an outreach and education compliance analysis that outlines the SB 1383 outreach requirements and options the City may take to meet compliance. HF&H will schedule a one-hour, virtual meeting with the City to review the compliance analysis and discuss recommendations to leverage current programs while also meeting the City's foundational goals whether they are about cost savings, achieving zero waste, or any other combination of desired outcomes.

1.3. In collaboration with the City and ACI, develop and implement a multi-family organics service educational campaign.

HF&H will coordinate with ACI, the City, and StopWaste/Cascadia, as needed, to develop a multi-faceted campaign to educate multi-family customers on the importance of organics recycling and how to successfully participate in the City's programs. HF&H will schedule a campaign kickoff meeting with the City to determine the campaign goals, budget, resource needs, timeline, and metrics for tracing success. The City will receive a campaign plan which will be used to facilitate a discussion with ACI about the designation of campaign roles and responsibilities. HF&H will schedule and facilitate the meeting with ACI, take notes, and revise the campaign plan to incorporate roles, tasks, and responsibilities discussed. HF&H will utilize examples from our comprehensive internal database of educational collateral, resources from StopWaste and ACI, and language developed in Task 1.2 to generate up to two pieces of written collateral specific to the campaign that meet regulatory compliance and the City's need. We will additionally review up to six educational materials generated by the City or ACI as part of the campaign for quality and consistency with the campaign brand.

Throughout the campaign, HF&H will monitor progress by tracking the distribution of educational materials, including the delivery of kitchen pails to multi-family units by ACI, and monitoring the success metrics identified in the campaign kickoff meeting.

2. Assist City in developing a recordkeeping and reporting system and processes to meet SB 1383 jurisdiction reporting requirements.

2.1. Implement and train City staff on new recordkeeping system.

HF&H has developed a proprietary data tracking and management system that can integrate easily with the City's current databases, hauler reports, or other reporting systems, as necessary. The City will save time and costs by applying this pre-developed tool that includes capabilities to track edible food recovery data, outreach and education activities, program descriptions, and many other SB 1383 implementation record requirements. HF&H will offer up to two

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demonstration and training sessions to appropriate City staff on implementing the reporting system and provide guidance on using the reporting templates to generate the City's initial SB 1383 jurisdiction compliance report. HF&H will provide ongoing support, as needed, through the remainder of the 2022 calendar year.

2.2. Continue supporting City staff with the implementation of Recyclist software, including developing a process for uploading and verifying information on Recyclist.

HF&H will continue facilitating the integration of the Recyclist software into the City's reporting processes through data verification and troubleshooting. HF&H will serve as a liaison between the City, ACI, and Recyclist to develop a process for the ongoing uploading, maintaining, and accessing of information and ensure the process is carried out for the next scheduled data upload in September. Following this upload, HF&H will address any issues or challenges that came up and amend the processes or protocols one-time, as necessary. HF&H will additionally perform two data reviews to ensure records are accurately migrated from ACI's Tower system to Recyclist.

3. Review existing contracts and recordkeeping practices related to organic waste product procurement and update contract language for SB 1383 compliance, as appropriate.

HF&H will review the City's current recovered organic waste procurement policies, including purchasing policies, related City ordinances, and standard purchasing contracts to identify where additional policies or standards are required to meet SB 1383 compliance. Following this review, HF&H will schedule up to four meetings with relevant City departments most actively engaged in procuring recovered organic waste products, including the Public Works, Parks and Recreation, and Finance departments. At each meeting HF&H will discuss how the department can support the City in reaching their annual recovered organic waste product procurement target and best practices for implementing new or updated policies. As a new and evolving issue area, HF&H staff has remained diligent about keeping up to date with current innovations related to procurement, providing an assurance for the City that every option for utilizing recovered organic waste products is explored with the appropriate City department. HF&H will provide recommended language to incorporate into the relevant policies and ordinances through a redlined version of each document. After review by the City, HF&H will provide one round of revisions to the recommended language based on City comment.

4. Assist City in developing a procurement plan for solid waste, recycling, and organics collection service

In preparation for the termination of the City's current contract with ACI in 2025, HF&H will assist the City in determining whether a sole source or competitive procurement process is most beneficial and economical for the City. As part of the evaluation, HF&H will provide the City with a list of the benefits and risks for each procurement option and their expected timeline and budget. HF&H will hold one virtual meeting with City staff to discuss each process and address any comments or questions. The City will feel confident knowing they have received a comprehensive analysis based on the experience

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HF&H has procuring hauling services for similar jurisdictions throughout the area and our familiarity with the City's own hauling company, ACI. HF&H will incorporate any clarifications and additional information from the meeting with the City into a PowerPoint presentation to provide to the Finance Committee. The City will receive support from HF&H in putting together a staff report describing the procurement options and recommendations by City staff for the City Council. HF&H will additionally revise the Finance Committee PowerPoint and attend and present the City staff's findings and recommendations at one City Council meeting.

5. Support City staff in submitting appropriate disposal modification requests for 2021 reporting year.

HF&H will support the City to complete and submit disposal modification requests to CalRecycle for the 2021 reporting year. The City will require three separate requests for the Davis Street Transfer Station, the Aladdin Transfer Station, and Bluewater Environmental Services. HF&H will develop and submit requests for information to each facility and follow-up, as necessary, to receive the required data. The level of effort and quality of request to CalRecycle will be dependent on cooperation by both facility owners. Although we cannot guarantee either facility's level of cooperation, HF&H will make reasonable efforts to obtain necessary documentation. This will include the submission of one official request for information and subsequent follow up via a maximum of four phone calls or emails to the appropriate facility contacts. HF&H will complete the submittal forms and provide them to the City for review. We will incorporate one round of revisions prior to submitting the requests to CalRecycle. If clarification on the submittal process or required documentation is required prior to submitting the request, HF&H will help facilitate communication with CalRecycle staff to receive further direction. Once CalRecycle has received the request, HF&H will support the City in responding to questions from CalRecycle throughout their review of the disposal modification.

6. Additional support (as necessary).

HF&H understands meeting AB 341, AB 1826, and SB 1383 compliance will require a degree of flexibility to respond to unanticipated challenges or discoveries. Furthermore, the City's success is dependent on an ongoing, successful, collaboration with multiple partners including ACI and StopWaste, leaving the City partially subject to the progress of these partners. To account for unforeseen circumstances that may arise, HF&H has included an additional fifteen percent contingency within the proposed budget to meet the City's needs, as they may arise during the remainder of the 2022 calendar year.

Fee Estimate

HF&H proposes to perform this work on a time-and-materials basis, based on the rates contained in Attachment A, and with a total not-to-exceed budget of \$135,485. The table on the following page presents our estimate of the hours, by position, that will be required to complete the scope of work described above. This is just an estimate. HF&H reserves the right to reallocate budget across phases, tasks, and staff positions in order to meet the needs of the project as it unfolds.

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Description	Executive	Project Director	Senior Associate	Analyst	Admin	Labor	Total	
	\$ 315	\$ 295	\$ 210	\$ 160	\$ 120	Hours	\$	
Task 1 Implement SB 1383-Compliant Organics Collection Program for Commercial Customers								
1.1	Provide technical assistance to commercial customers regulated under AB 341/1826	2	11	63	104	0	180	\$ 33,745
1.2	Review public education and outreach and support digital outreach	0	5	17	22	1	45	\$ 8,685
1.3	Develop and implement multi-family educational campaign	0	10	52	30	4	96	\$ 19,150
1.4	Meetings between HF&H/City	2	12	16	8	0	38	\$ 8,810
	Task 1 Total	4	38	148	164	5	359	\$ 70,390
Task 2 Develop Recordkeeping and Reporting System								
2.1	Implement recordkeeping system and train staff	2	6	14	7	1	30	\$ 7,450
2.2	Support City's implementation of Recyclist	0	2	9	11	0	22	\$ 4,240
	Task 2 Total	2	8	23	18	1	52	\$ 11,690
Task 3 Review Existing Contracts and Recordkeeping Practices Related to Organic Waste Product Procurement								
3.1	Review existing contracts and recordkeeping practices	0	2	4	6	0	12	\$ 2,390
3.2	Meet with City departments	0	2	8	4	0	14	\$ 2,910
3.3	Provide recommendations/changes to policies and contracts	0	4	4	8	2	18	\$ 3,540
3.4	Update policies based on City feedback	0	0	4	2	0	6	\$ 1,160
	Task 3 Total	0	8	20	20	2	50	\$ 10,000
Task 4 Assist in Developing a Procurement Plan for Solid, Recycling, and Organics Collection Services								
4.1	Develop pros/cons of RFP versus sole-source	1	1	2	0	1	5	\$ 1,150
4.2	Develop RFP and negotiation timelines	1	1	2	0	1	5	\$ 1,150
4.3	Meet with City staff to review and receive comments	1	1	1	0	0	3	\$ 820
4.4	Assist w/ staff report and prepare presentation for City Council	4	2	8	0	1	15	\$ 3,650
4.5	Present to City Council	4	0	4	0	0	8	\$ 2,100
	Task 4 Total	11	5	17	0	3	36	\$ 8,870
Task 5 Support Submission of Disposal Modification Request for 2021 Reporting Year								
5.1	Request/receive information and compile request	3	8	32	20	0	63	\$ 13,225
5.2	Facilitate communication with CalRecycle	2	8	4	0	0	14	\$ 3,830
	Task 5 Total	5	16	36	20	0	77	\$ 17,055
	Subtotal Tasks 1-5	22	75	244	222	11	574	\$ 118,005
Task 6 Additional Support (As Necessary)								
7.1	15% of total hours	3	11	37	33	2	86	\$ 17,480
	Task 6 Total	3	11	37	33	2	86	\$ 17,480
	Total All Tasks	25	86	281	255	13	660	\$ 135,485

The HF&H Team

Rob Hilton, HF&H's President, will serve as the Principal-in-Charge and Project Advisor. Rob has worked with all of the franchising jurisdictions of ACI and their affiliated companies. He understands their approach to providing service and how they have supported other agencies' compliance with SB 1383. He will participate in key meetings with the City and ACI and will meet regularly with the project team to review progress and advise on emerging issues and challenges.

Peter Deibler, HF&H Senior Manager, will serve as the Project Director and will be actively engaged in conducting the work. Peter has over 30 years of experience in the waste management field across California. He specializes in policy, regulatory, financial, and legal issues related to procurement of collection and facility services, SB 1383 program development, regulatory compliance, and contractor performance. He has been directly involved in negotiating well over \$3 billion in solid waste contracts for

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municipal agencies. His work often involves facilitating decision making by senior staff and elected officials. Current and recent clients include the counties of San Diego, Kern, Monterey, Santa Cruz, and Stanislaus, StopWaste, and the cities of San Jose, Sunnyvale, Cupertino, and Pleasanton.

Felisia Castañeda is an HF&H Senior Associate and will serve as the day-to-day contact and support for the City. Felisia has provided client services focused on SB 1383 compliance, including contract management, policy and ordinance development, and franchise agreement drafting and negotiations. Felisia also brings a history of experience providing zero waste education and outreach to San Francisco businesses, schools, and the general public. Current and recent clients include the cities of Carlsbad, Elk Grove, and Pleasanton, as well as San Luis Obispo Integrated Waste Management Authority and Stanford University.

Peter and Felisia will engage the services of other HF&H staff with the appropriate skills for assigned tasks to provide the best type and level of expertise and experience, as necessary.

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HF&H sincerely appreciates the opportunity to continue assisting the City. We are happy to discuss any requested adjustments to our proposal. If you have any questions or concerns regarding this proposal, please do not hesitate to contact Peter at (925) 977-6968 or pdeibler@hfh-consultants.com or Rob at (925) 977-6959 or rchilton@hfh-consultants.com.

Very truly yours,
HF&H CONSULTANTS, LLC

Rob Hilton
President

Attachment A – Standard Hourly Rates and Billing Arrangements

ATTACHMENT A: STANDARD HOURLY RATES AND BILLING ARRANGMENTS

(Effective January 1, 2022)¹

Professional Fees

Hourly rates for professional and administrative personnel are as follows:

<u>Position</u>	<u>Rate</u>
Executive	\$300 - \$315
Senior Project Manager	\$285 - \$295
Project Manager	\$240 - \$250
Senior Associate	\$210 - \$225
Associate Analyst	\$160 - \$170
Assistant Analyst	\$135 - \$150
Administrative Staff	\$110 - \$120

Direct Expenses

Standard charges for common direct expenses are as follows:

Automobile Travel	Prevailing IRS mileage rate
Airfare and Public Transit	Actual Cost

Billing Policies

Our policy is to bill for our services based on the standard hourly rates of the staff member assigned, multiplied by the time required to perform the client-related tasks, plus the direct expenses as described above. In implementing this policy, we adhere to the following practices:

- It is our standard practice to e-mail invoices to our clients, although hard copies of invoices can be sent to clients on request.
- We round to the nearest one-quarter hour (e.g., if two hours and 55 minutes are spent on a task, it is recorded as three hours, if two hours and 5 minutes are spent on a task, it is recorded as two hours). A minimum charge of one-quarter hour is charged for any client work performed in a day.
- We do not markup out-of-pocket expenses, however, we may charge administrative or professional time related to the provision of the goods and services associated with these charges.
- If subcontractors are used, HF&H reserves the right to charge a 5% markup should the subcontractor's services require cumbersome administrative oversight (e.g., multiple subcontractors; engagement turns out to solely require services of subcontractor, but HF&H as the prime must prepare billings).

¹ Litigation Support and Expert Witness Services are not covered by this schedule of fees and expenses.

ATTACHMENT A: STANDARD HOURLY RATES AND BILLING ARRANGMENTS

- Mileage fees are based on the round-trip distance from the point of origin.
- If a client's change to a previously scheduled meeting results in penalties being assessed by a third party (e.g., airline cancellation fee), then the client will bear the cost of these penalties.

While no minimum fee for a consulting engagement has been established, it is unlikely (given the nature of our services) that we can gain an understanding of a client's particular requirement, identify alternatives, and recommend a solution in less than twenty-four consulting hours.

Insurance

We maintain the following policies of insurance with carriers doing business in California:

- Comprehensive General Liability Insurance (\$2,000,000 Occurrence/\$4,000,000 Aggregate)
- Workers' Compensation (\$1,000,000)
- Professional Liability Insurance (\$2,000,000 Occurrence/\$2,000,000 Aggregate)
- Hired and Non-Owned Auto Liability² (\$2,000,000)
- Umbrella Liability (\$3,000,000 Occurrence/\$3,000,000 Aggregate)

All costs incurred in complying with additional coverages or limits (excluding additional insured and waiver of subrogation endorsements) become the responsibility of the client and are not included in the fees for services or direct charges but are billed in addition to the contract at cost, plus any professional or administrative fees.

Invoices and Payment for Services

Our time reporting and billing system has certain standard formats that are designed to provide our clients with a detailed invoice of the time and charges associated with their engagement. (We typically discuss these with our clients at our kick-off meeting.) We are also pleased to provide our clients with a custom invoice format, but we will have to bill the client for time spent conforming our invoices to their unique requirements.

Billings for professional services and charges are submitted every month, in order that our clients can more closely monitor our services.

² HF&H Consultants does not own any company automobiles.