

DIVESTITURE

OUTLINE

- **Background**

- **Process**

- **Goals**

BACKGROUND

- ✘ **May 2003** – constituents of concern discovered in the groundwater collected immediately under the lined portion of the Central Landfill
- ✘ **August 2004** – Regional Water Quality Control Board adopted a revised permit prohibiting further expansion
- ✘ **August 2005** – Board approved interim out-haul and disposal agreements until August 2010
- ✘ **October 2005** – The Central Landfill stopped receiving waste for disposal, all waste is hauled out of county for disposal

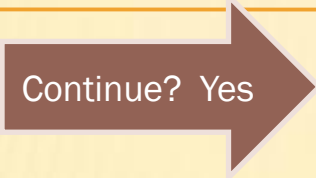
BACKGROUND

- ✘ **August 2004 – December 2005** – Board hired Brown, Vence and Associates (BVA) to perform a Reassessment of Long-Term Waste Management Alternatives
 - + Re-open County operated Central Landfill
 - + Out-haul to Bay Area Landfills by Truck
 - + Out-haul to Bay Area Landfills by Rail
- ✘ Out-haul to Bay Area Landfills by truck found to be top ranked most feasible alternative

BACKGROUND

- ✘ **January 2006** – Final report made public to all stakeholders for review and comment
 - + AB 939 Local Task Force and Haulers supportive of landfill re-opening with continued focus on diversion goals
 - + City customers did not support continued County operation
- ✘ **April 2006** – Board received report, stakeholder comments and gave directives to staff – including to pursue long-term out-haul and either closure or divestiture of asset
 - + Out-haul found 10-15% less expensive and more reliable
 - + County could not afford permitting risk and capital expenditures needed to re-open landfill without City support

Phase 1
Request for Information
July 27, 2007



Phase 2
Request for Qualifications
Nov. 7, 2007
Develop Shortlist



Phase 4
Receive Proposals
Summer 2008

Issue RFP
Spring
2008

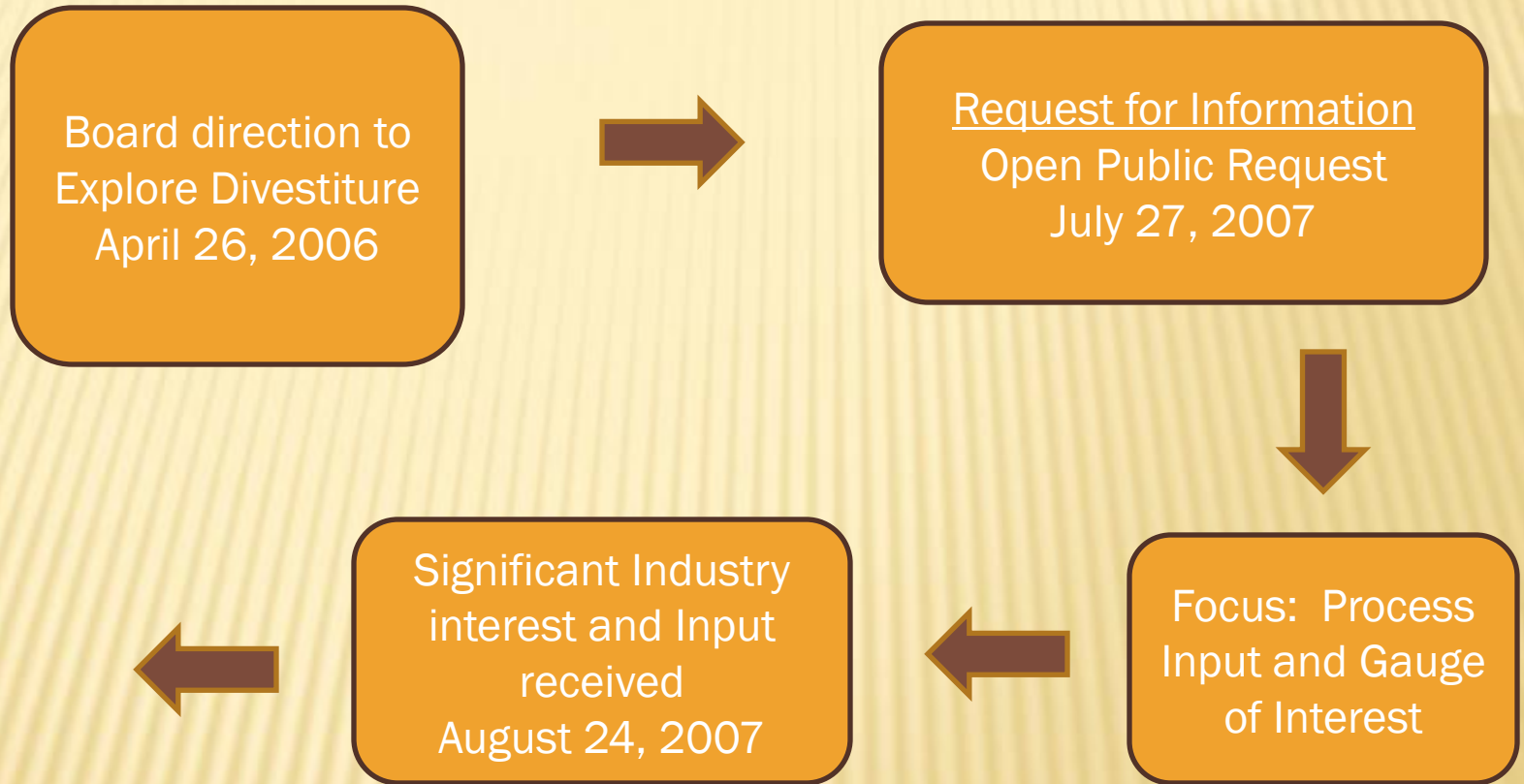
Phase 3
• Industry Review with Shortlisted Proposers
• Stakeholder Outreach
• Development of RFP
Feb. 2008-Spring 2008

No Satisfactory Proposals Received
Process Concluded

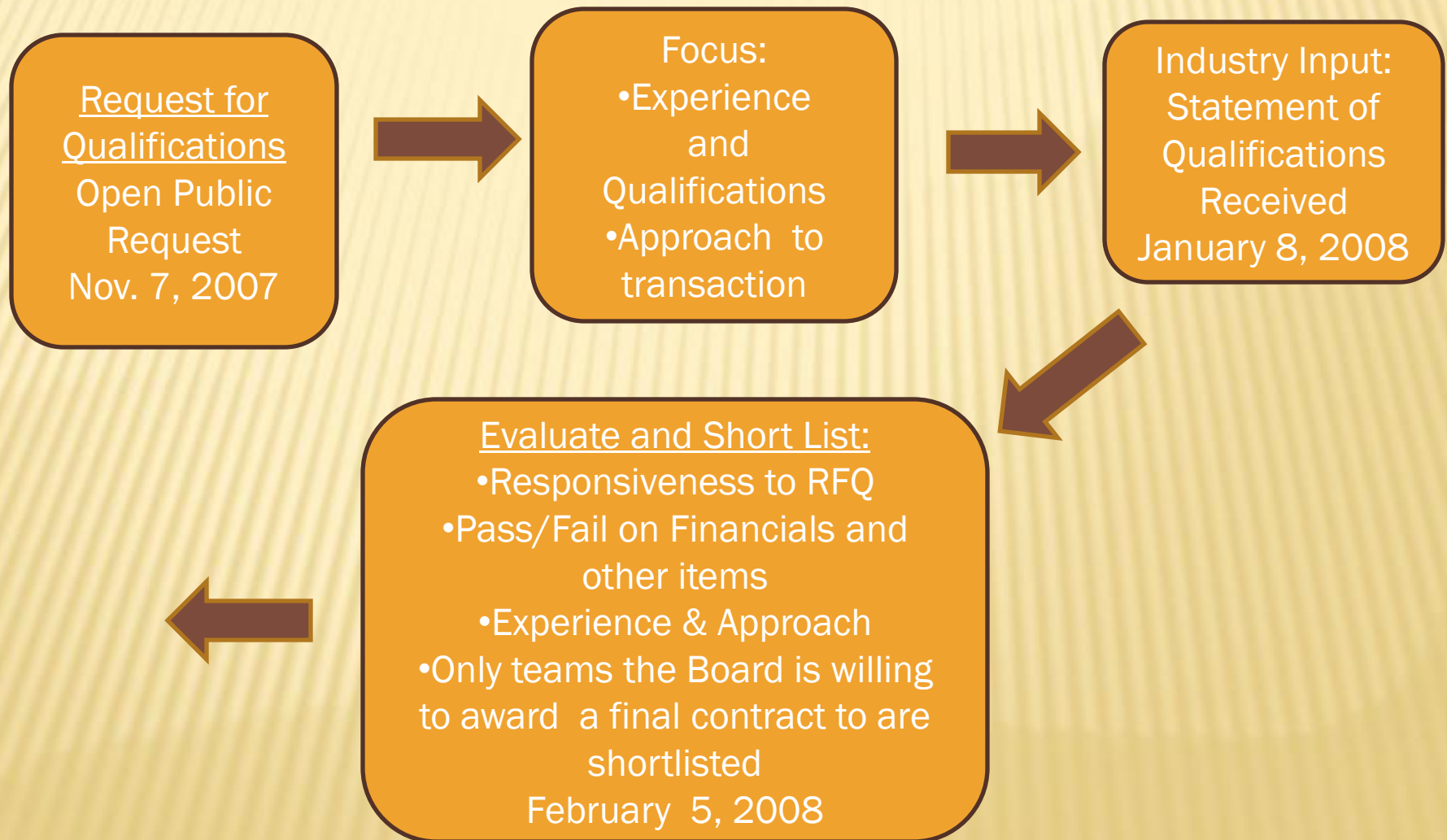
Award
Fall 2008

An RFP cannot be developed which meets critical goals -
Process Concludes

PHASE 1



PHASE 2



PHASE 3

Public/
Stakeholder Outreach –
for development of RFP
and Purchase and Sale
Agreement
Feb.-Spring 2008



Industry Review:
•Receive input from
Proposers
•Due diligence by Proposers
Feb-Spring 2008



Request for Proposals:
Public Document
•Issue to shortlisted parties only
• Goal:Develop one form of contract to bid on
•“Apples” to “Apples”
•Maximum Value wins
Issued Spring 2008

PHASE 4

Industry Prepares
Proposals;
Finish due diligence
Spring-Summer
2008



County receives
proposals;
Chooses
apparent high
proposer
Summer 2008



AWARD
Public Hearing
of Board
Fall 2008

PRELIMINARY DIVESTITURE GOALS

- ✘ Goals are grouped into two categories either primary and secondary
- ✘ No priority assigned within each category
- ✘ **Primary Goals** – goals that address critical financial, environmental, health and safety needs of the County
- ✘ **Secondary Goals** – goals which may have a significant impact on the value of assets or ability to achieve primary goals

PRELIMINARY DIVESTITURE GOALS

× PRIMARY

- + Maximize monetary return on assets
- + Reduce or eliminate exposure for past, current, and future environmental, operational and closure/post-closure liabilities related to assets
- + Provide a location for solid waste disposal of the municipal waste stream
- + Transfer, through divestiture, all of the Facilities
- + Achieve predictable on-going disposal rates consistent with average rates in the Bay Area

PRELIMINARY DIVESTITURE GOALS

✘ PRIMARY cont'd.

- + Assure that the facilities are operated in the future in an environmentally safe manner
- + Assure that the facilities are operated in the future in a manner to reduce greenhouse gases and consistent with State and County climate protection initiatives, such as through rail or other appropriate means
- + Support diversion goals consistent with AB939 and Countywide Integrated Waste Management Plan

PRELIMINARY DIVESTITURE GOALS

× Secondary

- + Achieve an in-county landfill if divestiture terms can be achieved such that they alter the previous BVA Study findings, which led to the Board's decision to move towards permanent out-haul
- + Assist impacted employees to compete for and find employment with new operator
- + Control tip rate setting process
- + Preserve all capacity at the Central Landfill for Sonoma county generated waste stream

DIVESTITURE

✘ Questions and Comments