

**FOURTH AMENDMENT
TO PROFESSIONAL SERVICES AGREEMENT NUMBER F001238
WITH R3 CONSULTING GROUP, INC.**

This Fourth Amendment to Agreement number F001238, dated August 15, 2016 ("Agreement") is made as of this _____ day of _____, 2019, by and between the City of Santa Rosa, a municipal corporation ("City") and R3 Consulting Group, Inc., a California corporation ("Consultant").

RECITALS

- A. City and Consultant entered into the Agreement for Consultant to provide assistance in procuring a new solid waste agreement, the First Amendment to the Agreement to provide additional negotiation assistance and contract management services, the Second Amendment to provide on-call assistance during the transition to Recology as the City's solid waste services provider and contract management training and support, and the Third Amendment to extend on-call assistance, contract management training/support, and preparation of a refuse rate index (RRI) adjustment workbook.
- B. City and Consultant now desire to further amend the Agreement to extend on-call assistance, contract management training/support, preparation of a refuse rate index (RRI) adjustment workbook and support and review of Recology's annual rate application.

AMENDMENT

NOW, THEREFORE, the parties agree to amend the Agreement as follows:

1. Section 1. Scope of Services

Exhibit A-3 to the Agreement is replaced by Exhibit A-4 to this Amendment.

2. Section 2. Compensation

Section 2(c) is amended to increase the compensation payable to Consultant under the Agreement by \$20,500 to read as follows:

"Notwithstanding any other provision in this Agreement to the contrary, the total maximum compensation to be paid for the satisfactory accomplishment and completion of all tasks set forth above shall in no event exceed the sum of two hundred sixty seven thousand dollars and no cents (\$267,000). The City's Chief Financial Officer is authorized to pay all proper claims from Charge Number 010000-53320."

3. Section 12. Time of Performance

The last sentence of Section 12 is amended to read as follows:

"Consultant shall complete all the required services and tasks and complete and tender all deliverables to the reasonable satisfaction of City, not later than March 31, 2020."

All other terms of the Agreement shall remain in full force and effect.

Executed as of the day and year first above stated.

CONSULTANT:

Name of Firm: R3 Consulting Group, Inc.

TYPE OF BUSINESS ENTITY (check one):

☐ Individual/Sole Proprietor

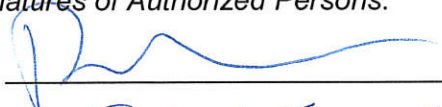
☐ Partnership

☒ Corporation

☐ Limited Liability Company

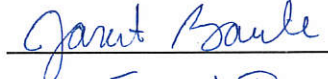
☐ Other (please specify: _____)

Signatures of Authorized Persons:

By: 

Print Name: Richard Tagore-Erwin

Title: President

By: 

Print Name: Janet Barile

Title: Vice President Operations

CITY OF SANTA ROSA
a Municipal Corporation

By: _____

Print Name: _____

Title: _____

APPROVED AS TO FORM:



Office of the City Attorney

City of Santa Rosa Business Tax Cert. No.

73GR62RNIY

Attachment: Exhibit A-4 - Scope of Services

Amendment to Professional Services Agreement
Form approved by the City Attorney 8-8-14

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Exhibit A-4



www.r3cgi.com

1512 Eureka Road, Suite 220, Roseville, CA 95661
Tel: 916-782-7821 | Fax: 916-782-7824

2600 Tenth Street, Suite 424, Berkeley, CA 94710
Tel: 510-647-9674

Southern California Office
Tel: 323-491-8868

January 25, 2019

Ms. Gloria Hurtado
Deputy City Manager
City of Santa Rosa
100 Santa Rosa Ave, Room 10
Santa Rosa, CA 95404

Subject: Proposal to Extend On-Call Transition Assistance for Contract Transition to Recology & Contract Management Training and Assistance

Dear Ms. Hurtado:

R3 Consulting Group, Inc. (R3) is pleased to submit the attached proposal for a contract amendment with the City of Santa Rosa (City) to provide:

- Extended on-call assistance during the transition to the new Collection Services Agreement (CSA) with Recology;
- Extended contract management staff training and support of Recology's performance of the CSA through March 2020;
- Prepare a refuse rate index (RRI) adjustment workbook; and
- Review the accuracy of Recology's rate application.

Scope of Services

Task 1 Contract Management Training and Support

The City intends to conduct professional contract management of its CSA with Recology. Via this task, R3 will provide training and support to one designated City staff person with responsibility for management and oversight of the Recology CSA.

Using the CSA contract management guide developed by R3 for the City via a prior task, R3 will:

- Identify all CSA terms and conditions requiring attention in 2019 (including such matters as monthly, quarterly and annual reports, diversion reports, franchise and other fee payments reports, outreach and education, etc.);
- Provide staff with a description and schedule for monitoring the CSA, including reports and other milestones;

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Exhibit A-4

- Support staff in the review of reports, performance metrics and other documents and communications from Recology;
- Provide guidance and advice to staff regarding means of monitoring and addressing potential performance issues and Recology non-compliance with CSA terms and conditions; and
- Provide on-call assistance on contract management issues as requested by the City.

In addition to training and support, R3 will continue to provide on-call assistance to the City during the transition to Recology as the City's solid waste services provider under the CSA.

Task 1 Deliverables

- Weekly calls or meetings (assumed 75% calls, 25% meetings) with designated City contract management staff through March 2020;
- Written memo(s) detailing proposed approach to 2019 contract management concerns, including detailed schedule (both of which may serve as templates for City future management of the CSA);
- Review of Recology reports and other items as described in this Task; and
- Other contract management related tasks upon request by the City and limited to the hours proposed for this task.

Task 2 Prepare Refuse Rate Index (RRI) Adjustment Workbook

Using the RRI Adjustment Workbook developed in 2018, R3 will calculate the 2019 annual customer rate application adjustments for the Recology's Maximum Refuse Rates. Recology is required to submit financial information to the City annually, by October 1st, as part of its application for an adjustment in Recology's Maximum Refuse Rates. R3 will review the provided financial information for accuracy, and notify the City whether the Recology has correctly calculated its adjustment. R3 will communicate with Recology in the event that calculation errors exist and will reevaluate calculation errors as part of the resubmitted Application.

A memorandum summarizing Recology's Maximum Refuse Rate adjustment process and an updated Maximum Refuse Rate sheet will be provided to the City.

Task 2 Deliverables

- RRI Adjustment Workbook;
- Memorandum summarizing Recology's Maximum Refuse Rate adjustment process; and
- Maximum Refuse Rate sheet.

Cost

R3 proposes to complete Tasks 1 through 2 as described in this proposal, for a not-to-exceed amount of **\$20,500**. The table below provides an estimate of the hours and cost by task; actual hours and cost by task may vary within the overall proposed cost.

The project cost includes labor, travel, and project expenses, and includes the work and deliverables as listed in Tasks 1 through 2. Our billing rates are provided below our budget table.

Table 2
Project Cost

Task	Hours	Cost
1 Contract Management Training and Support	80	\$13,000
2 Prepare RRI Adjustment Workbook	56	7,500
Total	135	\$20,500

Table 3
Hourly Rates

Classification	Hourly Rate
Principal	\$215 per hour
Project Director	\$215 per hour
Senior Project Manager	\$190 per hour
Project Manager	\$175 per hour
Senior Project Analyst	\$160 per hour
Senior Administrative Support	\$160 per hour
Project Analyst	\$145 per hour
Associate Analyst	\$130 per hour
Administrative Support	\$115 per hour
Reimbursable Costs (Included in Hourly Rates)	
Consultants/Subcontractors	Cost plus 10%
Lodging and meals	Direct cost
Travel — Private or company car	At Current Federal Rate
Travel — Other	Direct cost
Delivery and other expenses	Direct cost

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Exhibit A-4

Payments

Unless otherwise agreed in writing, fees for work completed will be billed monthly at the first of each month for the preceding month and will be payable within 30 days of the invoice date.

* * * * *

We welcome this opportunity to work with Santa Rosa's talented team. I will be the main point-of-contact and Project Manager for this engagement, and Garth Schultz will be the Project Director and Principal-In-Charge. Should you have any questions regarding our proposal, or need any additional information, please contact me by phone at (916) 782-7821 or by email at cbaxter@r3cgi.com, or Mr. Schultz by phone at (510) 292-0853 or by email at gschultz@r3cgi.com.

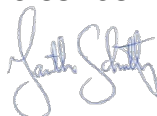
Sincerely,

R3 CONSULTING GROUP



Carrie Baxter | Project Manager

R3 CONSULTING GROUP



Garth Schultz | Principal