

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



ITEM: 15.1
(ID # 30715)

MEETING DATE:

Tuesday, June 23, 2026

FROM : DEPARTMENT OF WASTE RESOURCES

SUBJECT: DEPARTMENT OF WASTE RESOURCES: Approve Amendment No. 1 to the Legal Services Agreement with Murphy & Evertz, LLP for the Zenergy Nuisance Claims filed against the COUNTY and the Colorado River Basin Regional Water Quality Control Board Technical Reporting Order R7-2025-0020-01 as it relates to the former Cathedral City Landfill; District 4. [Total Cost - \$670,000 - Up to 20% in additional compensation, Department of Waste Resources Enterprise Funds 100%]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve Amendment No. 1 to the Legal Services Agreement between the County of Riverside and Murphy & Evertz, LLP, for Legal Representation Services for the Zenergy Nuisance Claims filed against the COUNTY and the Colorado River Basin Regional Water Quality Control Board Technical Reporting Order R7-2025-0020-01 as it relates to the former Cathedral City Landfill; and authorize the Chair of the Board to sign the Amendment;
2. Authorize the General Manager-Chief Engineer of the Department of Waste Resources or their Designees, to administer the Agreement in accordance with applicable Board Policies, based on the availability of fiscal funding and as approved as to form by County Counsel to: (a) sign amendments that make modifications to the scope of services that stay within the intent of the Agreement; and (b) sign amendments to the compensation provisions that do not exceed the sum total of twenty percent (20%) of the total aggregate cost of the agreement through December 31, 2027; and
3. Authorize the Purchasing Agent, based on the availability of fiscal funding, to issue purchase orders to Murphy & Evertz, LLP for the Legal Representation Services rendered within the approved compensation amount consistent with the Agreement.


ACTION:Policy


Andrew Cortez 6/16/2026

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, Washington, Perez, and Gutierrez
Nays: None
Absent: None
Date: June 23, 2026
xc: Waste

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$100,000	\$570,000	\$670,000	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS: 100% Department of Waste Resources Enterprise Funds			Budget Adjustment:	No
			For Fiscal Year:	25/26 – 27/28

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The land that would later become the Cathedral City Landfill was originally purchased by the Cathedral Sanitation District in the 1930s, and landfill operations began shortly thereafter. It is alleged that the County leased and operated the landfill from 1963 to 1967. Following the County's cessation of operations, the Palm Springs Cemetery District (PSCD) acquired the site and continued landfill operations until 1986.

In June 1971, PSCD sold approximately 37.7 acres of the property to the Desert Sewer Pumpers Association (DSPA), which continued landfill operations on the eastern parcel through 1988. In 2025, Zenergy Capital, LLC (Zenergy) acquired ownership of the former DSPA property.

Following the cessation of landfill operations, a final landfill cover was not constructed over portions of the site, resulting in the landfill remaining out of regulatory compliance. On August 11, 2025, the Regional Water Quality Control Board, Colorado River Basin Region (Water Board), issued Technical Reporting Order No. R7-2025-0020-01(Order) to four potentially responsible parties: the City of Cathedral City, Palm Springs Cemetery District (PSCD), County, and Zenergy. The Order requires the parties to conduct a site investigation and submit a Site Investigation Report, quarterly progress reports, and a recommended closure approach.

Due to the multiple landowners and historical landfill operators associated with the site, legal and financial responsibility for landfill closure and post-closure maintenance remains unresolved. As a result, all four parties have retained legal counsel to assist in evaluating and addressing their respective responsibilities related to the Cathedral City Landfill.

In addition, Zenergy Capital, LLC has filed nuisance claims against the County (Zenergy Capital, LLC v. County of Riverside, et al., Case No. CVPS2406355). The original Legal Services Agreement with Murphy & Evertz, LLP, executed on March 13, 2026 in the amount of \$100,000, was intended to provide initial evaluation of the County's responsibilities under the Water Board Order and to begin defense of the nuisance claims.

Murphy & Evertz, LLP has provided a detailed stage-by-stage litigation budget for the Zenergy matter. The budget estimates \$237,000 to \$350,000 in legal fees and \$80,000 to \$160,000 in expert costs to take the case through a legal issues trial, plus an additional \$30,000 to \$60,000 for concurrent work assisting the County with compliance under Water Board Order No. R7-2025-0020-01. To provide sufficient flexibility for potential variations in scope, trial length,

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discovery demands, or unforeseen issues, and to avoid the need for further contract amendments mid-litigation, the Department recommends authorizing a total not-to-exceed amount of \$670,000. Actual expenditures will be closely monitored and managed within this authorized ceiling.

Amendment No. 1 will increase the Agreement amount from \$100,000 to \$670,000 and extend the term through December 31, 2027, allowing Murphy & Evertz, LLP to continue representing the County in connection with both the pending nuisance litigation and the Water Board regulatory proceedings.

Impact on Residents and Businesses

Legal services provided by Murphy & Evertz, LLP will enable the County to respond effectively to the Water Board Order while defending against Zenergy's nuisance claims. These services support the County's efforts to work collaboratively with the other responsible parties on the required site investigation and evaluation of closure alternatives, while protecting the County's interests in the related litigation. Successful implementation of a closure plan will bring the landfill into regulatory compliance and help protect public health and the environment for nearby residents and surrounding communities.

Additional Fiscal Information

All costs associated with the legal services are fully funded by the Department of Waste Resources Enterprise Funds and in the Department of Waste Resources budget. No net County costs will be incurred because of this contract increase and extension to the term of the agreement.

Strategic Considerations

The County's historical operational involvement at the site was limited to the period from 1963 to 1967. A key objective of the legal strategy is to appropriately allocate responsibility among the multiple potentially responsible parties consistent with their respective periods of ownership and operation. Staff will continue to evaluate opportunities for cost recovery and equitable allocation as the site investigation proceeds.

Contract History and Price Reasonableness

The original Legal Services Agreement with Murphy & Evertz, LLP, executed on March 13, 2026, was selected for contacting from a prequalified list of consultants in accordance with Board Policy H-7 and Minute Order 3.19 of December 12, 2023.

Attachment

Amendment No. 1


Melissa Curtis, Deputy Director of Purchasing and Fleet

6/16/2026


Crystal Carrillo, Senior Management Analyst

6/17/2026


Aaron Gettis, Chief Deputy County Counsel

6/16/2026

AMENDMENT No. 1

Amendment to the Legal Services Agreement Between

The County of Riverside and Murphy & Evertz, LLP

THIS AMENDMENT to a Legal Services Agreement is made and entered into as of this 23 day of JUN, 2026, by and between the County of Riverside, a political subdivision of the State of California (hereinafter the "COUNTY"), and Murphy & Evertz, LLP (hereinafter "ATTORNEY").

RECITALS

- A. COUNTY and ATTORNEY have entered in an agreement entitled "LEGAL SERVICES AGREEMENT" (hereinafter the "Agreement") beginning March 16, 2026, through December 31, 2026. The Agreement provides the terms and conditions, statement of services and budget for the performance of legal services related to all aspects of the Zenergy Nuisance Claims filed against the COUNTY and the Colorado River Basin Regional Water Quality Control Board Technical Reporting Order R7-2025-0020-01 as it relates to the former Cathedral City Landfill (hereinafter "CLAIM").
- B. Due to the complexity and unique legal issues arising out of the CLAIM, the original compensation amount of the Agreement is insufficient.
- C. The parties desire to amend the Agreement to provide additional budget needed to perform additional services required to represent the COUNTY in the CLAIM.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the parties agree as follows:

- 1. Section 2. Term of Agreement. The term of the agreement shall extend to December 31, 2027.
- 2. Section 6. Compensation. The total amount of compensation paid to ATTORNEY is increased from One Hundred Thousand Dollars (\$100,000) to Six Hundred and Seventy Thousand Dollars (\$670,000) Total.
- 3. Except to the extent specifically modified or amended hereunder, all the terms, covenants and conditions of the Agreement shall remain in full force and effect between the parties hereto.
- 4. This First Amendment shall be effective June 26, 2026. Regardless of the First Amendment's effective date, the additional funds provided by the First Amendment may be used to compensate

JUN 23 2026 15.1

ATTORNEY for work performed prior to June 23, 2026.

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IN WITNESS HEREOF, the parties hereto have caused this Amendment to the Agreement to be duly executed
this day and year first written above.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

ARTICLE VIII • APPROVALS

COUNTY Approvals

RECOMMENDED FOR APPROVAL:

Andy Cortez Digitally signed by Andy Cortez Date: 2026.06.18 08:52:05 -07'00' Dated: 6/18/2026

Andy Cortez PRINTED NAME General Manager-Chief Engineer Department of Waste Resources TITLE

COUNTY OF RIVERSIDE, a Political Subdivision of the State of California

By: Karen S. Spiegel Karen Spiegel Chair, Board of Supervisors

ATTEST: KIMBERLY RECTOR Clerk of the Board

By: [Signature] Deputy

APPROVED AS TO FORM: MINH C. TRAN County Counsel

By: Aaron Gettis Aaron Gettis Chief Deputy County Counsel

ATTORNEYS Approvals

ATTORNEYS:

[Signature] Dated: _____

Douglas J. Evertz PRINTED NAME

Partner TITLE