



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Public Works
Department No.: 054
For Agenda Of: 06/21/16
Placement: Administrative
Estimated Tme: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors

FROM: Department Scott D. McGolpin, P.E. Director, ext. 3010
Director(s)
Contact Info: Mark Schleich, P.E., Deputy Director, ext. 3605

SUBJECT: **Amendment to an existing contract with HF&H Consultants for assistance with analyzing the economic feasibility of the Proposed Tajiguas Resource Recovery Project; First, Second, and Third Supervisorial Districts**

County Counsel Concurrence

As to form: Yes

Other Concurrence: Risk Management

As to form: Yes

Auditor-Controller Concurrence

As to form: Yes

Treasurer Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Approve an amendment to an existing contract with HF&H Consultants not to exceed the amount of \$49,885 (for a total contract not to exceed amount of: \$327,885) to prepare a Feasibility Study of the Proposed Tajiguas Resource Recovery Project.
- b) Authorize the Chair of the Board of Supervisors to sign the Amendment to Agreement for Services of Independent Contractor.
- c) Determine that actions taken on June 21, 2016 are not an approval of the project, nor do they commit the County of Santa Barbara to a definite course of action in regard to a project intended to be carried out, and direct staff to file a California Environmental Quality Act Notice of Exemption on the basis of California Environmental Quality Act Guidelines Section 15352.

Summary Text:

This item is on the agenda in order to approve an amendment to an existing contract with HF&H Consultants for assistance with analyzing the economic feasibility of the proposed Tajiguas Resource Recovery Project. On April 5, 2016, the Board of Supervisors received an update on the Tajiguas Resource Recovery Project and approved a contract with HF&H to finalize the agreements between the County and proposed developer, and assist in the completion of the agreement between the County and participating cities. These tasks are currently ongoing.

On April 19, 2016 at the recommendation of the Debt Advisory Committee, the Board of Supervisors approved a contract with KNN Public Finance for financial advisory services related to the public financing of the Tajiguas Resource Recovery Project.

KNN and the team of County Staff which includes representation from Public Works, the CEO's Office, Auditor/Controller, County Treasurer, and County Counsel, have identified the need for a Feasibility Study (also commonly referred to as an "Engineering Report") as part of KNN's evaluation of publicly financing the proposed facility.

Staff is recommending an amendment to HF&H's existing contract to include the preparation of the Feasibility Study for \$49,885 for a total contract not to exceed the amount of \$327,885.

Background:

Financial and technical reviews have been a continual effort by staff and third party consultants. During the summer of 2015, Public Works Staff hired independent experts to perform comprehensive performance and financial reviews of the proposed MRF and AD facility components of the Tajiguas Resource Recovery Project. These reviews found that the TRRP, as proposed, achieved or exceeded the requirements and standards set out by the original RFP and subsequent addenda. Notably, it found the proposed project performance to be reasonable and achievable.

On April 5, 2016, the Board of Supervisors approved a contract with HF&H to assist Public Works in finalizing the key agreements between the County and project developer, as well as the agreements between the County and the participating cities. Before the April Board contract was approved, HF&H had also been a part of the County's negotiation team with the proposed developer through a Purchase Order.

On April 19, 2016 at the recommendation of the Debt Advisory Committee, the Board of Supervisors approved a contract with KNN Public Finance for financial advisory services related to the public financing of the Tajiguas Resource Recovery Project.

KNN and the team of County Staff which includes representation from Public Works, the CEO's Office, Auditor/Controller, County Treasurer, and County Counsel, have identified the need for a Feasibility Study (also commonly referred to as an "Engineering Report") as part of KNN's evaluation of publicly financing the proposed facility.

A Feasibility Study typically includes:

- System Overview
- Historical & Projected Waste Disposal Quantities
- Project Overview & Regulatory Evaluation
- Potential alternative Waste Disposal Facilities
- Projected Operating Results including Sensitivity Analysis
- Principal Consideration & Assumptions Used in Projections and Sensitivities
- Conclusions

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Given the past history and success with this project, HF&H Consultants is recommended by Staff to produce this study. HF&H brings over 25 years of experience in waste management projects, including projects similar to the Tajiguas Resource Recovery Project.

Fiscal and Facilities Impacts:

There is funding in the current Resource Recovery & Waste Management Division budget for Professional Services line item 7460 for the costs associated with this contract amendment.

Staffing Impacts:

None, existing Public Works Staff will be able to absorb the responsibilities of overseeing this contract.

Special Instructions:

Please send a Minute Order and a copy of the signed Amendment to Agreement for Services of Independent Contractor (Attachment A) to the Resource Recovery & Waste Management Division of the Public Works Department, Attn: Carlyle Johnston.

Attachments:

Attachment A: Amendment to Agreement for Services of Independent Contractor

Attachment B: Notice of Exemption

Authored by:

Carlyle Johnston, Project Leader, Resource Recovery & Waste Management (ext. 3617)