

MINUTES

**SELECTION COMMITTEE MEETING
LAND ACQUISITION FOR FUTURE
SOLID WASTE AUTHORITY
SANITARY LANDFILL AND SUPPORT FACILITIES
RFP NO. 08-231/SLB**

SEPTEMBER 8, 2008

COMMITTEE MEMBERS: Commissioner Jeff Koons, SWA Board Chair
Dan Pellowitz, Assistant to Executive Director
Mark Eyeington, Chief Operating Officer
Marc Bruner, Chief Administrations Officer
Arnie Halperin, CAC Member
Rob Robbins, PBC Environmental Resource Management
Ken Todd, PBC Administration
John Koch, Sierra Club
Drew Martin, Sierra Club (alternate Committee Member)

STAFF: Maureen Cullen, General Counsel
Ray Schauer, Director of Engineering Services
Saundra Brady, Procurement Manager
Barbara Novello, Purchasing Specialist

CONSULTANTS: Kevin Leo, Camp Dresser McKee
Amber Barritt, Camp Dresser McKee

OTHERS: See attached for list of attendees

PURPOSE OF MEETING: **Presentation of Tier II Evaluation for Land Acquisition for Future Solid Waste Authority Sanitary Landfill and Support Facilities RFP.**

Commissioner Koons opened the meeting at 9:00 A.M. He stated the purpose of the meeting and requested that the Committee members introduce themselves. He also requested that a period for public comment be inserted into the agenda prior to Committee Discussion.

The meeting was turned over to Mr. Pellowitz who provided an overview of the alternative site acquisition process to date.

Mr. Pellowitz informed that each Committee member will rank the proposals and then Purchasing Services will compile those rankings. The proposal with the best ranking will be ranked number one and so forth. He informed that the Selection Committee has an advisory role to the Board, and the Board has the right at its regular meeting on October 22, 2008, to approve the Committee's ranking, modify and approve the ranking, or end the process at any time. The final decision will be the Board's.

Scoring. The score sheet for the ranking includes six criteria with weights (1-10). It is the responsibility of each Committee member to decide how he/she will score the proposal and on what basis. There is no

10-point must system. Committee members were asked to provide an explanation for any extremely high or extremely low score(s).

The Committee was advised that one of the proposers submitted additional information in support of their proposal.

Commissioner Koons questioned how additional information should be handled by the Committee.

Ms. Brady informed that how additional information is handled must be determined by the Committee. She added that all additional information has been provided to Camp Dresser & McKee for their review, not the Committee members.

Attorney Cullen stated that if the Committee reviews additional information from one respondent then it must give all other respondents the same amount of time to respond which could result in a postponement of a decision. If CDM has in any way changed the report they were going to prepare prior to obtaining the additional information, the Committee must give an opportunity to the other respondents. If CDM has merely reviewed the information and not changed its report, then the Committee may continue.

Consensus of the Committee was to take the matter up of additional information under "Selection Committee Discussion".

Ms. Barritt of CDM provided a presentation of the three proposals and criteria as follows:

Cost Per Acre

- SR80/US98 \$39,000
- Hundley \$36,250
- Okeelanta \$0

Contingencies

- SR80/US98 Site acquisition cost will increasing to \$45,000/acre if the closing is after December 31, 2008 or approximately \$10M higher for acquisition
- Hundley None
- Okeelanta Exchange the site with the existing 1,600 Western Landfill site which was originally owned by Okeelanta. The original purchase/sale agreement included a clause that allows the original owner right of first refusal. Terms for valuing the property in that sale agreement: multiple appraisals or calculation pricing with Producer Pricing Index. Estimated value of existing site: \$9.9M

Contingencies (continued)

Lewis Stroud & Duetch prepared an opinion on the Okeelanta contingency with a summary as follows: The SWA has the authority to enter into a contract which contains a condition that additional property of the same owner receive certain land use and zoning approvals from Palm Beach County. Such a contract would not be illegal contract zoning.

Terms & Conditions

- SR80/US98 Amenable to an agricultural lease back.
- Hundley Amenable to an agricultural lease back.
- Okeelanta Amenable to an agricultural lease back. Offer contingent upon obtaining approvals for land use and zoning for a site immediately east of the Okeelanta site to develop a private 1,000-acre landfill for out-of-county waste.

Encumbrances

- SR80/US98 Abandon R-O-Ws for canals
100' R-O-W for proposed future road through the site
- Hundley Abandon R-O-Ws for canals
12' FPL power easement
- Okeelanta Abandon R-O-Ws for canals

Title Search

- SR80/US98 Clean
- Hundley Clean
- Okeelanta Clean

Constructability/Capacity/Operability

- SR80/US98 Access along SR80. Need to construct a site entrance intersection to access the property off of SR80.
- Hundley Access along SR80, turn onto CR880 to the property. Need to replace the truss bridge between CR880 and SR80 with a new bridge, which the County needs to replace; 4-1/2 miles of road improvement on CR880; and a site entrance intersection including a bridge/culvert over the L13 Canal.
- Okeelanta Multiple accesses were reviewed, with the most cost effective being SR80 through Belle Glade, continue on CR827 to access property; 11.2 miles of road rehab and shoulders through Belle Glade; 7.6 miles of new roadway on CR827 (currently dirt); site entrance intersection into the site including a bridge over the Bolles Canal.

Site Development

210M cubic yard landfill footprint to include the following: scale house, operations building, maintenance building, utilities, lay down processing area for Authority operations, and based on the area of the site estimated the storm water pond size based on pond area to site area. For the baseline comparison with a 210M cubic yard landfill, the remaining area could be used for a borrow pond – additional fill for landfill operations to dredge.

Phase I (initial construction) costs based on a 50-year life-span of the facility: establish access to the site, development first cell of the landfill up through the liner system, grade the second landfill cell (both cells sized for 5-year capacity or 6.4M cubic yards or air space), develop the facilities area, Phase I of the storm water pond, borrow pond and muck storage areas, and blending area in order to maintain muck on site. The remainder of the site will remain in agriculture.

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| SR80/US98 | Discharge location on the north side.
Eight (8) additional years by eliminating borrow pond, obtaining fill from off-site, utilizing same access road, maximizing landfill footprint and minimizing storm water pond which may be able to be refined more as design process proceeds. |
| Hundley | Discharge location on the south side.
Seven (7) year added life by eliminating borrow pond, obtaining fill from off-site, utilizing same access road, maximizing landfill footprint and minimizing storm water pond which may be able to be refined more as design process proceeds. |
| Okeelanta | Discharge location on the northeast side.
Nine (9) additional years by eliminating borrow pond, obtaining fill from off-site, utilizing same access road, maximizing landfill footprint and minimizing storm water pond which may be able to be refined more as design process proceeds. |

Ms. Barritt stated that the Phase I net land acquisition costs for each of the properties was within 3% of one another. She continued to present build-out prices; larger landfill prices (comparison point is dependent upon cost per cubic yard of waste to develop each site); long-term operating costs (with the exception of haul costs) are assumed to be equivalent or equal for each site, assuming each site obtain fill off-site for operating cost purposes. [See Appendix G for cost breakdowns].

Hauling Costs

With regard to operating costs, the only variable that CDM felt would impact the three sites was the cost to haul waste to each site. Costs for each site were presented based on a haul from 20-Mile Bend, the costs in year 2015, as well as cost in 2060 with population and waste projection increases (see attached presentation)

Permitting

Land-Use. Existing land use for each of the three sites is currently agricultural production, so a land use plan amendment will not be necessary. The Okeelanta Corporation proposal offer is contingent upon them receiving land use and zoning approval to operate a private landfill adjacent to the proposed site. CDM reviewed this and determined that Okeelanta would not be allowed develop this site according to the current regulations that are in the ULDC. Sanitary landfills are only permitted in the Public Ownership (PO) zoning district and a private landfill cannot be zoned PO. Current regulations also do not allow for privately owned commercially operated sanitary landfills to be established in Palm Beach County. Additionally, the Comprehensive Plan only recognizes the Solid Waste Authority as the established entity empowered with the ability to construct and operate solid waste disposal facilities. In order to develop the site for Okeelanta's private landfill adjacent to the proposed site, there would need to be amendments to the Integrated Solid Waste Management Plan to allow another entity other than the Solid Waste Authority to operate a landfill within the County, as well as amendments to the solid waste sub-element of the Comprehensive Plan.

Zoning

Each of the three sites will need to be rezoned to PO since they are currently agricultural production. Based on CDM's initial review, both the SR80/US98 and Hundley site would be able to meet the rezoning criteria. Okeelanta would be able to meet the zoning criteria pending the outcome of the land deal between US Sugar and South Florida Water Management District, and what their restoration plan is for that area.

Permitting for each site will not vary, all have multiple federal, state and local permits that must be received and all are considered suitable candidates for the permitting: solid waste permits, environmental resource permits, underground injection control permits, various air permits, etc. If on-site water and waste water facilities had to be developed on any of these sites versus connecting to the County's system the cost for Hundley and SR80/US98 would be similar. There is no public water or waste water system close to the Okeelanta site.

Proximity to Environmentally Sensitive Areas

CDM reviewed the proximity of each site to any CERP projects, the Refuge, Corbett, etc.

Distance from the Refuge:

- SR80/US98 5 miles
- Hundley 4 miles (across the street from STA 1-W)
- Okeelanta 22 miles

Opinions on the three from SFWMD and Loxahatchee National Wildlife Refuge

- SFWMD declined to respond. [Commissioner Koons provided a brief historical overview of Site 1 and how the proposed western landfill site was arrived at.]
- Loxahatchee National Wildlife Refuge provided a response with their preferred options in the following order: 1) Okeelanta, 2) SR80/US98, and 3) Hundley

Proximity to Residents

CDM reviewed the proximity of residences within one (1), five (5), and ten (10) miles of each site. There were no residences within five (5) miles of any of the three properties. Based on the noise, odor, dust and air emission models performed to date, it was CDM's opinion that none of the three sites would be a potential nuisance to the residents. There are approximately 5,000 residences within 10 miles of each of the three sites. Compared to the NCRSWDF located on North Jog Road, there are approximately 170,000 residences within 10 miles.

Additional Considerations Regarding Site Layout

- **SR80/US98** While it is not within five (5) miles of residences, it is located adjacent to two major cross-state thoroughfares. There would only be a 200' buffer.
- **Hundley** 1.6 miles of buffer; site will be visible from thoroughfare; potential for odor impact on low wind, high humidity days.
- **Okeelanta** Over five (5) miles away from closest thoroughfare; minimal potential visual and no potential odor impact to those traveling to South Bay on R27. Route to and from Okeelanta is through downtown Belle Glade.

COMMITTEE COMMENT

Drew Martin of the Sierra Club (Committee Alterante) stated that there is no weight given to hauling costs and should be equal to the other categories being scored or it may skew the process. Legal opinion is questionable as it pertains to contract zoning. He expressed opposition to the Okeelanta site, and favored SR80/US98.

COMMENTS BY THE PUBLIC

Sam Levin S2LI (Solid Waste Engineering Company representing SR80/US98)

- Supported two out of three of CDM's plans presented: Initial Plan and Final Building Out Plan
- Expressed some differences with the 210M cy Plan: storm water management plan, value of fill being borrowed on-site, and configuration of site by superimposing the Hundley site onto the SR80/US98 site.
- CDM's only operational cost focused on transfer, not cover or fill material.

Ms. Barritt stated that the fill cost included transportation.

Ellen Smith Proposed site owner of SR80/US98

- Submitted additional information in hard copy to the Committee for their review

Eric Hopkins Represented Hundley Farms

- Supported CDM's report as presented
- The cost to rebuild the bridge at 20-Mile Bend should not be one that is attributed to the Hundley site, since the County admits it needs to be rebuilt regardless.

Comments by the Public (continued)

Eric Hopkins (continued)

- Citizens of Belle Glade and Pahokee would not be supportive of trucks utilizing their main thoroughfare which takes them into Belle Glade, Pahokee and Canal Point.
- Regarding the environmental concerns, STA was not listed as one of the areas of concern in the original RFP, and the buffer zone marker was two miles.
- Not supportive of original criteria being changed.

DISCUSSION REGARDING ADDITIONAL INFORMATION

Commissioner Koons questioned how the Committee would like to handle additional data presented.

Attorney Cullen stated that it appeared CDM did not incorporate any of the additional data in their report. The question by the Committee should be to the respondents and whether they feel that they were caught in a position where they did not realize they could submit as much information as they could, or if they feel there is any unfair advantage predicated on the Committee accepting additional information.

Mr. Robbins stated that he would have expected any site representative to submit additional information depicting there is greater efficiencies to be had and make an argument for it.

Mr. Pellowitz stated that the additional information submitted by SR80/US98 appeared to be a critique of CDM's report, and Hundley also critiqued the report but did so in person at today's meeting. The Committee, at present, does not know if the information in SR80/US98's report would also apply to the other sites. He questioned where one would stop evaluating something that is, at this point, such a low level of analysis in that it is not complete design. It was his opinion that the Committee not receive the additional information submitted and if the submitter believes it impairs their proposal in any way in the process, there is a protest period in which they can avail themselves. Otherwise, there is the potential that the other two site representatives who did not submit additional information may protest.

Mr. Bruner stated that CDM submitted plans are not a design. Anyone can take a concept, make a design out of it, and find ways to optimize it. If CDM was conservative, they were equally conservative on all sites. CDM also took into consideration some of the constraints imposed by the Authority. The Committee could ask, if appropriate, based on the additional information presented, would they have changed anything in their report.

Ms. Barritt responded that CDM would not have changed anything in the report.

Commissioner Koons questioned Ellen Smith, the SR80/US98 representative, if a fundamental flaw would be committed by the Committee not accepting the additional information.

Mr. Halperin stated that he was not comfortable not accepting the additional information. He questioned how long it would take in the process to stop and review the additional information.

Dr. Bruner stated it could take the process into December at which time the price for the SR80/US98 site would increase significantly due to the contingency placed on it.

Ms. Smith stated that based on the additional information her consultant prepared, there would be a \$100M difference between the SR80/US98 site and one of the other sites. She considered this information to be “written” public comments for the Committee to receive, not “additional information”.

Commissioner Koons’ question if SR80/US98 would be willing to waive the end of December closing date contingency if the Committee opted to allow the additional information to be reviewed.

Ms. Smith stated that she is a partner of the SR80/US98 Ellen Smith site and has the authority to waive the end of December closing date contingency.

Attorney Cullen clarified if the Committee’s intent was to extend the process somewhat for additional comment and whether the other proposers should have a similar opportunity to submit additional information.

Ms. Brady cautioned that by allowing for the provision of additional information it substantially changes the proposer’s response as submitted. The Committee needs to be very careful about the information that it accepts, in essence, that is a material change to the response that was provided to the Authority, and it brings into line other considerations. The Committee needs to be very careful about the content and what it is allowing a proposer to do, and whatever opportunities are afforded to one proposer must be afforded to all proposers. If the Committee is allowing SR80/US98 to amend their response by saying it will waive the \$45,000/acre price after December 31, then the other proposers must be given an opportunity to amend their proposals.

Mr. Pellowitz reminded the Committee that the proposers submitted closed book prices and at this point have now seen each other’s proposals, and SR80/US98 recognizes that their price/acre is higher than the others. In addition, the Committee does not know the materiality of the engineering modifications that SR80/US98 has come up with. He questioned if it would be appropriate to ask CDM the following: If some of the things the proposer brought up are applied just to the SR80/US98 site, were they equally applied to the other sites? To what extent does this really upset any balance? Would it take the SR80/US98 site, which is more expensive over the long haul than the Hundley site? Is it going to change that ranking? Is it going to make the SR80/US98 site less expensive than the Hundley? In the end analysis, will it change the ranking significantly? The sites are very close in operating costs.

Ms. Barritt stated that all the criteria were applied to each site. The additional information submitted by SR80/US98 and reviewed by CDM did bring their cost down and came up with a concept that was more efficient than CDM, but it has not brought the cost below the Hundley site. The additional information does bring the cost within 5% of the Hundley site.

Mr. Robbins cautioned that the more the additional information is discussed and debated the more the Committee is drawn into knowing what is contained therein and the decision to accept or deny the information becomes a moot point.

Mr. Bruner questioned if the process should be opened back up potentially to the point where Florida Crystals comes back with a different site, location and set of contingencies. If the Committee allows proposers to modify their proposals, will they be allowed to bring in a site that is not as far away as all of the contingencies that the public may find troubling to people? Can

the Committee effectively start the process over where Florida Crystals comes back with an entirely new site?

Attorney Cullen said that was a possibility. She suggested that if the Committee allows for additional information, that it should be strictly narrowed to what this proposer can do.

Mr. Hopkins, representing Hundley, stated the process was set up to be fair from a sealed bid process. Proposers were required to submit their best faith estimate of what their property could sell for. At this point, it is easy for proposers to come back with lower prices since the bids have been opened. This was not the original intent of the Committee. Staff hired CDM as an impartial firm to evaluate all three proposals/properties equally. Now the Committee is attempting to put the burden on the landholders to come up with their own analysis. The landholders did not agree to come up with information to support or refute CDM's claims three days prior to today's Committee meeting. Expressed support of the process moving forward based on the guidelines established when the RFP was issued.

SELECTION COMMITTEE DISCUSSION

Mr. Pellowitz stated that the Committee members could discuss each of the proposals individually or go through the criteria one by one.

Mr. Barritt provided the following responses to comments Committee members:

- The City of Belle Glade and Town of Wellington have expressed opposition to all three sites, and support of the proposed Solid Waste Authority site.
- Haul costs have not been included in the capital costs and will need to be added to the development and operating costs.

REVIEW OF SCORE SHEETS

Mr. Todd: Stated that most of his original concerns were addressed in CDM's presentation. Regarding the acceptance of additional information for a proposer, he felt the original RFP was very specific and agreed that later in the process site evaluations and development can be fine tuned for efficiency purposes.

Mr. Robbins: Preferred site – SR80/US98

Mr. Pellowitz: Acquisition cost – Okeelanta highly weighted, SR80/US98 and Hundley were fairly close in cost.
Development and Operating – Okeelanta site significantly more money, not a significant difference between SR80/US98 and Hundley. Okeelanta hampered by transportation costs.

[D. Pellowitz, continued]

T&C – Hundley scored the best because there were no contingencies associated with their proposal. SR80/US98 scored lower due to December 31 contingency and higher price. Okeelanta scored very low due to conditions placed on their proposal, particularly the Merchant Landfill Proposal which is out of the Authority's hands.

Constructability, Capacity and Operability – SR80/US98 scored the highest primarily due to ease of access to the site. Hundley scored lower due to need to construct a new bridge, roadway improvements, and proximity to STA-1W and any potential issues associated. Okeelanta scored lowest due to the building of seven miles of roadway and 2-1/2 miles of primary electric line.

Proximity to Environmentally Sensitive Areas – SR80/US98 scored the highest because it is the farthest away. Hundley scored lower due to STA-1W.

Proximity to Residents – None of the sites have issues associated with location next to households. Okeelanta is hampered by the drive through downtown Belle Glade. SR80/US98 is hampered by being adjacent to two major roadways and the gateway to the Glades.

Mr. Eyeington: Treated all information as conceptual. None of the sites impacts residences. Proximity to environmentally sensitive areas was not a major issue. Hauling costs are a big issue with Okeelanta, as well as terms and conditions in their proposal for contract zoning. Ability to buffer 1.6 miles on the Hundley property was a plus.

Mr. Halperin: Not supportive of Okeelanta site primarily due to exorbitant hauling costs over the years. Supported both the SR80/US98 and Hundley sites.

Mr. Bruner: Development and Operating Costs – Okeelanta scored low due to road construction costs. Suggested approaching the Board of County Commissioners on possible joint funding for the bridge replacement at the Hundley site. Minimal improvements required for the SR80/US98 site. Acquisition Costs – SR80/US98 highest acquisition cost, but is a smaller component when compared to the development and operating costs. Constructability/Capacity and Operability – Constructability equal across all three sites; very high hauling costs associated with Okeelanta site.

Dr. Bruner: Proximity and Impact to Environmentally Sensitive Areas – Most concerns raised to date are perception issues and not practical issues. SR80/US98 site rated higher because it is slightly farther way from the Refuge and STA. Terms and Conditions – Okeelanta scored lowest due to a contingency not close on the property until approval is granted for a privately operated landfill.

Mr. Koch: Not supportive of Okeelanta site since it is in the way of a flow-away and the hauling costs are extremely high. SR80/US98 is slightly higher in cost than Hundley, though not having a December 31 deadline would be preferred.

[Mr. Koch's comments continued]

Proximity to Environmentally Sensitive Areas – SR80/US98 ranked higher than Hundley due to being farther away from the storm water treatment area.

Commissioner Koons: Okeelanta site has flaws in terms of contingencies placed on the sale.

In response to one of the Committee members regarding the selection process, Mr. Pellowitz explained that the Committee will rank the sites. If the Board approves the final ranking, negotiations will be entered into with the top ranked firm. If the deal is not acceptable, then negotiation will take place with the second ranked proposer, and so forth. With respect to the rankings, he explained that each Committee member will score the proposals to arrive at a ranking. The rankings will be averaged, not the points. Per the RFP, the Authority's Governing Board has the right to negotiate a best and final deal with the selected proposer.

Commissioner Koons suggested that staff prepare a memorandum to the Board regarding the decision making process followed today, including additional data proposed. This memo should clarify the process followed, the legal process, and that outlined in the RFP and sent to all Committee members for their review and comment. Another memorandum will be prepared for the October 22, 2008, Authority Board meeting.

SCORING INSTRUCTIONS

Mr. Pellowitz explained that each criterion should be scored between 1 and 10, multiply the weight by the score to get the extension, and then add up the extensions. This will give a total score for each proposal. The one ranked with the highest total score will represent the Committee member's #1 ranked proposer. Once the rankings are submitted to Purchasing staff, they will arrive at a 1, 2 or 3 from each Committee member. The rankings will be averaged, and that will be the ranking presented to the Board.

He asked that any Committee member scoring a site as either a "1" or "10" provide a brief explanation for the highest or lowest score.

[Committee members complete score sheets at this time]

Committee members' score sheets were provided to Purchasing Services. Purchasing Services and CDM compiled the data using a spreadsheet. Ms. Brady announced the results as follows:

1. SR80/US98
2. Hundley
3. Okeelanta

Meeting adjourned at 11:45 AM.

/s/ Sandra J. Vassalotti
Clerk to the Authority