MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Sachi A. Hamai, Executive Officer-
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

At its meeting held December 2, 2008, the Board took the following action:

38

The following item was called up for consideration:

The Director of Public Works' recommendation to find that the public health, safety, and welfare require that the County award an exclusive franchise agreement for residential solid waste handling services, for the unincorporated area of Hacienda Heights (4); award and authorize the Director of Public Works to execute an exclusive franchise agreement with Athens Services at an initial monthly rate of $17.72 (which includes a 10% franchise fee) per customer for basic services to provide refuse, green waste, and recyclables collection services to residential properties in the unincorporated areas of Hacienda Heights, effective upon execution of agreement by both parties, with services to start on or after March 1, 2009, and terminate on February 28, 2016, with three one-year renewal options, not to exceed a total agreement period of ten years; also authorize the Director to take all necessary and appropriate steps to carry out the agreement; renew the agreement for each additional renewal option; approve and to execute amendments to incorporate necessary changes within the franchisee services and specifications.

William T Fujioka, Chief Executive Officer, responded to questions posed by the Board.

Suzanne Fratto, Colleen Hinman, Ronnie Jones, Jim Kleinpell, Max Leyva, Tanya Rosales, and Tom Weadon addressed the Board.

After discussion, Supervisor Knabe made the following statement:

"The Board of Supervisors has an adopted policy allowing proposers to seek review of an approved service contract. This policy is titled 'Services Contract Solicitation Protest' and can be found 5.055 of the Board of Supervisors Policy Manual. Instructions for implementing the policy were published on March 8, 2004 in a document titled 'Services Contract Solicitation Protest Policy Implementation Guidelines.' The purpose of this motion is to clarify and correct, if necessary, this policy and its implementation.

(Continued on Page 2)

"I believe this policy must apply to all services contract solicitation whether it is for services to be provided directly to the County or services provided to constituents in the unincorporated areas of the County. A solicitation for an exclusive franchise for trash services is such a constituent service.

"The policy also limits the grounds for a protest. The grounds are as follows:

- The Department materially failed to follow procedures specified in its solicitation document: or
- The Department made identifiable mathematical or other errors in evaluating proposals; or
- A member of the Evaluation Committee demonstrated bias in the conduct of the evaluation; or
- Another basis for review as provided by State or Federal law.

"I was concerned to learn that the other proposers for this franchise agreement were required to go forward in the protest process without first having access to all the proposals. It may be difficult for a proposer to determine whether or not the Department made errors in evaluating its proposal without having the opportunity to review all of the proposals."

Therefore, on motion of Supervisor Knabe, and seconded by Supervisor Yaroslavsky, the Board continued the Director of Public Works' aforementioned recommendation to January 6, 2009 and took the following actions:

1. Instructed the Chief Executive Officer to convene a panel and establish parameters to allow the proposers for this franchise agreement to seek review of the solicitation and evaluation process and report the results back to the Board in 30 days; and

(Continued on Page 3)

38 (Continued)

2. Instructed the Chief Executive Officer, in conjunction with the Director of Internal Services, County Counsel, and other affected Departments, to review the Services Solicitation Protest Policy and make recommendations for changes to the Policy, including consideration of applying the Policy to all service contract solicitations, including solicitations for franchise agreements, and consideration of allowing the public time to review all proposals and for filing of protests prior to the contract recommendation being presented to the Board of Supervisors.

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Each Supervisor
Chief Executive Officer
County Counsel
Director of Internal Services
Director of Public Works