

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



FROM: Executive Office

SUBMITTAL DATE:
May 25, 2011

SUBJECT: Award of Solid Waste System Study Contract to the Most Responsive/Responsible Bidder

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve and execute the Professional Service Agreement with HF&H Consultants, LLC for \$149,500.00; and
2. Authorize the Executive Office to administer the contract; and
3. Authorize the Purchasing Agent, in accordance with Ordinance No. 459, to sign amendments that do not change the substantive terms of the Agreement; and
4. Authorize the Purchasing Agent to sign amendments which do not exceed 10% of the Contract amount; and
5. Direct the Clerk of the Board to return 3 original signed Agreements to the Executive Office.

FOR APPROVED COUNTY COUNSEL 5/31/11
 BY: NEAL R. KIPNIS DATE
 Departmental Concurrence

FINANCIAL DATA	Current F.Y. Total Cost:	\$149,500.00	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	No
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	10/11
SOURCE OF FUNDS: Waste Management Department Enterprise Funds			Positions To Be Deleted Per A-30	<input type="checkbox"/>
			Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

BY: Jay E. Orr
Jay E. Orr

County Executive Office Signature

Consent Policy
 Consent Policy
 Dept's Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref.: 11/2/10 Item 3.6 **District:** ALL **Agenda Number:**

05/10/11 Item 3.5

3.10

BACKGROUND (continued):

On November 2, 2010, the Riverside County Board of Supervisors directed the Riverside County Executive Office to engage a consultant specializing in solid waste analytical services to assist in identifying options to maximize the County's waste management assets.

On January 27, 2011, a Request for Proposal (RFP) WMARC-162 was issued to four (4) consulting firms and advertised on the County of Riverside Purchasing website. On March 1, 2011, four firms submitted proposals to the Clerk of the Board and the Purchasing Department determined that all four proposals met the minimum qualifications set forth in the RFP. An evaluation committee, consisting of representatives of the Waste Management Department, the Executive Office and the Los Angeles County Sanitation Districts, met on March 11, 2011, under the oversight of a representative of the Purchasing Department, to evaluate the proposals. As part of the evaluation process on March 25, 2011, the evaluation committee interviewed the four firms and finalized the technical scoring. The proposals were evaluated on disclosure, capability and understanding, demonstrated ability and references, experience, financials, clarification and exceptions or deviations. The sealed cost proposals were submitted separately to the Clerk of the Board and remained sealed during the evaluation and interview process, and were opened on Monday, March 28, 2011, at the Clerk of Board of Supervisors. The sealed costs of the proposals submitted ranged from \$141,450 to \$294,860. After review of the sealed cost proposals and technical evaluation scores of the proposals, the County made a competitive range determination and requested Best and Final Offers (BAFO) from two (2) firms. Based on the evaluation committee's technical scoring and the consultant's cost proposals, as adjusted in their BAFOs, the evaluation committee recommends award to HF&H at a cost of \$149,500. While HF&H is the second lowest cost offer, they offered the overall most responsible and responsive proposal based on the evaluation criteria as indicated in the Request for Proposals, and includes 184 additional hours of analysis time over the lowest cost bidder.

Scope of Work:

It is intended that this effort will provide a comprehensive analysis of the County's solid waste system and will outline and evaluate specific recommendations to the Board regarding options to maximize the value of this significant asset. The scope of work includes numerous tasks and sub-tasks that will provide a clear and accurate assessment of the current and future value of the system and the information necessary to analyze the impacts of each recommended option on the system and its stakeholders. More specifically, the scope of work includes identification and analysis of the following:

- Regional disposal rates
- Local and regional waste flows
- System assets and liabilities
- System programs and services
- General Fund support/costs
- Third-party verification of permitted and future airspace
- Capital projects

The scope of work also includes the preparation of a Request for Qualifications/Letter of Interest (RFQ/LOI) that will include a complete description of the system in order to identify interested and qualified firms to bid on a sale or lease of the system. It is anticipated that, with HF&H's in-depth understanding of the Riverside County system from previous consulting projects, the study will be completed in approximately 12 weeks. The scope of work includes two meetings with staff. Additional meetings requiring the consultant's attendance will be billed on a time and materials basis.

Staff has researched the steps and processes undertaken by various jurisdictions that have initiated (and in some cases completed) the sale of one or more of its landfills. Should the Board elect to move forward with a formal sale process, costly outside legal and financial services (exceeding \$1 million) will be necessary to assist the County with a complex and intensive divestiture process. At some future date, staff would return to the Board with a recommendation to procure the services of a consultant team that has the necessary legal, financial and merger/acquisition experience.

Attachment: Consultant Services Agreement

PROFESSIONAL SERVICE AGREEMENT

for

SOLID WASTE SYSTEM STUDY

between

COUNTY OF RIVERSIDE

and

HF&H CONSULTANTS, LLC



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This Agreement, made and entered into this ____ day of _____, 2011, by and between HF&H Consultants, LLC (herein referred to as "CONTRACTOR"), and the COUNTY OF RIVERSIDE, a political subdivision of the State of California, (herein referred to as "COUNTY"). The parties agree as follows:

1. Description of Services

1.1 CONTRACTOR shall provide all services as outlined and specified in Exhibit A, Scope of Services, consisting of one (1) page at the prices stated in Exhibit B, Payment Provisions, consisting of two (2) pages, Exhibit C, Conflict of Interest consisting of one (1) page.

1.2 CONTRACTOR represents that it has the skills, experience and knowledge necessary to fully and adequately perform under this Agreement and the COUNTY relies upon this representation. CONTRACTOR shall perform to the satisfaction of the COUNTY and in conformance to and consistent with the highest standards of firms/professionals in the same discipline in the State of California.

1.3 CONTRACTOR affirms this it is fully apprised of all of the work to be performed under this Agreement; and the CONTRACTOR agrees it can properly perform this work at the prices stated in Exhibit B. CONTRACTOR is not to perform services or provide products outside of the Agreement.

1.4 Acceptance by the COUNTY of the CONTRACTOR's performance under this Agreement does not operate as a release of CONTRACTOR's responsibility for full compliance with the terms of this Agreement.

2. Period of Performance

2.1 This Agreement shall be effective upon signature of this Agreement by both parties and continue in effect for twelve (12) weeks, unless terminated earlier. CONTRACTOR shall commence performance upon signature of this Agreement by both parties and shall diligently and continuously perform thereafter.

3. Compensation

3.1 The COUNTY shall pay the CONTRACTOR for services performed, products provided and expenses incurred in accordance with the terms of Exhibit B, Payment Provisions. Maximum payments by COUNTY to CONTRACTOR shall not exceed one hundred forty-nine thousand five hundred dollars (\$149,500) including all expenses. The COUNTY is not responsible for any fees or costs incurred above or beyond the contracted amount and shall have no obligation to purchase any specified amount of services or products. Unless otherwise specifically stated in Exhibit B, COUNTY shall not be responsible for payment of any of CONTRACTOR's expenses related to this Agreement.

3.2 No price increases will be permitted during the first year of this Agreement. All price decreases (for example, if CONTRACTOR offers lower prices to another governmental entity) will automatically be extended to the COUNTY. The COUNTY requires written proof satisfactory to COUNTY of cost increases prior to any approved price adjustment. After the first year of the award, a minimum of 30-days advance notice in writing is required to be considered and approved by COUNTY. No retroactive price adjustments will be considered. Any price increases must be stated in a written amendment to this Agreement. The net dollar amount of profit will remain firm during the period of the Agreement. Annual increases shall not exceed the Consumer Price Index- All Consumers, All Items - Greater Los Angeles, Riverside and Orange County areas and be subject to satisfactory performance review by the COUNTY and approved (if needed) for budget funding by the Board of Supervisors.

3.3 CONTRACTOR shall be paid only in accordance with an invoice submitted to COUNTY by CONTRACTOR in compliance with Exhibit B, and COUNTY shall pay the invoice within thirty (30) working days from the date of receipt of the invoice. Payment shall be made to CONTRACTOR only after services have been rendered or delivery of materials or products, and acceptance has been made by COUNTY. Prepare invoices in duplicate. For this Agreement, invoices can be emailed to the COUNTY, or send the original and duplicate copies of invoices to:

Riverside County Waste Management Department
Attn: Hans Kernkamp
14310 Frederick Street
Moreno Valley, CA 92553

- a) Each invoice shall contain a minimum of the following information: invoice number and date; remittance address; bill-to and ship-to addresses of ordering department/division; Agreement number (WMARC-92551-001-07/11); quantities; item descriptions, unit prices, extensions, sales/use tax if applicable, and an invoice total.
- b) Due to the short nature of the contract (12 weeks), CONTRACTOR will provide an updated budget status twice per month with each invoice.

3.4 The COUNTY obligation for payment of this Agreement beyond the current fiscal year end is contingent upon and limited by the availability of COUNTY funding from which payment can be made. No legal liability on the part of the COUNTY shall arise for payment beyond June 30 of each calendar year unless funds are made available for such payment. In the event that such funds are not forthcoming for any reason, COUNTY shall immediately notify CONTRACTOR in writing; and this Agreement shall be deemed terminated, have no further force, and effect.

4. Alteration or Changes to the Agreement

4.1 The Board of Supervisors and the COUNTY Purchasing Agent and/or his designee is the only authorized COUNTY representatives who may at any time, by written order, alter this Agreement. If any such alteration causes an increase or decrease in the cost of, or the time required for the performance under this Agreement, an equitable adjustment shall be made in the Agreement price or delivery schedule, or both, and the Agreement shall be modified by written amendment accordingly.

4.2 Any claim by the CONTRACTOR for additional payment related to this Agreement shall be made in writing by the CONTRACTOR within 30 days of when the CONTRACTOR has or should have notice of any actual or claimed change in the work, which results in additional and unanticipated cost to the CONTRACTOR. If the COUNTY Purchasing Agent decides that the facts provide sufficient justification, he may authorize additional payment to the CONTRACTOR pursuant to the claim. Nothing in this section shall excuse the CONTRACTOR from proceeding with performance of the Agreement even if there has been a change.

5. Termination

5.1. COUNTY may terminate this Agreement without cause upon 30 days written notice served upon the CONTRACTOR stating the extent and effective date of termination.

5.2 COUNTY may, upon five (5) days written notice, terminate this Agreement for CONTRACTOR's default, if CONTRACTOR refuses or fails to comply with the terms of this Agreement or fails to make progress to endanger performance and does not immediately cure such failure. In the event of such termination, the COUNTY may proceed with the work in any manner deemed proper by COUNTY.

5.3 After receipt of the notice of termination, CONTRACTOR shall:

- (a) Stop all work under this Agreement on the date specified in the notice of termination;
and
- (b) Transfer to COUNTY and deliver in the manner as directed by COUNTY any materials, reports or other products, which, if the Agreement had been completed or continued, would have been required to be furnished to COUNTY.

5.4 After termination, COUNTY shall make payment only for CONTRACTOR's performance up to the date of termination in accordance with this Agreement and at the rates set forth in Exhibit B.

5.5 CONTRACTOR's rights under this Agreement shall terminate (except for fees accrued prior to the date of termination) upon dishonesty or a willful or material breach of this Agreement by CONTRACTOR; or in the event of CONTRACTOR's unwillingness or inability for any reason whatsoever

to perform the terms of this Agreement. In such event, CONTRACTOR shall not be entitled to any further compensation under this Agreement.

5.6 The rights and remedies of COUNTY provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or this Agreement.

6. **Ownership/Use of Contract Materials and Products**

The CONTRACTOR agrees that all materials, reports or products in any form, including electronic, created by CONTRACTOR for which CONTRACTOR has been compensated by COUNTY pursuant to this Agreement shall be the sole property of the COUNTY; and may be used by the COUNTY for any purpose COUNTY deems to be appropriate, including, but not limit to, duplication and/or distribution within the COUNTY or to third parties. CONTRACTOR agrees not to release or circulate in whole or part such materials, reports or products without prior written authorization of the COUNTY.

7. **Conduct of Contractor**

7.1 The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

7.2 The CONTRACTOR shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

7.3 The CONTRACTOR or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

8. **Inspection of Service; Quality Control/Assurance**

8.1 All performance (which includes services, workmanship, materials, supplies and equipment furnished or utilized in the performance of this Agreement) shall be subject to inspection and test by the COUNTY or other regulatory agencies at all times. The CONTRACTOR shall provide adequate cooperation to any inspector or other COUNTY representative to permit him/her to determine the

CONTRACTOR's conformity with the terms of this Agreement. If any services performed or products provided by CONTRACTOR are not in conformance with the terms of this Agreement, the COUNTY shall have the right to require the CONTRACTOR to perform the services or provide the products in conformance with the terms of the Agreement at no additional cost to the COUNTY. When the services to be performed or the products to be provided are of such nature that the difference cannot be corrected, the COUNTY shall have the right to: (1) require the CONTRACTOR immediately to take all necessary steps to ensure future performance in conformity with the terms of the Agreement; and/or (2) reduce the Agreement price to reflect the reduced value of the services performed or products provided. The COUNTY may also terminate this Agreement for default and charge to CONTRACTOR any costs incurred by the COUNTY because of the CONTRACTOR's failure to perform.

8.2 CONTRACTOR shall establish adequate procedures for self-monitoring and quality control and assurance to ensure proper performance under this Agreement; and shall permit a COUNTY representative or other regulatory official to monitor, assess or evaluate CONTRACTOR's performance under this Agreement at any time upon reasonable notice to CONTRACTOR.

9. Independent Contractor

The CONTRACTOR is, for purposes relating to this Agreement, an independent contractor and shall not be deemed an employee of the COUNTY. It is expressly understood and agreed that the CONTRACTOR (including its employees, agents and subcontractors) shall in no event be entitled to any benefits to which COUNTY employees are entitled, including but not limited to overtime, any retirement benefits, worker's compensation benefits, and injury leave or other leave benefits. There shall be no employer-employee relationship between the parties; and CONTRACTOR shall hold COUNTY harmless from any and all claims that may be made against COUNTY based upon any contention by a third party that an employer-employee relationship exists by reason of this Agreement. It is further understood and agreed by the parties that CONTRACTOR in the performance of this Agreement is subject to the control or direction of COUNTY merely as to the results to be accomplished and not as to the means and methods for accomplishing the results.

10. Subcontract for Work or Services

No contract shall be made by the CONTRACTOR with any other party for furnishing any of the work or services under this Agreement without the prior written approval of the COUNTY; but this provision shall not require the approval of contracts of employment between the CONTRACTOR and

personnel assigned under this Agreement, or for parties named in the proposal and agreed to under this Agreement.

11. Disputes

11.1 The parties shall attempt to resolve any disputes amicably at the working level. If that is not successful, the dispute shall be referred to the senior management of the parties. Any dispute relating to this Agreement, which is not resolved by the parties, shall be decided by the COUNTY's Purchasing Agent who shall furnish the decision in writing. The decision of the COUNTY's Purchasing Agent shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith. The CONTRACTOR shall proceed diligently with the performance of this Agreement pending the resolution of a dispute.

11.2 Prior to the filing of any legal action related to this Agreement, the parties shall be obligated to attend a mediation session in Riverside County before a neutral third party mediator. A second mediation session shall be required if the first session is not successful. The parties shall share the cost of the mediations.

12. Licensing and Permits

CONTRACTOR shall comply with all State or other licensing requirements, including but not limited to the provisions of Chapter 9 of Division 3 of the Business and Professions Code. All licensing requirements shall be met at the time proposals are submitted to the COUNTY. CONTRACTOR warrants that it has all necessary permits, approvals, certificates, waivers and exemptions necessary for performance of this Agreement as required by the laws and regulations of the United States, the State of California, the County of Riverside and all other governmental agencies with jurisdiction, and shall maintain these throughout the term of this Agreement.

13. Use By Other Political Entities

The CONTRACTOR agrees to extend the same pricing, terms and conditions as stated in this Agreement to each and every political entity, special district, and related non-profit entity in Riverside County. It is understood that other entities shall make purchases in their own name, make direct payment, and be liable directly to the CONTRACTOR; and COUNTY shall in no way be responsible to CONTRACTOR for other entities' purchases.

14. Non-Discrimination

CONTRACTOR shall not be discriminate in the provision of services, allocation of benefits, accommodation in facilities, or employment of personnel on the basis of ethnic group identification, race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status or sex in the performance of this Agreement; and, to the extent they shall be found to be applicable hereto, shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code 12900 et. seq), the Federal Civil Rights Act of 1964 (P.L. 88-352), the Americans with Disabilities Act of 1990 (42 U.S.C. S1210 et seq.) and all other applicable laws or regulations.

15. Records and Documents

CONTRACTOR shall make available, upon written request by any duly authorized Federal, State or COUNTY agency, a copy of this Agreement and such books, documents and records as are necessary to certify the nature and extent of the CONTRACTOR's costs related to this Agreement. All such books, documents and records shall be maintained by CONTRACTOR for at least five years following completion of this Agreement and be available for audit by the COUNTY. CONTRACTOR shall provide to the COUNTY reports and information related to this Agreement as requested by COUNTY.

16. Confidentiality

16.1 Due to the highly sensitive and competitive nature of this project, CONTRACTOR shall strictly maintain as confidential any and all information or documents received from COUNTY pursuant this Agreement ("confidential information"), regardless of the form of the information or documents (whether written, oral, electronic or other form). This shall also include any information or documents received by CONTRACTOR from COUNTY related to the RFP/RFQ or similar processes referred to in the Agreement. This confidential information shall be maintained in strict confidence by CONTRACTOR at all times; shall be used only for CONTRACTOR's work related to this Agreement; and shall not be provided by CONTRACTOR to any other persons or parties. This shall apply even if the confidential information is otherwise a "public record" under California law. Requests for "public records" should be directed to COUNTY for response.

17. Administration/Contract Liaison

The COUNTY Waste Management Department General Manager – Chief Engineer, or designee, shall administer this Agreement on behalf of the COUNTY. The Waste Management Department is to serve as the liaison with CONTRACTOR in connection with this Agreement.

18. Notices

All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted two days after their deposit in the United States mail, postage prepaid:

COUNTY OF RIVERSIDE

Executive Office
Mr. Bill Luna, CEO
4080 Lemon Street, 4th floor
Riverside, CA 92501

Riverside County Waste Management
Mr. Hans Kernkamp, General Manager – Chief Engineer
14310 Frederick Street
Moreno Valley, CA 92553

Purchasing and Fleet Services
Mr. Mark Seiler, Assistant Director
2980 Washington Street
Riverside, CA 92504

CONTRACTOR

HF&H Consultants, LLC.
19200 Von Karman Avenue, Suite 360
Irvine, CA 92612
Mr. Laith B. Ezzet, Senior Vice President

19. Force Majeure

If either party is unable to comply with any provision of this Agreement due to causes beyond its reasonable control, and which could not have been reasonably anticipated, such as acts of God, acts of war, civil disorders, or other similar acts, such party shall not be held liable for such failure to comply.

20. EDD Reporting Requirements

In order to comply with child support enforcement requirements of the State of California, the COUNTY may be required to submit a Report of Independent Contractor(s) form **DE 542** to the Employment Development Department. The CONTRACTOR agrees to furnish the required data and certifications to the COUNTY within 10 days of notification of award of Agreement when required by the EDD. This data will be transmitted to governmental agencies charged with the establishment and enforcement of child support orders. Failure of the CONTRACTOR to timely submit the data and/or certificates required may result in the contract being awarded to another contractor. In the event a contract has been issued, failure of the CONTRACTOR to comply with all federal and state reporting requirements for child support enforcement or to comply with all lawfully served Wage and Earnings Assignments Orders and Notices of Assignment shall constitute a material breach of Agreement. If CONTRACTOR has any

questions concerning this reporting requirement, please call (916) 657-0529. CONTRACTOR should also contact its local Employment Tax Customer Service Office listed in the telephone directory in the State Government section under "Employment Development Department" or access their Internet site at www.edd.ca.gov.

21. Hold Harmless/Indemnification

21.1 CONTRACTOR shall indemnify and hold harmless the County of Riverside, its Agencies, Districts, Special Districts and Departments, their respective directors, officers, Board of Supervisors, elected and appointed officials, employees, agents and representatives (individually and collectively hereinafter referred to as Indemnitees) from any liability whatsoever, based or asserted upon any services of CONTRACTOR, its officers, employees, subcontractors, agents or representatives arising out of or in any way relating to this Agreement, including but not limited to property damage, bodily injury, or death or any other element of any kind or nature whatsoever arising from the performance of CONTRACTOR, its officers, employees, subcontractors, agents or representatives Indemnitors from this Agreement. CONTRACTOR shall defend, at its sole expense, all costs and fees including, but not limited, to attorney fees, cost of investigation, defense and settlements or awards, the Indemnitees in any claim or action based upon such alleged acts or omissions.

21.2 With respect to any action or claim subject to indemnification herein by CONTRACTOR, CONTRACTOR shall, at their sole cost, have the right to use counsel of their own choice and shall have the right to adjust, settle, or compromise any such action or claim without the prior consent of COUNTY; provided, however, that any such adjustment, settlement or compromise in no manner whatsoever limits or circumscribes CONTRACTOR'S indemnification to Indemnitees as set forth herein. CONTRACTOR'S obligation hereunder shall be satisfied when CONTRACTOR has provided to COUNTY the appropriate form of dismissal relieving COUNTY from any liability for the action or claim involved.

21.3 The specified insurance limits required in this Agreement shall in no way limit or circumscribe CONTRACTOR'S obligations to indemnify and hold harmless the Indemnitees herein from third party claims.

21.4 In the event there is conflict between this clause and California Civil Code Section 2782, this clause shall be interpreted to comply with Civil Code 2782. Such interpretation shall not relieve the CONTRACTOR from indemnifying the Indemnitees to the fullest extent allowed by law.

21.5 CONTRACTOR'S indemnification obligations shall also apply to any action or claim regarding actual or alleged intellectual property infringement related to any material or product provided to

COUNTY pursuant to this Agreement. In the event of any such action or claim, CONTRACTOR shall provide immediate notice to COUNTY of the action or claim. CONTRACTOR may defend or settle the action or claim as CONTRACTOR deems appropriate; however, CONTRACTOR shall be required to obtain for COUNTY the right to continue to use the material or product (or a similar non-infringing material or product with the same function) on terms identical to those stated in this Agreement.

22. Insurance

22.1 Without limiting or diminishing the CONTRACTOR'S obligation to indemnify or hold the COUNTY harmless, CONTRACTOR shall procure and maintain or cause to be maintained, at its sole cost and expense, the following insurance coverage's during the term of this Agreement. As respects to the insurance section only, the COUNTY herein refers to the County of Riverside, its Agencies, Districts, Special Districts, and Departments, their respective directors, officers, Board of Supervisors, employees, elected or appointed officials, agents or representatives as Additional Insureds.

22.2 Workers' Compensation: If the CONTRACTOR has employees as defined by the State of California, the CONTRACTOR shall maintain statutory Workers' Compensation Insurance (Coverage A) as prescribed by the laws of the State of California. Policy shall include Employers' Liability (Coverage B) including Occupational Disease with limits not less than \$1,000,000 per person per accident. The policy shall be endorsed to waive subrogation in favor of the County of Riverside.

22.3 Commercial General Liability: Commercial General Liability insurance coverage, including but not limited to, premises liability, unmodified contractual liability, products and completed operations liability, personal and advertising injury, and cross liability coverage, covering claims which may arise from or out of CONTRACTOR'S performance of its obligations hereunder. Policy shall name the COUNTY as Additional Insured. Policy's limit of liability shall not be less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit.

22.4 Vehicle Liability: If vehicles or mobile equipment are used in the performance of the obligations under this Agreement, then CONTRACTOR shall maintain liability insurance for all owned, non-owned or hired vehicles so used in an amount not less than \$1,000,000 per occurrence combined single limit. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than two (2) times the occurrence limit. Policy shall name the COUNTY as Additional Insureds.

22.5 Professional Liability: Contractor shall maintain Professional Liability Insurance providing coverage for the Contractor's performance of work included within this Agreement, with a limit of liability

of not less than \$1,000,000 per occurrence and \$2,000,000 annual aggregate. If Contractor's Professional Liability Insurance is written on a claims made basis rather than an occurrence basis, such insurance shall continue through the term of this Agreement and CONTRACTOR shall purchase at his sole expense either 1) an Extended Reporting Endorsement (also, known as Tail Coverage); or 2) Prior Dates Coverage from new insurer with a retroactive date back to the date of, or prior to, the inception of this Agreement; or 3) demonstrate through Certificates of Insurance that CONTRACTOR has Maintained continuous coverage with the same or original insurer. Coverage provided under items; 1), 2), or 3) will continue as long as the law allows.

22.6 General Insurance Provisions - All lines:

1) Any insurance carrier providing insurance coverage hereunder shall be admitted to the State of California and have an A M BEST rating of not less than A: VIII (A:8) unless such requirements are waived, in writing, by the County Risk Manager. If the County's Risk Manager waives a requirement for a particular insurer such waiver is only valid for that specific insurer and only for one policy term.

2) The CONTRACTOR must declare its insurance self-insured retention for each coverage required herein. If any such self-insured retention exceed \$500,000 per occurrence each such retention shall have the prior written consent of the County Risk Manager before the commencement of operations under this Agreement. Upon notification of self-insured retention unacceptable to the COUNTY, and at the election of the County's Risk Manager, CONTRACTOR'S carriers shall either; 1) reduce or eliminate such self-insured retention as respects this Agreement with the COUNTY, or 2) procure a bond which guarantees payment of losses and related investigations, claims administration, and defense costs and expenses.

3) CONTRACTOR shall cause CONTRACTOR'S insurance carrier(s) to furnish the County of Riverside with either 1) a properly executed original Certificate(s) of Insurance and certified original copies of Endorsements effecting coverage as required herein, and 2) if requested to do so orally or in writing by the County Risk Manager, provide original Certified copies of policies including all Endorsements and all attachments thereto, showing such insurance is in full force and effect. Further, said Certificate(s) and policies of insurance shall contain the covenant of the insurance carrier(s) that thirty (30) days written notice shall be given to the County of Riverside prior to any material modification, cancellation, expiration or reduction in coverage of such insurance. In the event of a material modification, cancellation, expiration, or reduction in coverage, this Agreement shall terminate forthwith, unless the County of Riverside receives, prior to such effective date, another properly executed original Certificate of Insurance and original copies of endorsements or certified original policies, including all endorsements and attachments thereto

evidencing coverage's set forth herein and the insurance required herein is in full force and effect. *CONTRACTOR shall not commence operations until the COUNTY has been furnished original Certificate (s) of Insurance and certified original copies of endorsements and if requested, certified original policies of insurance including all endorsements and any and all other attachments as required in this Section. An individual authorized by the insurance carrier to do so on its behalf shall sign the original endorsements for each policy and the Certificate of Insurance.*

4) It is understood and agreed to by the parties hereto that the CONTRACTOR'S insurance shall be construed as primary insurance, and the COUNTY'S insurance and/or deductibles and/or self-insured retention's or self-insured programs shall not be construed as contributory.

5) If, during the term of this Agreement or any extension thereof, there is a material change in the scope of services; or, there is a material change in the equipment to be used in the performance of the scope of work; or, the term of this Agreement, including any extensions thereof, exceeds five (5) years; the COUNTY reserves the right to adjust the types of insurance and the monetary limits of liability required under this Agreement, if in the County Risk Manager's reasonable judgment, the amount or type of insurance carried by the CONTRACTOR has become inadequate.

6) CONTRACTOR shall pass down the insurance obligations contained herein to all tiers of subcontractors working under this Agreement.

7) The insurance requirements contained in this Agreement may be met with a program(s) of self-insurance acceptable to the COUNTY.

8) CONTRACTOR agrees to notify COUNTY of any claim by a third party or any incident or event that may give rise to a claim arising from the performance of this Agreement.

23. General

23.1 CONTRACTOR shall not delegate or assign any interest in this Agreement, whether by operation of law or otherwise, without the prior written consent of COUNTY. Any attempt to delegate or assign any interest herein shall be deemed void and of no force or effect.

23.2 Any waiver by COUNTY of any breach of any one or more of the terms of this Agreement shall not be construed to be a waiver of any subsequent or other breach of the same or of any other term of this Agreement. Failure on the part of COUNTY to require exact, full and complete compliance with any terms of this Agreement shall not be construed as in any manner changing the terms or preventing COUNTY from enforcement of the terms of this Agreement.

23.3 In the event the CONTRACTOR receives payment under this Agreement, which is later disallowed by COUNTY for nonconformance with the terms of the Agreement, the CONTRACTOR shall promptly refund the disallowed amount to the COUNTY on request; or at its option the COUNTY may offset the amount disallowed from any payment due to the CONTRACTOR.

23.4 CONTRACTOR shall not provide partial delivery or shipment of services or products unless specifically stated in the Agreement.

23.5 CONTRACTOR shall not provide any services or products subject to any chattel mortgage or under a conditional sales contract or other agreement by which an interest is retained by a third party. The CONTRACTOR warrants that it has good title to all materials or products used by CONTRACTOR or provided to COUNTY pursuant to this Agreement, free from all liens, claims or encumbrances.

23.6 Nothing in this Agreement shall prohibit the COUNTY from acquiring the same type or equivalent equipment, products, materials or services from other sources, when deemed by the COUNTY to be in its best interest. The COUNTY reserves the right to purchase more or less than the quantities specified in this Agreement.

23.7 The COUNTY agrees to cooperate with the CONTRACTOR in the CONTRACTOR's performance under this Agreement, including, if stated in the Agreement, providing the CONTRACTOR with reasonable facilities and timely access to COUNTY data, information, and personnel.

23.8 CONTRACTOR shall comply with all applicable Federal, State and local laws and regulations. CONTRACTOR will comply with all applicable COUNTY policies and procedures. In the event that there is a conflict between the various laws or regulations that may apply, the CONTRACTOR shall comply with the more restrictive law or regulation.

23.9 CONTRACTOR shall comply with all air pollution control, water pollution, safety and health ordinances, statutes, or regulations, which apply to performance under this Agreement.

23.10 CONTRACTOR shall comply with all requirements of the Occupational Safety and Health Administration (OSHA) standards and codes as set forth by the U.S. Department of Labor and the State of California (Cal/OSHA).

23.11 This Agreement shall be governed by the laws of the State of California. Any legal action related to the performance or interpretation of this Agreement shall be filed only in the Superior Court of the State of California located in Riverside, California, and the parties waive any provision of law providing for a change of venue to another location. In the event any provision in this Agreement is held by a court of

competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

23.12 This Agreement, including any attachments or exhibits, constitutes the entire Agreement of the parties with respect to its subject matter and supersedes all prior and contemporaneous representations, proposals, discussions and communications, whether oral or in writing. This Agreement may be changed or modified only by a written amendment signed by authorized representatives of both parties.

COUNTY:

Board of Supervisors
County Administration Center
4080 Lemon Street, 4th Floor
Riverside, CA 92501

Signature: _____

Print Name: Bob Buster

Title: Chairman of Board of Supervisors

Dated: _____

CONTRACTOR:

HF&H Consultants, LLC.
19200 Von Karman Avenue, Suite 360
Irvine, CA 92612

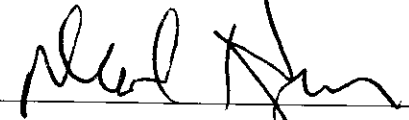
Signature: 

Print Name: LAITH EZZET

Title: Senior Vice President

Dated: 4/14/2011

County Counsel Approval:



ATTEST:
KECIA HARPER-IHEM, Clerk

By _____
DEPUTY

**EXHIBIT A
REQUIRED SCOPE OF SERVICE**

1. CONTRACTOR must understand California's waste diversion laws, regional/local rate structures, regional/local market conditions, existing regional/local permit capacities and regional/local planned permitting expansions/closures and recommend options to the COUNTY to maximize the COUNTY waste management assets and an analysis of each recommendation. CONTRACTOR is to assist with the development of a Request for Qualifications seeking interested, qualified firms that have the expertise and financial resources to acquire or lease the COUNTY waste management system.

1.1 TASK 1

CONTRACTOR shall provide a comprehensive analysis of the waste system, including but not limited to:

- a. Stakeholder identification
- b. Current rate setting methods and levels
- c. Regional waste flows and opportunities (both in and out of county)
- d. Present value of current permitted air space as provided by the Department
- e. Present value of future potential expansion air space as provided by the Department
- f. Current assets/liabilities
- g. Countywide services/programs to citizens provided by the Department
- h. Payments made to the General Fund by the Department
- i. Other General Fund avoided costs

1.2 TASK 2

CONTRACTOR shall work with the COUNTY to prepare a Request for Qualifications/Letter of Interest seeking qualified firms that have the expertise and financial resources to acquire or lease the COUNTY waste management system.

1.3 TASK 3

CONTRACTOR shall prepare a final report suggesting and analyzing options available to the COUNTY to further enhance General Fund revenue utilizing the COUNTY waste management assets, based upon the aforementioned tasks. In addition, the options must broadly identify and consider the impacts of these options on the system and its stakeholders including, but not limited to: funding of current and future liabilities, rate stability, future in-county capacity, programs/services.

2. Attachment A: HF&H Detailed RFP Scope of Work for Solid Waste System Study incorporated in the Agreement.

**EXHIBIT B
PAYMENT PROVISIONS**

1. Estimated budgets by Task are listed below:

TASK 1

1A: Provide a comprehensive analysis of the County of Riverside Solid Waste System.

1A: Cost is \$38,164.00. Hours: 188

1B: Validate or Confirm the Current Planned Capital Projects, Remaining Airspace, Closure and Post-Closure Expenses/Accrued Liability and Remediation Contingencies.

1B: Cost: \$43,388.00. Hours: 278

TASK 2

Prepare a Request for Qualification/Letter of Interest for the Sale or Lease of the County's Solid Waste Management System.

Cost: \$37,688.00. Hours: 190

TASK 3

Draft and Prepare Report.

Cost: \$25,048.00 Hours: 126

Expenses and other charges: \$5,212.00.

Complete Cost for Services is \$149,500. Complete Hours is 782.

Invoices will be submitted twice per month, itemized by Task based on the hourly rates below.

Budgeted fees may be shifted among tasks by mutual agreement of the COUNTY and CONTRACTOR. Invoices will be processed for payment once accepted and approved by the COUNTY. Any additional services will be done by written amendment to CONTRACTOR from the COUNTY.

2. If the need arises for additional consulting services, HF&H Hourly Rates are as listed:

- a. President at \$249.00.
- b. Senior Vice President and Vice President at \$210.00-\$249.00.
- c. Senior manager/Senior Project Manager at \$195.00-\$225.00.
- d. Director at \$209.00.
- e. Senior Associate at \$170.00-\$195.00.
- f. Associate Analyst at \$125.00-\$165.00.
- g. Assistant Analyst at \$100.00-105.00.
- h. Administrative Staff at \$90.00.

Subconsultant rates are as listed in the cost proposal.

Expenses will be billed as follows:

Mileage	Prevailing IRS mileage rate
Document Reproduction	\$0.15 per page (black & white)
	\$0.75 cents per page (color)
Outside document reproduction/couriers/postage	Actual
Public conveyances and parking	Actual
Subconsultant	Actual + 10%
All other out-of-pocket expenses	Actual

3. Contract includes the following conditions:
 - a. No meeting with the Board of Supervisors is included in the contract pricing.
 - b. Two face to face meetings with the COUNTY. Additional meetings, if required, will be billed at the above hourly rates and may require a contract amendment.
 - c. COUNTY will provide electronic records for intended analysis.
 - d. No contingencies are included in the inclusive fee.

EXHIBIT C
CONFLICT OF INTEREST

1. The CONTRACTOR covenants that it presently has no interest, including, but not limited to, other projects or contracts, and shall not acquire any such interest, direct or indirect, which would conflict in any manner or degree with CONTRACTOR's performance under this Agreement. The CONTRACTOR further covenants that no person or subcontractor having any such interest shall be employed or retained by CONTRACTOR under this Agreement. The CONTRACTOR agrees to inform the COUNTY of all the CONTRACTOR's interests, if any, which are or may be perceived as incompatible with the COUNTY's interests.

2. The CONTRACTOR and subcontractor shall not, under circumstances which could be interpreted as an attempt to influence the recipient in the conduct of his/her duties, accept any gratuity or special favor from individuals or firms with whom the CONTRACTOR is doing business or proposing to do business, in accomplishing the work under this Agreement.

3. The CONTRACTOR, subcontractor or its employees shall not offer gifts, gratuity, favors, and entertainment directly or indirectly to COUNTY employees.

4. The CONTRACTOR and subcontractor further agree not to:

- a. Solely or jointly with others undertake or consult with any organization of any business activity competitive with the current or anticipated business activities of the COUNTY; and
- b. Directly or indirectly, engage or participate in any other business activities which the COUNTY's reasonable discretion, determines to be in conflict with the best interests of the COUNTY; and
- c. The CONTRACTOR and subcontractor will not be allowed participate in any RFP, RFI or RFQ for services provided under this agreement that would give an unfair competitive advantage.

5. CONTRACTOR, subcontractor and all employees are required to read the conflict of interest statement, prior to any services commencing under this Agreement

ATTACHMENT A
Vendor RFP Scope of Work

TASK 1A: Provide a Comprehensive Analysis of the County's Waste System

We will perform a comprehensive study of the County of Riverside solid waste system in order to identify the factors that would be necessary to evaluate the potential sale or lease of the County's solid waste disposal system. Activities included in this study will include the:

- a. Identification of the stakeholders of the County waste system including: County residents, waste haulers that use the landfills and transfer stations, the County employees (and by extension the union), the suppliers, etc.;
- b. Identification of the current methodology for setting rates at the landfills and transfer station;
- c. Provide and independent review of the current and planned capital projects, remaining airspace, closure and post-closure expense/accrued liability and the remediation contingencies;
- d. Identification of the current regional waste flows into the County landfills and transfer stations as well as the future opportunities to enhance the waste flow into the County facilities through additional future importation of waste;
- e. Determination of the current range of values of the County's landfills using alternative methods to determine the value of the current available airspace (the remaining landfill space that can be used for future disposal);
- f. Identification of potential landfill expansion and the determination of the current value of the landfill expansion using alternative methods to determine the value of the potential airspace from future landfill expansion;
- g. Identification of the Countywide services and programs provided to citizens by the RCWMD;
- h. Determination of funds made available to the General Fund through the cash flow of the RCMWD; and,
- i. Identification of General Fund costs that would be avoided if the solid waste management system were sold or leased.

The team will perform an analysis of the County's waste management assets to provide an independent review/estimate to validate or confirm current or planned capital projects, remaining airspace, closure and post-closure expenses/accrued liability, and remediation contingencies.

Specific subtasks are described below.

Subtask 1A.1: Prepare a preliminary data request for County staff.

In order to obtain sufficient background information to begin a proper evaluation of the solid waste management system, we will prepare a preliminary data request for RCWMD staff and review the background data provided.

Subtask 1A.2: Prepare for and conduct a study kickoff meeting with County staff.

The project team will prepare for and conduct a kickoff meeting with County staff to initiate the study and to confirm that all parties understand the study to be performed and the anticipated work products by:

- a. Confirming the objectives of the study;
- b. Clarifying questions related to the background information provided;
- c. Discussing key issues related to the study or operations of the solid waste system;
- d. Identifying and obtaining contact information for key individuals providing guidance or input to the study;
- e. Determining the expected work products; and
- f. Confirming the study schedule.

At the kickoff meeting, we will discuss other options available to address the County's objective of increasing revenues to the General Fund and maximizing the utilization of the waste system assets. For example, the County may consider the sale and or lease of all or a part of the solid waste disposal system.

Subtask 1A.3: Evaluate the current methodology for setting rates at the County's facilities.

We will obtain and evaluate RCWMD's methodology for setting rates at the County facilities, and evaluate it based on our understanding of approaches used to set rates in the industry.

Subtask 1A.4: Identify and describe the current regional waste flows into the County landfills and transfer stations as well as the future opportunities to enhance the waste flow into the County facilities through additional importation of waste.

We will Identify and describe the current regional waste flows into the County landfills and transfer stations by:

- a. Obtaining and reviewing the County and Cal-Recycle (previously the California Integrated Waste Management Board) reports for the County disposal facilities for the last five years.
- b. Documenting the tonnage received at the facilities for the last five years and reviewing the trend in the waste stream for both in county and out-of-county waste.
- c. Obtaining and reviewing RCWMD planning reports or interviewing knowledgeable planner(s) at the RCWMD.
- d. Obtaining the remaining airspace and tonnage estimates for the active landfills from the RCWMD, calculating the estimated remaining life based on the waste stream trends and comparing to existing County plans.
- e. Obtaining County plans for potential expansion at the County landfills, primarily for the Lamb Canyon and Badlands landfills for which landfill expansion potential exists. The Oasis and Mecca II landfills may also have expansion potential.

Subtask 1A.5: Prepare a valuation of the County's waste management assets.

Preparing present value calculations for both the remaining airspace at the active landfills and the potential airspace from landfill expansion using multiple methodologies.

A. Income Approach

The income approach to estimating the value of the waste disposal system estimates the value of the assets' ability to generate future income by projecting the net cash flow and discounting the net cash flow to the present using a stipulated rate of return, such as the following options:

- I. Discount the future net cash flow (revenue less expenses and other cash inflows and outflows) based on projected inflation;
- II. Discount the future revenue, expenses and other cash inflows and outflows based to on an estimated cost of capital or an estimated profit margin for the solid waste industry; and/or,
- III. Discount the value of only the revenue stream.

The value of the waste disposal system will be sensitive to the quantity of tonnage entering the system and the tipping fees charge and will provide a range of estimated values.

B. Cost Approach

The "Cost Approach" to estimating the value of the waste disposal system estimates the value based on the estimated cost to replace the assets of the disposal system. However, the probability and cost of successfully siting and permitting a new landfill(s) would provide a significant range of value depending on the location and would be highly speculative.

C. Market Approach

The "Market Approach" to estimating the value of the waste disposal system bases the estimated value on current sales in a market place under the same of similar circumstances. The fact that the sale of landfills and/or landfill systems is rare would make this an unlikely approach.

We have assisted several public agencies with the privatization issues related to their landfill systems, for example:

County of San Bernardino - The County of San Bernardino owns a disposal system consisting of six landfills and 13 transfer stations, operated by a third party. We assisted the County in restructuring its solid waste department to assume certain duties conducted by the previous hauler, such as operating the facility scales, and conducted a competitive process to procure a new third-party system operator, saving the County over \$26 million over the initial contact term.

County of Orange - We identified and evaluated the reasonableness of certain financial and operating assumptions used by County of Orange to project tipping fees from 1997 through 2006. Our analysis focused on:

- I. The projected quantity of imported waste from outside of Orange County;
- II. Tipping fees for imported waste; and,
- III. The projected amount remitted by the Orange County Integrated Waste Management Department to the County General Fund.

Orange County had considered privatizing its solid waste landfill system in the mid 1990's and we were retained by the cities to evaluate the underwriter's report on a proposed landfill sale. The County ultimately retained the landfill system.

City of Whittier – Savage Canyon Landfill - We assisted the City of Whittier with the analysis of its 132-acre Savage Canyon Landfill to determine whether the City would benefit economically from the sale of the landfill and the reasonableness of the proposed purchase price. We also evaluated:

- I. The reasonableness of the proposed rate adjustment method;
- II. The risk of environmental liability after the sale of the landfill;
- III. The waste flow capacity; and,
- IV. The adequacy of the control after the sale to protect the City's interests.

City of San Diego – Sycamore Landfill - We assisted the City in the evaluation of the market value of the Sycamore landfill in connection with a bid to buy the landfill from the County

Subtask 1A.6: Identify Countywide Services and Programs

We will identify the countywide services and programs by reviewing the RCWMD organization charts, interviewing knowledgeable County staff and reviewing pertinent County reports. We will prepare a description of the various programs and service, including the timing of the service or program, required manpower and equipment and other pertinent program or service characteristics, and a summary of annual cost for the most recent fiscal year based on available data from the County.

Subtask 1A.7: Identify the RCWMD's current assets and current liabilities.

We will identify the RCWMD's current assets and current liabilities by reviewing the County's most current Comprehensive Annual Financial Report (CAFR) and supporting detail records (if required) to identify the current assets and liabilities for the RCWMD.

Subtask 1A.8: Identify payments or transfers to the General Fund.

We will identify payments or transfers to the General Fund by reviewing the CAFR and interviewing County financial management.

Subtask 1A.9: Identify General Fund costs that could be avoided through a sale or lease of the solid waste management system.

We will identify costs incurred by the General Fund by interviewing knowledgeable finance staff and RCWMD management.

TASK 1B: Validate or Confirm Capital Projects, Remaining Airspace, Closure and Post-Closure Expenses/Accrued Liability and Remediation Contingencies

Comprehensive Analysis of the Waste System

Under this task, BAS will evaluate the County of Riverside waste system from the current status of the infrastructure, to the potential for expansion of the Badlands and Lamb Canyon Landfills including airspace analysis and projected capital expenditures. We will also evaluate any likely future liabilities that will arise from

closure construction, post closure maintenance and remediation of future releases. As indicated in the Request for Proposals (RFP), information to be used in this subtask will be provided by the Waste Management Department (Department).

Subtask 1B.1: Support Analysis of Regional Waste Flows and Opportunities

BAS will review the potential future waste market in the County of Riverside and surrounding regions to determine the financial impact of additional waste streams on the system. An analysis will be performed of the potential for out-of-County tonnage to supplement in-County tonnage projections at the three active landfills. The El Sobrante Landfill already provides capacity for out-of-County tonnage and an assessment will be performed of the feasibility of taking in out-of-County tonnage at the Badlands and Lamb Canyon Landfills. In addition, we will review if there is a need for additional waste transfer or disposal facilities to serve the vast Riverside County area.

Subtask 1B.2: Third-Party Review of Remaining Permitted Air Space

BAS will review the remaining permitted airspace for the seven active sites within Riverside County. For the three large landfills in the County (El Sobrante Landfill, Lamb Canyon Landfill, and Badlands Landfill), we will verify the existing remaining permitted capacity based on the latest topographic map and permitted bottom and final grading plans. The permitted remaining capacity will then be used to determine expected life based on the projected disposal demand for the County, as well as the possibility for importation of waste. The four smaller sites (Blythe, Desert Center, Mecca II and Oasis) will be evaluated to determine their existing remaining permitted capacity versus the disposal needs of the communities they serve. An evaluation of continued operations at smaller sites may not prove to be as efficient as replacing these facilities with small waste transfer facilities.

Subtask 1B.3: Third-Party Review of Potential Expansion Air Space

The sites to be evaluated for potential expansion include the Lamb Canyon and Badlands Landfills. BAS will review the expansion scenarios developed by County Department Staff with regard to feasibility. BAS will provide review findings including any suggestions for further increases in capacity or reductions in potential liabilities, as appropriate.

Subtask 1B.4: Third-Party Review of Planned Capital Projects

Under this task, BAS will review the Department's financial plan for future capital projects. BAS will focus on the timing of the projects versus the waste steam projections and the estimated cost of each project based on our experience in budgeting, designing and constructing similar projects. Based on the findings of the other Tasks, BAS may have suggestions on additional projects, eliminating projects, or modifying projects in a manner that may improve the finances of the disposal system.

Subtask 1B.5: Closure/Post-Closure Liabilities

BAS will review the estimated closure and post-closure maintenance cost estimates for the system in comparison to the financial assurance funds the department has set aside and will identify any discrepancies. In addition, we will perform a review of the cost estimate line items for comparison to the cost of similar projects.

Subtask 1B.6: Remediation Contingencies

BAS will conduct a preliminary screening review of the environmental compliance systems, groundwater monitoring reports and other regulatory compliance reports for the six active and 32 inactive /closed landfills that comprise the Riverside County Landfill System, and provide a third-party review and evaluation of remediation contingencies for those sites. BAS will review associated corrective action financial assurance cost estimates to assess the reasonableness of assumed risks and proposed mitigation measures for any future releases. BAS understands that the County already has estimates for these items and BAS will review the estimates and assess

the reasonableness of these items. BAS has assumed an average of 2 hours per site to perform this review and evaluation.

TASK 2: Prepare a Request for Qualifications/Letter of Interest for the Sale or Lease of the County's Solid Waste Management System

Subtask 2A: Prepare a description of the Riverside County waste management system for inclusion in the Request for Qualifications/Letter of Interest (ROQ/LOI).

We will accumulate the information required to provide a description of the solid waste management system to be purchased or leased. The description of the solid waste management system will be sufficient to provide interested bidders adequate information from which to make an informed decision. This will include a complete description of the solid waste management system, including:

- a. A current list of the RCWMD divisions (Administration, Engineering/Operations and Environmental);
- b. The number of current employees by department and position (there are currently over 200 employees in the RCWMD);
- c. A description of the unions representing the County employees, such as the Laborers' International Union of North America;
- d. A description of the disposal facilities owned by the RCWMD;
- e. A description of each of the operating agreements between the RCWMD and the facility operations for each of the transfer stations and the El Sobrante landfill;
- f. A description of the fixed assets to be included in the sale or lease of the disposal system (for example: the description for a vehicle would include the make, model, year, date of acquisition, mileage if appropriate, etc.)
- g. A description of any current assets and current or long-term liabilities that may be assumed by a purchaser.

Subtask 2B: Prepare a detailed description of bidder qualifications.

We will review the required qualifications for potential bidders with County staff to develop a description of bidder qualifications.

Subtask 2C: Prepare a draft of the ROQ/LOI.

We will prepare a draft of the ROQ/LOI for review with County staff.

Subtask 2D: Prepare the final ROQ/LOI.

After reviewing the ROQ/LOI with County staff, we will prepare the final ROQ/LOI based on the information gathered in Task 1 and the input provided by County's solid waste management staff.

TASK 3: Prepare a Final Report

After a complete review of the RCWMD operations in Tasks 1 and 2, we will:

Subtask 3A: Prepare a draft report.

The project team will prepare a draft report that provides summary and analysis of the options available to the County to enhance General Fund revenues while maximizing the utilization of the County's waste management assets.

The analysis of each option will include an analysis of the impact of each option on the waste management system as a whole and its stakeholders, which will include, but not be limited to, an analysis of the funding of current and future liabilities, rate stability, future in-county capacity and the impact to existing programs and services.

Subtask 3B: Review draft report with County staff.

Once the draft report is complete, the project team will meeting with County staff to review report findings and identified options.

Subtask 3C: Prepare the final report.

Once the project team and County staff have agreed upon the contents and findings in the report, HF&H will prepare a final report for submittal to the County.

Additional Tasks

If requested, the project team will prepare for and present our findings at a meeting with the County Board of Supervisor at an additional cost based on time and materials.