

#10 October 14, 2008

COUNTY OF SONOMA
AGENDA ITEM
SUMMARY REPORT

TPW

Clerk of the Board Use Only

Meeting Date

Held Until

____/____/____

____/____/____

Agenda Item No:

Agenda Item No:

Department: Transportation and Public Works

[] 4/5 Vote Required

Contact:

Phil Demery

Phone:

565-2231

Board Date:

10/14/08

Deadline for Board Action:

Agenda Short Title:

Receive Proposals for Possible Divestiture of Solid Waste Assets

Requested Board Action:

1. Pursuant to Government Code Section 25515 -2215.5 receive proposals, if any, submitted for the proposed sale of the County solid waste assets including the Central Landfill (including the transfer station thereon) and the following four transfer stations: Sonoma, Healdsburg, Guerneville and Annapolis.
2. Direct staff to review, evaluate and engage in negotiations, if appropriate, until a contract is fully negotiated with a successful proposer at which time it shall be brought before the Board for final consideration and approval.

CURRENT FISCAL YEAR FINANCIAL IMPACT

EXPENDITURES

ADD'L FUNDS REQUIRING BOARD APPROVAL

Estimated Cost \$ -0-

Contingencies \$
(Fund Name:)

Amount Budgeted \$

Unanticipated Revenue \$
(Source:)

Other Avail. Approp
(Explain below) \$

Other Transfer(s) \$
\$

Additional Requested \$ -0-

Add'l Funds Requested:

Explanation (if required):

Prior Board Action(s):

Alternatives - Results of Non-Approval:

Background:

This agenda item requests that the Board, pursuant to Government Code Section 25515 – 2215.5, receive proposals submitted in response to a Request for Proposals (RFP) for the divestiture of the County's solid waste assets. The RFP, which included a draft purchase and sales agreement (PSA), was issued as part of the County's comprehensive program to evaluate the potential divestiture of its solid waste assets. This effort, conducted by County staff with support of legal and financial advisors, is designed to allow the Board to evaluate the degree to which its goals are likely to be met through divestiture of the assets. The County's goals for divestiture (as described in the RFP) are attached. The divestiture process has been organized into several phases to allow the Board an opportunity to evaluate whether to proceed to the next phase or discontinue the process at key milestones. The phases are as follows:

- Phase 1 - Request for Information (Issued on July 27, 2007)
- Phase 2 - Request for Qualifications (Issued on November 7, 2007)
- Phase 3 - Industry Review, public outreach, and RFP (Issued on June 10, 2008)
- Phase 4 - Receive and evaluate proposals, and select winning proposal (if appropriate)

During Phase 3, and prior to issuing the RFP, the County was involved in a comprehensive review process with the short-listed proposers. In addition, the County conducted numerous public outreach activities to provide information regarding the reasons for evaluating divestiture and the structure of the divestiture program as well as to receive input regarding the divestiture goals.

Subsequent to the issuance of the RFP, addenda to the PSA were issued by the County on July 9 and August 6, 19 and 29, 2008 and September 12, 2008. The RFP specifies a proposal submittal deadline of 12:00 pm on October 3, 2008, thus concluding Phase 3 of the program. Additional information regarding the divestiture process is provided in the May 15 and June 10, 2008, Board Agenda reports.

Pursuant to Resolution No. 08-0529, proposals will remain confidential, including the number of proposals received and the names of the proposers, until a contract is fully negotiated with the successful proposer and is brought before the Board for final consideration and approval.

(continued on next page)

Attachments: County's Goals for Divestiture

On File With Clerk:

CLERK OF THE BOARD USE ONLY

Board Action (If other than "Requested")

Vote:

	MOTION	AYE	NO
BROWN		✓	
SMITH		✓	
KELLEY		✓	
REILLY		✓	
KERNS		✓	

Recommendation:

1. Pursuant to Government Code Section 25515 -2215.5 receive proposals, if any, submitted for the proposed sale of the County solid waste assets including the Central Landfill (including the transfer station thereon) and the following four transfer stations: Sonoma, Healdsburg, Guerneville and Annapolis.
2. Direct staff to review, evaluate and engage in negotiations, if appropriate, until a contract is fully negotiated with a successful proposer at which time it shall be brought before the Board for final consideration and approval.

County Divestiture Goals – As presented in draft RFP to Short-Listed Parties

The County's primary goals for the Divestiture are as follows:

- Maximize the monetary return for divestiture of the Facilities;
- Reduce or eliminate exposure for past, current and future environmental, operational and closure/post-closure liabilities related to the Facilities;
- Provide a location for solid waste disposal of the municipal solid waste stream at reasonable prices;
- Transfer, through a divestiture, all of the Facilities;
- Assure that the Facilities be operated in the future in an environmentally sound and safe manner consistent with applicable law and Regulations;
- Assure that the facilities are operated in the future in a manner that reduces greenhouse gases, complies with the California Global Warming Solutions Act of 2006 (AB.32) and other County climate protection initiative, such as through the use of rail or other appropriate means; and
- Support diversion goals consistent with AB 939 and the Countywide Integrated Waste Management Plan

The County's secondary goals for the Divestiture are as follows:

- Achieve an in-county Central Landfill solution, if the Divestiture terms are such that they substantially alter the findings of the BVA study, which led to the County Board of Supervisor's decision to move towards a permanent out-haul solution;
- Assist impacted employees to compete for and find employment with the successful Purchaser;
- Involvement in tip rate setting process; and
- Preserve capacity at the Central Landfill for the County-generated waste stream.