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RESOLUTION NO. ___ - 2013

**RESOLUTION AFTER PUBLIC HEARING ON PROPOSED SOLID WASTE SYSTEMS
OPERATIONS AND SERVICE AGREEMENT FOR
FOR SOLID WASTE HANDLING AND RECYCLING SERVICES
AT THE ORCAS ISLAND SOLID WASTE FACILITY**

BACKGROUND

On April 17, 2012, the San Juan County Council adopted Resolution 17-2012 and requested proposals for the operation of the facility on Orcas Island used for the handling and disposal of solid waste and recyclable materials pursuant to RCW 36.58.090.

In accordance with the procedure set forth by statute, a notice of request for proposals was duly published and proposals were received and evaluated and it was requested that the Public Works Director work to negotiate a contract with Orcas Recycling Services.

A document dated August 8, 2013 was been prepared to memorialize a proposed contract setting forth the rights and obligations of San Juan County and Orcas Recycling Services and proposed for consideration by the County Council. Pursuant to RCW 36.58.090(6) the County Council conducted a duly noticed public hearing on the August 8, 2013 draft contract.

A duly noticed public hearing was held on August 19, 2013. At the public hearing, the County Council received written and/or verbal reports and comments from the Prosecuting Attorney, County Auditor, Public Works Department, representatives of Orcas Recycling Services and members of the public on the August 8, 2013 draft contract.

Based upon the comments received the Council requested that the August 8, 2013 version of the proposed contract be revised.

The Council has examined and considered the information presented and desires to memorialize and make written findings prior to entering into any contract all as required by RCW 36.58.090.

NOW, THEREFORE, it is hereby resolved by the County Council of San Juan County, state of Washington, as follows:

1. Finding regarding public interest in the project and proposed contract.

The public interest is served because the contract for solid waste will control rates, increase recycling, and ensure materials are properly disposed of. The contract will retain local control of waste and recyclables, is expected to reduce expenses to rate payers and retain jobs as local jobs.

2. Finding that the contract is financially sound.

The contract is financially sound because of local support for the contract; the contractor has presented an innovative and new approach to transporting and disposing of solid waste. Orcas Recycling Services is a community-based nonprofit organization and enjoys broad community support which will be a factor in the operation. It is projected that revenue will meet or exceed expenses and also provide for capital expenses. It is anticipated that the contractor will augment revenue with grants and donations.

3. Finding that the use of the negotiation method is advantageous compared to other methods.

The RFP and negotiation method of RCW 36.58.090 opened up the creativity of the community and potential vendors on the use of the property and the handling of solid waste. The method used is more encompassing and does not require the up-front costs of the county to design specifications. This method provided flexibility of services offered to produce a financially viable model that meets the community's needs. The negotiated contract is consistent with the San Juan County Solid and Hazardous Waste Plan.

4. Finding that the alternative of a deposit and the amount of deposit are sufficient to secure performance of Orcas Recycling Services.

A bank deposit is a good alternative to a performance bond. The initial amount of \$50,000 recognizes the need for a significant deposit to secure the performance of Orcas Recycling Services. A gradual increase in the deposit to reach a total of \$150,000 allows for Orcas Recycling Services to increase the deposit gradually and at the same time make capital improvements to benefit county-owned land. In addition it is noted that the contractor is granting a security interest which should provide additional collateral in the event of a default.

5. Approval of the form of Contract.

The San Juan County Solid Waste Systems Operations and Service Agreement for the Orcas Island Solid Waste Facility between San Juan County and the San Juan County

