

TO: JAMES L. APP, CITY MANAGER
FROM: JOHN R. McCARTHY, DIRECTOR OF PUBLIC WORKS
SUBJECT: REQUEST FOR PROPOSAL FOR LANDFILL OPERATIONS
DATE: AUGUST 3, 1999

Needs: For the City Council to approve the draft Request for Proposal for the landfill operations; authorize the City Manager to enter into a short term operations agreement with Pacific Waste Services; and notify Waste Management with a notice of cessation of services.

- Facts:**
1. In 1998/99, the City Council agreed on major deal points regarding a contract with USA Waste for operating the landfill.
 2. The City was not able to agree to terms for a long-term contract with USA Waste, and negotiations were terminated.
 3. The City has developed a Request for Proposals (RFP) (attached) that spells out the goals of the City and solicits proposals from interested parties regarding a contract to operate the city's landfill.
 4. Since the process of soliciting proposals; analyzing the results and drafting an agreement will take substantial time and effort, it is proposed that Pacific Waste Services be given a short term contract to operate the landfill during the interim period.
 5. The inability of USA Waste to reach an agreement with the City suggests that another operator should be brought in during the interim period.
 6. The Council's landfill committee has reviewed the RFP, and concurs with the recommended actions.

Analysis and

Conclusion: The city needs to move forward towards the goal of having a long term operator at the landfill that can work in cooperation with the city and help the City meet its long term goals. Negotiations with USA Waste for a long-term contract to operate the Paso Robles Landfill have not proven successful. Additionally, they did not fulfill their short-term contract obligation to install a liner system for Module 2b. This put the City in a precarious position due to dwindling capacity in the existing lined area. It was only through the ability of Pacific Waste Services that the cell was constructed in time to avoid a problem.

A Request for Proposals has been developed to solicit proposal from interested parties. The goals and objectives of the City have been delineated, and the RFP is ready to send out pending any modifications by the council.

In the interim period, for 12-24 months, retention of Pacific Waste Services as the city's contract operator should be strongly considered. USA Waste has not exhibited the type of service that would be advantageous to a continuing relationship regarding landfill operations. Failure to complete projects and late payments to the city, suggests a different operator should considered.

Pacific Waste Services has been associated with the Paso Robles landfill for a number of years and greatly assisted the city with the State permit hearings in Sacramento, completion of various engineering and technical reports, preparation of lined cell construction drawings and the landfill gas installations and monitoring. In other words, they are very familiar with the landfill site and its operation. They have submitted a proposal for a short-term contract that is similar to the existing arrangement with USA Waste. Upon council authorization, a final contract can be brought forward for approval.

Policy

Reference: None.

Fiscal

Impact: Request for Proposal has the potential to increase revenues to the city. A contract with Pacific Waste Services will be essentially the same and within 10 percent of the cost that USA Waste charged for similar services.

Options:

- A. For the City Council to approve the draft Request for Proposal for the landfill operations; authorize the City Manager to enter into a short term operations agreement with Pacific Waste Services; and notify Waste Management with a notice of cessation of services in a form to be approved by the City attorney.
- B. Amend, modify, or reject the above options.



WASTE MANAGEMENT

Western Area
155 North Redwood Drive
Suite 250
San Rafael, CA 94903
(415) 479-3700
(415) 479-3737 Fax

April 1, 1999

Mr. John McCarthy
Director of Public Works
City of El Paso de Robles
1000 Spring Street
Paso Robles, CA 93446

Dear Mr. McCarthy:

Thank you for your letter of March 17, 1999. After careful consideration of your request to revisit the language you submitted on February 26, we are unable to accept such language for the contract. Our reasons for such were stated in my February 22 letter to you. As we discussed, a change in the contract language is needed to cover capital improvements. These changes will reflect the need on the part of Waste Management to cover development capital costs for future construction as currently projected throughout the duration of the agreement. The need for this additional capital investment is not accounted for in the current fee structure that Waste Management has agreed to keep in place for the first 3 years of the contract term. To cover these anticipated future costs, we agreed that the City and WMI would meet annually to determine the development capital needs of the following year and compare it with the revenues collected for the previous year to determine if an adjustment in payment methodology was needed.

It has come to my attention that the City decided to defer certain tasks that were to be done during the construction of Module 2A and that the construction and relevant costs for these tasks are the City's responsibility. These tasks will need to be completed prior to the new cell being developed (Module 2B). As such, additional costs are now projected that were not previously accounted for in our original estimate. This is an excellent example of the reason for the need of contract language to reflect our ability to come before the City to work in partnership to cover additional and future costs at a reasonable rate of return.

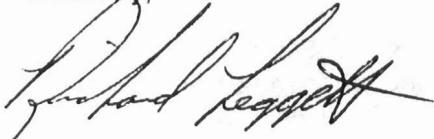
We agree that both parties in working to negotiate a new contract have spent a great deal of time and it is unfortunate that we cannot come to agreement. At this point in time, we do not believe we can achieve an agreement on this issue. Therefore, in keeping with our aim to work in partnership with the City, we will work with you to provide the service needed to transition the operation and construction of the landfill to the contractor of your choice. This transition period would allow the City the opportunity to issue a request for proposals if it so desires or to contract with a contractor of its choice. We are prepared to discuss a transition period and the subsequent tasks needed to provide the City with approximately 2.4 acres of lined disposal area. The period of time for construction of the cell and transition to another contractor would be mutually agreed upon between both parties and documented in the form of an interim operating agreement. Compensation, duration, operating and construction elements will also be delineated within this interim agreement.

Mr. John McCarthy
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Should the City choose not to work with Waste Management on an interim agreement, we are also prepared to exit the facility within 30 days written notice from the City.

We look forward to discussing an interim agreement as soon as possible.

Sincerely,



Richard Leggett
District Manager

RLALS/



Andrea L. Stephenson
Director, Municipal Development

**CITY OF PASO ROBLES
REQUEST FOR PROPOSALS
MUNICIPAL LANDFILL OPERATIONS**

Notice is hereby given that the City of Paso Robles, California, a municipal corporation, located at 1000 Spring Street, Paso Robles, California (City), will receive sealed responses to this Request for Proposals (RFP) from interested, qualified persons and entities (respondents) to provide municipal solid waste management services at the Paso Robles Landfill for the City. The responses must be received and time-stamped no later than 5:00 P.M. Pacific Standard Time (PST), _____.

All responses must be submitted in substantial accordance with the conditions provided herein to the following address: City of Paso Robles, City Manager, 1000 Spring Street, Paso Robles, California 93446. The outside of the envelope must be clearly labeled with the Title "Response to RFP for Landfill Operations", and to same address if hand delivered.

The contents of all submissions and proposals will not be made public until a final recommendation of award is made to the City Council. The information and proposal submitted in response to this RFP is only to provide information and knowledge to the City and will not be considered as a bid or an offer for a contract. However, throughout this Request, the term "respondent" is used to identify the person or entity responding to this Request, as well as the contractor which may ultimately be selected to perform the work contemplated by this Request.

CITY'S GOALS AND OBJECTIVES

It is the intent of the City to maintain a high quality "state of the art" landfill for the citizens of Paso Robles. The City seeks to stabilize landfill charges and control curbside collection rates over a long term. In addition, the City's operational and other costs associated with landfill operations are to be covered by franchise fees paid by the operator of the landfill. Further, the City seeks to significantly increase City revenue generated from the landfill.

SECTION 1 - REQUEST FOR PROPOSALS

1.1 - Intent of the RFP. The proposed work and ultimate contract to be awarded is to provide management of the City's landfill. The respondents may submit proposals for operation of the existing landfill, and, upon reaching capacity, the closure and monitoring thereof, or, in the alternative, at its capacity, a lateral expansion so as to permit its continued operation.

It is required that the municipal waste must be delivered to a federally licensed Subtitle D landfill. The successful respondent must therefore obtain all applicable federal, state, county and municipal permits and licenses and plan approval from the City.

1.2 - Program Indoctrination. The ultimate, successful respondent will be an integral part of a continuing City service and in compliance with the highest industry standards. Therefore, the respondent will be expected to cooperate and coordinate its efforts and activities with the desires and wishes of the City and its residents.

1.3 - Preparation, Submission, and Consideration of Proposals. The proposals are to be submitted at the sole cost and expense of the respondents. Ten (10) copies are required at the time of submittal.

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Responding to this RFP creates no contractual or other rights to a respondent, nor is any obligation incurred on the part of the City by receipt of the proposal. Failure by the City to select any respondent for negotiations shall create no claim, or cause of action, legal or equitable, including but not limited to, damages for respondent's cost of preparation.

The paramount if not the sole objective of the City in issuing this RFP is to obtain information and knowledge about landfill management. The information submitted by respondents and received by the City shall become the property of the City and, in particular, the City has the unqualified right to utilize the information received from any respondent in negotiations or contracting with any other respondent. Proposals submitted to the City will become the sole property of the City and, concomitantly, respondent does waive and forfeit any and all proprietary rights in and to the information or contents of its submission or proposal. Respondent understands that any proposed contract that is negotiated between the City/staff and respondent is subject to final approval by the City Council.

The City reserves the following rights and options with respect to each and every proposal and submission in response to the RFP in addition to the reservations in Section 1.6 hereof:

- 1.3.1** To select and subsequently enter into a contract with any respondent whose proposal best satisfies the work requirements and interests of the City;
- 1.3.2** To supplement, amend, modify or cancel this RFP;
- 1.3.3** To extend the times and dates set forth in the RFP;
- 1.3.4** To issue additional and subsequent RFP's and to conduct further investigations with respect to the qualifications of a respondent;
- 1.3.5** To amend, alter or modify the proposed contract as ultimately contemplated by this RFP;
- 1.3.6** To negotiate with each respondent for amendments or other modifications to a submitted proposal, regardless of the differences created by such amendments or modifications from the proposal submitted; and
- 1.3.7** To award the ultimate contract to the respondent submitting the most responsive proposal which, in the discretion of the City, serves the best interest of the City and the citizens of the City even if such proposal results in a higher cost to the City.

1.4 - Content of Proposals. All proposals must include information concerning and describing the respondent, an executive summary, a technical element, a business element and a qualification element, all bound together in a loose-leaf format with a table of contents. A more detailed description and requirements of each of these elements are outlined below.

- 1.4.1** Information describing respondent: (a) Name, address and telephone number of respondent and contact person; (b) Description of its organization, e.g., corporation, limited liability company, sole proprietor, partnership, etc.; (c) Respondent's officers, directors and owners or shareholders having ten percent (10%) or more interest or ownership of respondent; (d) If a partnership or joint

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venture between two or more parties or entities is contemplated, a description of past and current relationship of the parties, including a description of their past and current waste management or landfill projects.

1.4.2 Executive Summary shall consist in general of a highlighted and listing of the essential technical and business elements of the proposal being submitted.

1.4.3 Technical Element shall consist of a detailed description of the proposed services, plan, scheme, design and/or operation of proposed facilities, including plans for landfill management and operation, along with detailed recommendation and problem solution for the effective management and operation of the landfill site, prospects for bringing additional waste to the landfill, and landfill expansion potential.

1.4.4 Business Element shall consist of: (a) Proposed payments to City and assistance to be provided to the City; (b) Detailed elements of financing and accounting proposed for the management of solid waste at the landfill; (c) detailed plan for increasing tonnage to the landfill; (d) The length of the contract to be ultimately sought and entered into between the City and respondent; (e) Detailed franchise fee payment proposal to the City; and (f) Detailed description of record keeping procedures for monthly receipts/total revenues, tonnage delivery breakdown, annual statements and auditing features

1.4.5 Qualification element shall consist of: (a) The technical experience of respondent as it relates to solid waste receiving and handling; (b) Key in-house management and technical personnel that would be assigned to this project and their expertise; (c) Identification of all legal proceedings, administrative proceedings (including bankruptcies) and judgments during the prior ten (10) year period to which respondent, respondent's subsidiaries or affiliates have been a party; (d) Technical experience of each of respondent's key personnel as it relates to waste management and the operation of landfills and the design, construction and operation of transfer facilities; (e) A description of those transfer facility projects for which respondent's key personnel are now under contract or obligation to construct or design; (f) Financial information, including income statements and balance sheets for each of respondent's past three fiscal years and for each subsequent fiscal quarter of each fiscal year; (g) Two financial and two business references; (h) Historical and proposed community involvement; and (i) Particular prior experience in waste management and landfill operations of municipalities approximating the population of the City.

1.4.6 Additional Information consisting of any other information respondent may deem to be appropriate concerning the operation, experience, qualifications and organization of respondent's organization or personnel that may be helpful to the City in evaluating its proposal.

1.5 - Withdrawal of Proposal. A respondent may withdraw any proposal submitted upon written request received by the City prior to the deadline set forth in the RFP.

1.6 - Reservation of Certain Rights by the City. The City reserves the right to: (a) reject any or all proposals of respondents to this RFP; (b) waive any informalities or irregularities in submitted proposals; (c) accept that proposal which in its discretion will best serve its purpose or intentions; and (d) Reject a proposal which contains omissions, discrepancies or inconsistencies in language employed, numbers or figures, unless waived by the City for discrepancies between words and numbers in which event the words will be considered

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correct and the numbers incorrect, but if the words are ambiguous, the numbers will be considered correct.

1.7 - Contract Award Procedure, Submission of Bonds and Execution of the Contract. The City will: (a) give written notice of an intent to award a contract to a respondent, its final terms and conditions to be negotiated thereafter; or (b) Reject all proposals submitted.

1.8 - Notice to Proceed. The City shall furnish the designated or selected respondent written notice to proceed with the work or performance required by its proposal after execution of the related contract as the City shall determine. The City may, in the notice to proceed, at its sole discretion, specify a date certain for commencement of the work by respondent, provided that such date certain is at least ten (10) calendar days after the receipt of the notice to proceed. The respondent shall have no claim against the City for the City's failure, for whatever reason, to issue a notice to proceed. Any expense incurred by respondent prior to receipt of the notice to proceed shall, unless specifically authorized by the City in writing, be at the cost and expense of respondent.

1.9 - Inability of the City to Proceed.

1.9.1 The City may at any time cancel or terminate any award or contract made pursuant to or as a result of this RFP with any respondent, without liability or further obligation to respondent:

A. At any time before the respondent has been directed to begin work under the applicable contract documents; or

B. If any court, commission or governmental agency of competent jurisdiction shall enjoin or otherwise prohibit the City from proceeding with the project under consideration for whatever reason.

1.9.2 The respondent shall also have the right to cancel or terminate the award or contract entered into with the City, without further obligations to the City, if respondent has not received a notice to proceed within sixty (60) days following tender of the executed contract in satisfactory form, but only upon respondent furnishing thirty (30) days prior notice to the City, by registered mail, of respondent's intention to exercise such right if notice to proceed is not given by the expiration of such sixty (60) day period.

SECTION 2 - BACKGROUND INFORMATION TO RESPONDENT.

2.1 - The City's Landfill. The Paso Robles Landfill is a Class II solid waste landfill, permitted by the State of California to receive a maximum of 250 tons per day, and 69,000 tons annually. The City's Solid Waste Disposal Policy as stated in the General Plan is to "Ensure that the City's landfill maintains sufficient capacity to serve the needs of the City's expected population and business needs through 2010." Based on its estimate of total and remaining site capacity, the City has determined that the landfill will remain in service until approximately 2039.

The site is operated from 7:00 a.m. to 6:00 p.m. daily, with waste received from 8:00 a.m. to 3:00 p.m. daily. The City of Paso Robles and other North San Luis Obispo County communities presently using the landfill have an approximate combined population of 43,434 which is forecast to grow 55% over a twenty year period, to achieve a total population of approximately 67,342 by 2015. The rate of waste generated by these communities is estimated to grow proportionately over the same period.

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Waste is delivered to the Paso Robles Landfill at the present time by commercial haulers using packer trucks that collect and compact waste according to a regular schedule and a more limited number of drop boxes that generally are filled with uncompacted waste to meet periodic needs. Waste is also received directly from members of the public.

2.2 - Residential Customers of the Landfill. Residential customers are served by Paso Robles Waste Disposal, Inc. ("PRWD"). The City currently has a franchise agreement with PRWD to serve its residential customers. Residential waste is during weekdays between the hours of 7:00 a.m. and 3:00 p.m. Residential recycling is collected once per week.

2.3 - Commercial Customers. Commercial customers also are served by PRWD. The City currently has a franchise agreement with PRWD to serve its commercial customers. Commercial waste is collected during weekdays between the hours of 6:00 a.m. and 3:00 p.m.

Table 1
1998 TOTALS

Month	Days Open	TONNAGE			Total (less diversion)	VEHICLES		
		Compacted	Uncompacted			Company	Public	Total
			Company	Public				
Jan	30	1857	281	254	2392	268	841	1109
Feb	28	1733	305	244	2282	225	647	872
Mar	31	1928	330	335	2593	273	1054	1327
Apr	30	1936	314	354	2604	283	1126	1409
May	31	1924	433	286	2643	271	1175	1446
Jun	30	1975	359	650	2984	288	1205	1493
Jul	31	2069	411	539	3019	316	1409	1725
Aug	31	1989	457	475	2921	292	1386	1678
Sep	30	1964	390	290	2644	291	1265	1556
Oct	21	1879	458	398	2735	285	1396	1681
Nov	30	1820	335	295	2450	279	1145	1424
Dec	30	1935	303	416	2654	279	1031	1310
TOTAL	363	23009	4376	4536	31921	3350	13680	17057
AVG.	30	1917	365	378	2660	279	1140	1421

2.4 - Tipping Fees. Schedule of Tipping Fees is below.

Table 2
SCHEDULE OF FEES

PASO ROBLES LANDFILL SCHEDULE OF TIPPING FEES	
Effective July 1, 1996	
<u>TYPE OF SERVICE</u>	<u>RATE</u>
Residential/Household Refuse:	
All Cars and Trucks (pickups ½ ton or less)	\$ 15.00
Trailers (5' X 8' or less)	\$ 15.00
All Other Trucks and Trailers	\$ 15.00 + 35.85 per ton
Miscellaneous:	
Auto/Pickup Tires	\$ 2.25 Each
Commercial Truck Tires	\$ 5.00 Each
Appliance Units With Freon	\$ 20.00 Each
Other Appliances	\$ 12.00 Each

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Mattresses and Sofas	\$ 10.00 Each
** No Tires on Rims, Tractor Tires, or Bulk Commercial Tire Deliveries Accepted **	
Oversize Items:	
3' X 3'	\$ 25.00 + tonnage
5' X 5'	\$ 50.00 + tonnage
Over 5' X 5'	\$ 75.00 + tonnage
Tree Stumps	\$ 75.00 + tonnage
Commercial/Demolition/Construction:	
General Refuse - Compacted	\$ 35.85 per ton
Drop Box	\$ 43.85 per ton
Other Commercial Deliveries	\$ 43.85 per ton
Demolition/Construction	\$ 43.85 per ton
Hard to Handle	\$ 43.85 per ton
NO DIRT, ASBESTOS OR HAZARDOUS WASTE MATERIALS ACCEPTED.	
Management reserves the right to quote specific prices for any item not listed, or reject any item whether listed or not.	

The City would like to see a proposal that includes a provision for tipping fees to remain unchanged for a period of at least three (3) years from the commencement date of any contract for landfill operations. City retains control to set/approve landfill rates.

2.5 - Municipal Tonnage. The City of Paso Robles shall deposit municipal waste in the landfill free of payment. Currently, municipal tonnage deposited at the landfill is approximately 2,500 tons per year.

2.6 - Recycling. The landfill currently receives and recycles approximately two thousand, five hundred twenty-nine (2,529) tons of material annually. These materials consist of tires, white goods, concrete, and biosolids from the City's wastewater treatment plant. The City's curbside recycling program is handled by the franchise hauler, PRWD and these materials are not hauled to or handled by the landfill. The City runs its own Household Hazardous Waste Program.

2.7 - Composting. The landfill operator currently does not perform composting activities.

2.8 - Compliance With Current Operating Plan. The City expects that the respondent will operate the landfill generally equivalent to or exceeding the operations and requirements of the current operator of the landfill in providing services to the public or in accordance with a comparable mode of operation approved by the City.

SECTION 3 - OPERATION OF EXISTING LANDFILL

3.1 - Landfill Organization. The City's landfill is a Class II Municipal Landfill, permitted on a parcel of eighty (80) acres designated for solid waste disposal. The City also owns the adjacent ninety (90) acres to the south of the landfill. This property is reserved for future landfill expansion. The successful respondent will have the responsibility to excavate and haul required cover material within the landfill site, making excavations for the next lined cell. In addition, biosolids (sludge) from the City's wastewater treatment plant will not be allowed to be placed in the landfill, but shall be mixed with on-site solids and used for vegetation cover.

3.2 - Operations and Permits. Solid waste must be disposed of in accordance with the all Federal State and local agency regulations, including, but not limited to, hazardous waste exclusion, air criteria, surface water controls and litter prevention. The respondent will be responsible for obtaining all necessary permits to operate the landfill. The respondent will

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be responsible for obtaining and/or maintaining the proper air permits from the Air Pollution Control District to operate the landfill. The respondent will be responsible for obtaining and/or maintaining all the proper groundwater monitoring permits from the California Regional Water Quality Control Board.

3.3 - Closure of Landfill. The City will be responsible for closure and post closure of the landfill in accordance with State, Federal, and local regulations. Closure and post closure costs will be funded from franchise payments made by respondent.

3.4 - Operational Costs and Associated Services. The respondent will be responsible for paying all operational and capital costs and provide associated services for the duration of the contract. These costs and services include, but are not limited to: a) permitting; b) ground water monitoring; c) landfill gas monitoring and control system(s); d) daily operational costs including daily cover; e) intermediate cover; f) engineering and design costs; g) landfill planning, including winterization and development; and h) design and installation of landfill liner cells, and required testing and reporting. Respondent will be responsible for preparing and submitting all reports as required by Federal, State and local agencies. All necessary operations and services provided must be in accordance with all State and Federal regulations.

3.5 - Franchise Payments to City. The City is looking for the respondent to make franchise payments to the City in each contract year. The proposal should include a minimum, guaranteed monthly payment to the City, plus a percentage split of revenues based on overall tonnage. Other creative concepts for revenue sharing will be considered. The successful fee proposal must, at a minimum, cover City costs.

3.6 - Equipment and Labor. All equipment and labor necessary to fulfill the contract will be the sole responsibility of respondent. All equipment and labor costs shall be borne by the respondent. Respondent shall supply and operate, at its sole cost and expense, a compactor for the site during the term of the contract in addition to all other necessary equipment.

3.7 - Control of City. The City will retain reasonable control over the design and planning of the landfill.

SECTION 4 - INNOVATIVE CONCEPTS AND IDEAS

Respondents are encouraged to present in its proposal respondent's innovative ideas, recommendations, and solutions regarding the operating and/or expansion of the landfill and/or additional available waste streams, whether or not such are referred to or covered in the RFP. The City emphasizes that, by the RFP, the City is seeking proposals which best serve its residents. The City will consider any innovative concepts or ideas to accomplish that purpose.

SECTION 5 - INSURANCE, LIABILITY, FINANCIAL AND BOND REQUIREMENTS

5.1 - Insurance. Insurance requirements, which the respondent must maintain during the construction and operation of the project, are listed below.

5.1.1 - Construction Period. From the commencement date of construction until the acceptance date, the respondent shall maintain the following insurance which the City may increase or modify from time to time as required (a) Worker's compensation insurance by law covering all of respondent's employees and employees of its general contractor and all subcontractors, with respondent as

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named insured and with no deductible amount. (b) Employer's liability insurance with limits not less than \$100,000.00 per accident or employee disease, with the respondent as named insured and with no deductible amount. (c) Comprehensive general liability and property damage insurance, with contractual liability and products/completed operations coverage, with primary limits of liability of \$1,000,000.00 combined occurrence for bodily injury and property damage, and \$1,000,000.00 combined aggregate for bodily injury and property damage, with the respondent as named insured and with no deductible amount. (d) Comprehensive automobile liability insurance with a combined single limit for bodily injury and property damage, of at least \$1,000,000.00 with the respondent as named insured and no deductible amount. (e) Excess umbrella liability insurance in the amount of \$5,000,000.00 with the respondent named as insured and the City named as additional insured with no deductible amount. (f) Insurance for loss, damage or destruction to the facility caused by "all risk" peril in an amount equal to the full replacement value of the facility, to include vandalism, malicious mischief, explosion, and collapse endorsements, and a time element coverage endorsement with limits of at least \$5,000,000.00 with the respondent as a named insured and no deductible amount.

5.1.2 - Operating Period. After the commencement of commercial operations, the respondent shall maintain the following insurance: (a) Worker's compensation insurance required by law, with respondent as named insured and with no deductible amount. (b) Employer's liability insurance with limits not less than \$100,000.00 per accident or employee disease, with the respondent as named insured and with no deductible amount. (c) Comprehensive general liability and property damage insurance, with contractual liability and products/completed operations coverage, with primary limits of liability of \$1,000,000.00 combined occurrence for bodily injury and property damage, with the respondent as named insured and with no deductible. (d) Comprehensive automobile liability insurance with a combined single limit for bodily injury and property damage, of at least \$1,000,000.00 with the respondent as named insured and no deductible amount. (e) Excess umbrella liability insurance in the amount of \$5,000,000.00 with the respondent as named insured and the City named as additional insured with no deductible amount. (f) Insurance for loss, damages or destruction to the facility caused by "all risk" peril in an amount equal to the full replacement value of the facility, to include vandalism, malicious mischief, explosion, and collapse endorsements, and a time element coverage endorsement with limits of at least \$1,000,000.00.

5.2 - Proposal Costs and Liability. The cost of proposal preparation and submission shall be borne entirely by the respondent. The City assumes no liability whatsoever for costs incurred in the preparation, submission or reproduction of documents in response to this RFP. The respondent shall perform its own examination and research required by this RFP, the proper method of doing the work and all conditions affecting the work to be done, and the labor, equipment, and materials needed thereon, and the quantity of work to be performed. The respondent shall assume responsibility to become knowledgeable regarding all such conditions, and that respondent's conclusion to submit a proposal is based upon such investigations and research regarding all of such conditions, and that respondent shall have and make no claim against the City because of any estimates, statements or interpretations made of any officer or agent of the City which may prove to be in any respect in error or erroneous.

5.3 - Minimum Financial Requirements. Respondent must provide and meet the following minimum financial requirements:

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5.3.1 Possession of an "A" level credit rating or, in the opinion of the City or its advisors, be deemed sufficiently creditworthy;

5.3.2 Capability to assume and carry out the financial obligations of the project and all other projects to which the respondent is committed to other parties; and

5.3.3 A statement on corporate letterhead that the obligations of any subsidiary or joint venture will be guaranteed and supported by the parent company or constituent companies of respondent signed by their chief executive officer or chief operating officer, or in the alternative, respondent shall secure insurance coverage to provide for indemnification and make the City whole in the event of respondent's failure to meet its performance guarantees or otherwise to perform its obligations under the contract.

5.4 - Performance Bonds/Payment Bonds. The respondent shall, within ten (10) days from the date of the notice of intent by the City to award the contract to such respondent, furnish to the City an executed performance/payment bond, providing: (a) A corporate surety guaranteeing that the work will be done according to the contract documents; (b) For the prompt payment for all material furnished and labor supplied or performed in the prosecution of the work, whether or not the said material or labor entered into and became component parts of the work or improvement contemplated by the contract; (c) In the amount of \$500,000.00 payable to the City Finance Director; and (d) By a corporate surety or sureties satisfactory to the City to consist of an approved company or companies authorized to do business in the State of California and authorized by the courts of San Luis Obispo County to become surety in judicial proceedings therein.

SECTION 6 - PROPOSED SUBCONTRACTORS

Respondent shall include in its proposal a list with the names and addresses of all proposed subcontractors for the successful respondent, their proof of insurance and California business license.

SECTION 7 - NON-COLLUSION AFFIDAVIT

Respondent must declare that: (a) Its proposal is not made in the interest of or on behalf of any undisclosed person, partnership, company, association, organization, corporation or limited liability company; (b) Its proposal is genuine and not collusive or sham; (c) It has not directly or indirectly induced or solicited any other respondent to put in false or sham proposals and has not directly or indirectly colluded, conspired, connived or agreed with any other respondent or anyone else to put in a sham proposal or that anyone shall refrain from proposing; (d) Respondent has not in any manner directly or indirectly sought by agreement, communication, or conference with anyone to fix the proposed price of respondent or of any other respondent; (e) To fix any overhead, profit, or cost element of such proposed price, or that of any other respondent; (f) To secure any advantage against the public body awarding the contract or anyone interested in the proposed contract; (g) All statements contained in respondent's proposal are true; and (h) Respondent has not directly or indirectly submitted its proposal price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid and will not pay any fee in connection therewith, to any corporation, limited liability company, partnership, association, organization, proposal depository, or to any member or agent thereof, or to have a partnership or other financial interest with said respondents in this general business. This non-collusion affidavit shall be part of respondent's proposal and signing this RFP on the signature page hereof shall also constitute signature of this non-collusion affidavit.

SECTION 8 - CONFLICT OF INTEREST Respondent must declare that respondent presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this RFP. Respondent further covenants that in the performance of this Agreement, no person having any such interest shall be employed by respondent.

SECTION 9 - NON-DISCRIMINATION Respondent must declare that respondent shall not discriminate against any employee or any applicant for employment because of race, color, national origin, ancestry, religion, sex, sexual orientation or physical or mental handicap of such persons. Respondent shall take affirmative action to ensure that applicants are employed and that employees are treated during employment, without regard to race, color, national origin, ancestry, religion, sex, sexual orientation or physical or mental handicap of such persons.

SECTION 10 - SIGNATURE PAGE

A signature page must accompany respondent's proposal and submission to the RFP substantially to the following form.

Representation made here by respondent identified below is made under the penalty of perjury.

The names of all persons interested in the foregoing proposal as principals are:

(IMPORTANT NOTICE: If proposer is a corporation, give legal name of corporation, state where incorporated, and names of president and secretary; if a partnership, give name of firm and names of all individual co-partners composing the firm; if proposer is an individual, give first and last names in full.)

The aforementioned certify they are all properly licensed by the State of California to perform the described work; and licensed in accordance with the California Business and Professions Code Section 7028.15.

The representations made herein are made under penalty of perjury. Any bid not containing this information, or a bid containing information which is subsequently proven false, shall be considered non-responsive and shall be rejected by the City of Paso Robles.

SIGN HERE: _____
Name

Title

Signature of Bidder

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Draft #5

NOTE: If proposer is a corporation, set forth the legal name of the corporation together with the signature of the officer or officers authorized to sign contracts on behalf of the corporation, please provide corporate seal. If bidder is a partnership, set forth the name of the firm together with the signature of the partner or partners authorized to sign contracts on behalf of the partnership.

Business Address: _____

Telephone Number: _____

Facsimile Number: _____

Date of Proposal: _____

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