



**CITY OF HAWAIIAN GARDENS
CITY COUNCIL
STAFF REPORT**

Agenda Item #{{section.number}}15

DATE: June 22, 2021

TO: Honorable Mayor and Members of the City Council

FROM: Linda Hollinsworth, Interim City Manager

BY: Megan Garibaldi, City Attorney

RECOMMENDATION:

RECOMMENDATION TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A REIMBURSEMENT AGREEMENT AMENDMENT WITH WASTE RESOURCES, INC

SUMMARY

At its May 25, 2021 meeting, the City Council authorized the City Manager to enter into that Reimbursement Agreement for City Services and Professional Consultant Services By and Between the City of Hawaiian Gardens and Waste Resources, Inc. ("WRI").

WRI is the solid waste hauler within the City pursuant to that certain Exclusive Solid Waste Services Franchise Agreement, dated July 1, 2018. The City and WRI desired to explore a potential rate increase under the Franchise Agreement and entered into the Reimbursement Agreement for City Services and Professional Consultant Services By and Between the City of Hawaiian Gardens and Waste Resources, Inc. ("Reimbursement Agreement"). The Reimbursement Agreement contemplated the City doing work to facilitate the potential increase such as engaging consultants for public education, Proposition 218 compliance, the Franchise Agreement amendment and related work and WRI reimbursing the City for these costs.

The City and WRI now desire to amend the Reimbursement Agreement to place a do not exceed amount of one hundred thousand dollars (\$100,000.00) for the costs that WRI will reimburse the City for. This do not exceed amount can be increased in writing by WRI. Further, the proposed amendment includes an termination date on the Reimbursement Agreement of June 30, 2022 or whenever the work is completed, whichever is sooner. The amendment makes clear that should the City exhaust the do not exceed amount or

should the Reimbursement Agreement be terminated, the City will have no further obligations whatsoever under the Reimbursement Agreement. That is, no matter the status of the work or how close the City is to completing the work under the Reimbursement Agreement, the City shall stop all work and have no responsibility whatsoever to continue or complete the work upon exhausting the do not exceed amount or termination of the Reimbursement Agreement.

While this amendment for a do not exceed amount and the inclusion of this termination date may result in some minor complications, the City is adequately protected in that the City will never be under any obligation to do any work that is not reimbursed. Thus, City Staff is comfortable with executing this First Amendment at the request of WRI.

FISCAL IMPACT

None.

SUGGESTED ACTION

Approve Recommendation.

ATTACHMENTS

A. First Amendment to Reimbursement Agreement for City Services and Professional Consultant Services By and Between the City of Hawaiian Gardens and Waste Resources, Inc

B. Reimbursement Agreement for City Services and Professional Consultant Services By and Between the City of Hawaiian Gardens and Waste Resources, Inc.