



GAIL FARBER, Director

**COUNTY OF LOS ANGELES
DEPARTMENT OF PUBLIC WORKS**

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331

<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

April 15, 2014

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

35 April 15, 2014

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

**AWARD OF CONTRACT FOR
BELVEDERE GARBAGE DISPOSAL DISTRICT
(SUPERVISORIAL DISTRICT 1)
(3 VOTES)**

SUBJECT

This action is to award a contract for automated collection, transportation, disposal, and management of refuse and separate automated collection and management of recyclable materials and green waste in the Belvedere Garbage Disposal District.

**IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE
BELVEDERE GARBAGE DISPOSAL DISTRICT:**

1. Award to Consolidated Disposal Services, LLC, the contract for Belvedere Garbage Disposal District consisting of two separate tasks: Task 1, for automated collection, transportation, disposal of refuse, and the separate automated collection and management of recyclable materials and green waste from all single-family and multifamily residences, businesses, commercial establishments, and industrial establishments; and Task 2, for cleanup, collection, transportation, disposal, and management of discards in unlimited quantities from all alleys and specified public curbside receptacles within the Belvedere Garbage Disposal District in an annual total amount of \$6,593,406. This contract will commence upon execution with a term of seven years from the service start date of July 1, 2014, with three 1-year renewal options, and a month-to-month extension up to six months for a maximum potential contract term of ten years and six months.

2. Authorize the Director of Public Works or her designee to annually increase the contract amount up to an additional 10 percent of the annual contract sum for unforeseen, additional work in accordance with the terms of the contract, if required; to adjust the maximum contract sum to provide

for any change in unit counts based on the County Assessor's tax roll, which determines contractor's annual compensation; and to adjust the maximum contract sum based on the adjustments of the unit rates up to a total maximum adjustment amount of 30 percent of the unit rates over the initial seven-year period or 32 percent, 34 percent, and 36 percent at the first, second, and third option years respectively, if applicable, to allow for cost-of-living adjustments, fuel cost adjustments, and solid waste facility fee adjustments.

3. Authorize the Director of Public Works or her designee to execute the contract; to renew the contract for each additional renewal option and extension period if, in the opinion of the Director of Public Works or her designee, Consolidated Disposal Services, LLC, has successfully performed during the previous contract period and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works or her designee, it is in the best interest of the Belvedere Garbage Disposal District or County of Los Angeles to do so.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to provide automated collection, transportation, disposal, and management of refuse and the separate automated collection and management of recyclable materials (e.g., newspapers, metal cans) and green waste (e.g., lawn clippings) generated by all single-family and multifamily residences, businesses, commercial establishments, and industrial establishments (Task 1); and the cleanup, collection, transportation, disposal, and management of discards in unlimited amounts from all alleys and specified public curbside receptacles (Task 2) within the Belvedere Garbage Disposal District. Collection and proper management of solid waste generated within the County's seven garbage disposal districts are provided by private sector haulers under contract with the Districts. The recommended contract is necessary to continue to meet the refuse, recyclable, and green waste collection needs for the District's residents and business establishments.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1), Fiscal Sustainability (Goal 2), and Integrated Services Delivery (Goal 3). The contractor who has the specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner will support the Department of Public Works in meeting these goals.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The contract is for an annual amount of \$6,593,406 plus 10 percent of the annual contract sum for any unforeseen, additional work within the scope of work of the contract, if required, plus changes to the annual amount based on the adjustments of the unit rates up to a total maximum adjustment amount of 30 percent of the unit rates over the initial seven-year period or 32 percent, 34 percent, and 36 percent at the first, second, and third option years respectively, if applicable, to allow for cost-of-living adjustments, fuel cost adjustments, and solid waste facility fee adjustments. The annual amount is based on: Task 1, consisting of automated collection, disposal, and management of 35,897 refuse units receiving refuse, recyclable, and green waste, multiplied by the unit rate of \$14.85, which equals an annual amount of \$6,396,845.40 (\$533,070.45 monthly) plus \$3,000 for special collection services; and Task 2, consisting of cleanup, collection, transportation, disposal,

and management of discards in unlimited quantities from all alleys and specified public curbside receptacles in the amount of \$193,560 annually. The contract amount can be adjusted if there is a change in refuse unit counts based on the County Assessor's tax roll and/or when the initial monthly unit rate of \$14.85 is adjusted due to annual cost-of-living adjustments, fuel cost adjustments, and solid waste facility fee adjustments in accordance with the terms of the contract.

Streets and Highways Code, Section 953, requires that the costs for cleanup, collection, transportation, disposal, and management of discards from alleys and public curbside receptacles be paid from the Road Fund Budget. Although the Road Fund must pay for these services, other funds available to pay for such services may be placed in the Road Fund. The District will deposit funds into the Road Fund to pay for those activities related to the cleanup, collection, transportation, disposal, and management of discards from the public road right of way in unlimited quantities from all alleys and specified public curbside receptacles within the District.

Awarding this contract will not necessitate an increase in the current annual service fee to continue to meet the District's operating costs. The District's reserves together with the estimated revenues at the current service fee rate are sufficient to fully finance this recommended contract through Fiscal Year 2014-15. The District will continue to submit the Annual Garbage Collection and Disposal Service Fee Report to the Board for approval to provide for the continued garbage collection and disposal service fees on the tax roll.

Funding for Task 1 and Task 2 is included in the recommended Fiscal Year 2014-15 Belvedere Garbage Disposal District Fund Budget and the Road Fund Budget. The District will also deposit the funds necessary for Task 2 into the Road Fund. Funds for the contract's optional years, 10 percent additional funding for contingencies, adjustments to the maximum contract sum to provide for any change in unit counts, adjustments to the maximum contract sum based on the adjustment of the initial monthly unit rate, cost-of-living adjustments, fuel cost adjustments, and solid waste facility fees will be requested through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended contractor is Consolidated Disposal Services, LLC, located in Santa Fe Springs, California. This contract will commence on July 1, 2014, for a period of seven years. With the Board's delegated authority, the Director of Public Works or her designee may renew the contract for three 1-year renewal options, and a month-to-month extension up to six months for a maximum potential total contract term of ten years and six months.

The contract will be substantially similar to the form previously reviewed and approved by County Counsel (Enclosure A). Prior to the Director or her designee executing this contract, the contractor will sign and County Counsel will review it as to form. The recommended contractor, Consolidated Disposal Services, LLC, was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the requirements of the Chief Executive Officer and the Board.

The award of the contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. The contract contains terms and conditions supporting the Board's ordinances, policies, and programs including, but not limited to: the County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered

Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board-directed clauses that provide for contract termination or renegotiation.

Data regarding the proposers' minority participation is on file with Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, gender, or color.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, evidence of Workers' Compensation insurance and a Performance Bond will be obtained from the contractor before any work is assigned.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to this recommended contract, which is not subject to Proposition A, as authority to contract for these services is expressly provided by the California Public Resources Code, Section 49019. County Counsel concurs with this determination.

The contract includes a provision for cost-of-living adjustments in accordance with the Board Policy, which was approved on January 29, 2002, fuel cost adjustments, and solid waste facility fee adjustments in accordance with the terms of the contract.

ENVIRONMENTAL DOCUMENTATION

On May 29, 2007, the Board adopted the Negative Declaration for the District Project, and approved the Project. The Negative Declaration found that the Project will not have a significant effect on the environment in accordance with the provisions of the California Environmental Quality Act (CEQA). The Project, which includes the provision of automated collection, transportation, disposal, and management of refuse and separate automated collection and management of recyclable materials and green waste in the District, is within this previously approved environmental document.

CONTRACTING PROCESS

On January 23, 2014, Public Works solicited bids from 158 independent contractors and community business enterprises to accomplish this work. Also, a notice of the Invitation for Bids was placed on the County's "Doing Business With Us" website (Enclosure B), and an advertisement was placed in the Los Angeles Times for ten days in accordance with California Government Code, Section 6062.

On February 26, 2014, four bids were received, and the bids' cost to perform the services were then reviewed. It is recommended that this contract be awarded to the apparent responsive, responsible, and lowest-cost bidder Consolidated Disposal Services, LLC. The contractor has met all the minimum qualifications in accordance with the contract's specifications.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The award of this contract will not result in the displacement of any County employees as these services are presently contracted with the private sector.

CONCLUSION

Please return one adopted copy of this letter to the Department of Public Works, Administrative Services Division.

Respectfully submitted,

A handwritten signature in black ink that reads "Gail Farber". The signature is written in a cursive, flowing style.

GAIL FARBER
Director

GF:GZ:cg

Enclosures

c: Chief Executive Office (Rita Robinson)
County Counsel
Executive Office

SAMPLE AGREEMENT FOR

BELVEDERE GARBAGE DISPOSAL DISTRICT (2014-GDD011)

THIS AGREEMENT, made and entered into this ____ day of _____, 2014, by and between the County of Los Angeles Board of Supervisors, acting as the governing body of the BELVEDERE GARBAGE DISPOSAL DISTRICT (hereinafter referred to as DISTRICT) and CONSOLIDATED DISPOSAL SERVICES, LLC, a limited liability corporation, (hereinafter referred to as CONTRACTOR).

WITNESSETH

FIRST: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the DISTRICT of the CONTRACTOR'S bid filed with the DISTRICT on February 26, 2014, hereby agrees to provide services as described in the attached specifications for services of collecting/disposing of refuse and for collecting/managing recyclable material and green waste from all single-family and multifamily residences, businesses, commercial establishments, and industrial establishments within the DISTRICT as described herein, but not limited to, Exhibit A, Scope of Work.

SECOND: This AGREEMENT, together with Exhibit A.1, Scope of Work – Task 1; Exhibit A.2, Scope of Work – Task 2; Exhibit B, Service Contract General Requirements; Exhibit C, Internal Revenue Service Notice 1015; Exhibit D, Safely Surrendered Baby Law Posters; Exhibit E, Belvedere Garbage Disposal District Map; Exhibit F, Collection Route Maps for the Belvedere Garbage Disposal District; Exhibit G, Solid Waste Monitoring and Reporting Forms; Exhibit H, Customer Call Log; Exhibit I, Bond for Faithful Performance; Exhibit J, Los Angeles County Code, Title 20, Chapter 20.90, Part 3, Belvedere Garbage Disposal District; Exhibit K, Assessor Parcels and Refuse Units; Exhibit L, Disposal Diversion Quantities; Exhibit M, Public Curbside Receptacle Locations; Exhibit N, Map of Alleys; Exhibit O, Defaulted Property Tax Reduction Program; Exhibit P, Parent Guaranty; Exhibit Q, Performance Requirements Summary; the CONTRACTOR'S bid, all attached hereto; the Invitation for Bids; and Addenda to the Invitation for Bids, all of which are incorporated herein by reference, are agreed by the DISTRICT and the CONTRACTOR to constitute an integral part of the Contract Documents.

THIRD: The DISTRICT agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with this Contract's specifications to the satisfaction of the Director of Public Works (Director) to pay the CONTRACTOR pursuant to the Schedule of Prices set forth in the bid and attached hereto as Form PW-2, an amount of \$6,593,406 per year, or such greater amount as the Board may approve (Maximum Contract Sum).

FOURTH: This Contract's initial term shall be for a period of seven years commencing on July 1, 2014. The DISTRICT shall have the sole option to extend this Contract term for up to three additional one-year periods for a maximum total Contract term of ten years. Each such option and extension shall be exercised at the sole discretion of

the DISTRICT. The DISTRICT, acting through the Director, may give a written notice of intent to extend this Contract at least ten days prior to the end of each term. The DISTRICT, acting through the Director, may give a written notice of intent to extend this Contract at least ten days prior to the end of each term. At the sole discretion of the DISTRICT, in lieu of extending the Contract for the full one year, this Contract may be extended on a month-to-month basis, upon written notice to the CONTRACTOR at least ten days prior to the end of a term. The Director will provide a written notice of nonrenewal at least ten days before the last day of any term, in which case this Contract shall expire as of midnight on the last day of that term. Where all option years have been exercised, the Director will not provide a written notice of nonrenewal. In addition, upon notice of at least ten days, the Director may extend the final contract term on a month-to-month basis, not to exceed a total of six months, for the convenience of the COUNTY.

FIFTH: In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

SIXTH: The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager acting on behalf of the DISTRICT is authorized to request or order work under this Contract. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

SEVENTH: The CONTRACTOR shall not perform or accept work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. The CONTRACTOR shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this Contract is within six months from expiration of the term as provided for hereinabove.

EIGHTH: The CONTRACTOR shall have no claim against the DISTRICT for payment of any money or reimbursement of any kind whatsoever for any service provided by the CONTRACTOR after the expiration or other termination of this Contract. Should the CONTRACTOR receive any such payment, it shall immediately notify the DISTRICT and shall immediately repay all such funds to the DISTRICT. Payment by the DISTRICT for services rendered after expiration or other termination of this Contract shall not constitute a waiver of the DISTRICT'S right to recover such payment from the CONTRACTOR. This provision shall survive the expiration or other termination of this Contract.

NINTH: The DISTRICT may adjust the number of refuse units subject to Exhibit A.1, Section 2.A.2, Unit Counts and Payment Rates. The DISTRICT may adjust the initial monthly unit rate of compensation set forth in Form PW-2 (Schedule of Prices) subject to Exhibit A.1, Section 2.B, Petition to Adjust Monthly Unit Rate.

TENTH: In the event that terms and conditions, which may be listed in the CONTRACTOR'S bid, conflict with the DISTRICT'S specifications, requirements, and terms and conditions as reflected in this AGREEMENT including, but not limited to, Exhibits A through Q, inclusive, the DISTRICT'S provisions shall control and be binding.

ELEVENTH: The CONTRACTOR agrees in strict accordance with this Contract's specifications and conditions to meet the DISTRICT'S requirements.

TWELFTH: A faithful performance bond, in substantially the form attached as Exhibit I, is required in a sum not less than 50 percent of the total annual Contract amount, payable to the DISTRICT, executed by a corporate surety admitted to transact business as a surety insurer in the State of California (or by the surety's agent with a notarized copy of power of attorney). The admitted surety and its agent shall have sufficient bonding limitations to provide bonds in the amount required by this Contract. The bond shall be conditioned upon faithful performance of the terms and conditions of this Contract by the CONTRACTOR in a manner that is satisfactory and acceptable to the DISTRICT. If necessary, the bond shall be renewed in a timely manner to provide for continuing liability in the above amount notwithstanding any payment or recovery thereon. Subject to DISTRICT conditions and approval, a Certificate of Deposit or an irrevocable Letter of Credit payable to the DISTRICT upon demand and in a sum not less than 50 percent of the annual Contract price may be acceptable. Failure to Maintain Coverage - Failure by the CONTRACTOR to maintain the required security shall constitute a material breach of contract upon which the DISTRICT may immediately terminate or suspend this Contract. The CONTRACTOR shall pay all security premiums, costs, and incidentals.

THIRTEENTH: This Contract constitutes the entire agreement between the DISTRICT and the CONTRACTOR with respect to the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings.

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IN WITNESS WHEREOF, the DISTRICT has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of Public Works, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

Los Angeles County Board of Supervisors, the governing body of the BELVEDERE GARBAGE DISPOSAL DISTRICT

By _____
Director of Public Works

APPROVED AS TO FORM:

JOHN F. KRATTLI
County Counsel

By _____
Deputy

CONSOLIDATED
DISPOSAL SERVICES, LLC

By _____
Its President

Type or Print Name

By _____
Its Secretary

Type or Print Name

Date

Bid Detail Information

Bid Number : PW-ASD908
Bid Title : NOTICE OF INVITATION FOR BIDS FOR BELVEDERE GARBAGE DISPOSAL DISTRICT (2014-GDD011)
Bid Type : Service
Department : Public Works
Commodity : GARBAGE/TRASH REMOVAL AND DISPOSAL SERVICE
Open Date : 1/23/2014
Closing Date : 2/20/2014 5:30 PM
Bid Amount : \$ 10,000,000
Bid Download : Not Available
Bid Description : PLEASE TAKE NOTICE that Public Works invites bids for a contract for Belvedere Garbage Disposal District (2014-GDD011). The total annual contract amount of this service is estimated to be \$10 million. The contract will be for a term of seven years with three 1-year renewal options. If not enclosed with this letter, the Invitation for Bids (IFB) with contract specifications, forms, and instructions for preparing and submitting bids may be accessed at <http://dpw.lacounty.gov/asd/contracts> or may be requested from Mr. Andres Campaz at (626) 458-4072, acampaz@dpw.lacounty.gov, Monday through Thursday, 7 a.m. to 5 p.m.

Minimum Requirements: Bidders must meet all minimum requirements set forth in the IFB document at the time of bid submission including, but not limited to, the following:

1. The Bidder and any subcontractor performing Task 1 must have a minimum of three years of experience in the automated collection and management of refuse and recyclable materials and green waste from residences (single-family homes and duplexes), multifamily residences, businesses, commercial establishments, and industrial establishments.
2. The Bidder and any subcontractor performing Task 2 must have a minimum of three years of experience in the removal of discarded materials from alleys and public curbside receptacles collection.
3. The Bidder and any subcontractor must possess a valid Waste Collector's Permit naming the Bidder and any subcontractor as the permittee or a copy of the application for a Waste Collector Permit naming the Bidder and any subcontractor as the permittee issued by the County of Los Angeles Department of Public Health.
4. The Bidder must also submit a Bid Guaranty as outlined in Part I, Section 2.A.13, Bid Guaranty.
5. If awarded this contract, the Bidder must have the ability to provide a faithful performance security in the sum of not less than 50 percent of the annual contract price as specified in Part II, Sample Agreement.
6. The Bidder must be able to demonstrate its financial and physical capabilities to provide all of the services contemplated in the specifications outlined in Exhibit A.1 and Exhibit A.2, Scope of Work, as well as equipment required in the performance of the work, through either one of the two options:

„X When audited financial statements are submitted, the Bidder's annual average gross business income for the most current three full fiscal years shall be no less than one times the Total Proposed Annual Amount for Tasks 1 and 2 from Form PW-2, Schedule of Prices, and must be prepared and certified by an independent Certified Public Accountant or an accounting firm.

„X When reviewed financial statements are submitted, the Bidder's annual average gross business income for the most current three full fiscal years shall be no less than three times the Total Proposed Annual Amount for Tasks 1 and 2 from Form PW-2, Schedule of Prices, and must be prepared and certified by an independent Certified Public Accountant or an accounting firm.

A Bidders' Conference will be held on Thursday, February 6, 2014, at 2 p.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in Conference Room A. ATTENDANCE BY THE BIDDER OR AN AUTHORIZED REPRESENTATIVE IS MANDATORY. Public Works will reject bids from those whose attendance at the conference cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, bid requirements, and contract terms. After the conference, Bidders must submit questions in writing and request information for this solicitation within three business days from the date of the conference.

The deadline to submit bids is Thursday, February 20, 2014, at 5:30 p.m. Sealed bids must be submitted to the Public Works Cashier located on the Mezzanine Floor at the address above.

Please direct your questions to Mr. Campaz at (626) 458-4072. Bidders are instructed not to contact any

ENCLOSURE B

County personnel other than the Contract Analyst listed above regarding this solicitation.

Contact Name : Andres Campaz

Contact Phone# : (626) 458-4072

Contact Email : acampaz@dpw.lacounty.gov

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