

CONTRACT ROUTING SHEET

Date Prepared: 02/26/2008

Need Date: ASAP

PROCESSING DEPARTMENT:

Department: Environmental Mgmt
Dept. Contact: Kevin Gilliland
Phone #: 6664
Department
Head Signature: gerri SILVA

CONTRACTOR:

Name: NewPoint Group
Address: 2555 3rd St., STE 215
Sacramento, CA 95818
Phone: _____

CONTRACTING DEPARTMENT: Environmental Management

Service Requested: Legal & Risk review of proposed 1st Amendment w/NewPoint Group
Contract Term: 1 year Contract/Amendment Value: \$88,320.00
Compliance with Human Resources requirements? Yes: No:
Compliance verified by: NA

COUNTY COUNSEL: (Must approve all contracts and MOU's)

Approved: Disapproved: Date: 3/3/08 By: [Signature]
Approved: Disapproved: Date: _____ By: _____

ASSIGNMENT

DATE: 02/29/2008
ATTORNEY: MIKE C.
DEPT./INDEX NO.: 801100

See memo

RISK MANAGEMENT: (All contracts and MOU's except boilerplate grant funding agreements)

Approved: Disapproved: Date: 3/5/08 By: [Signature]
Approved: Disapproved: Date: _____ By: _____


RECEIVED
HUMAN RESOURCES DEPT
08 MAR 2008 AM 10:03

OTHER APPROVAL: (Specify department(s) participating or directly affected by this contract).

Departments:
Approved: Disapproved: Date: _____ By: _____
Approved: Disapproved: Date: _____ By: _____



OFFICE OF COUNTY COUNSEL
INTER-DEPARTMENT MEMORANDUM

TO: Kevin Gilliland
FROM: Mike Ciccozzi, Deputy County Counsel 
DATE: March 3, 2008
RE: New Point Group contract amendment, #026-A-07/08-BOS

Kevin,

As requested I have reviewed the New Point Group contract amendment and I have the following suggestions:

1. The amendment indicates that it is to increase the compensation by \$15,000. It then goes on to state the "not to exceed" amount of \$88,320. However, the original contract had a "not to exceed" amount of \$72,320. I suggest changing the "not to exceed" amount of the amendment to \$87,320 to bring the math into line.
2. Exhibit 1-A attached to the amendment sets forth the additional scope of work under the agreement. However at several points in Exhibit A-1, the word "we" is used to describe the party who is to perform a function. The use of the word "we" is ambiguous as it may refer to either the County or the Contractor. I have marked up the exhibit to reflect my best estimate of who is being referred to by "we". Some I have not changed as the party being referred to is not clear from the context. Please make the appropriate changes so as to clarify the party with the responsibility for those functions.

I have approved the amendment as to form and suggest that the above changes be made prior to submitting the amendment to the Board for approval. If you have any questions please feel free to call. Mike.

mjc



532-S0811

**First Amendment to Agreement No. 026-A-07/08-BOS
Between the County of El Dorado and
NewPoint Group Inc.**

THIS FIRST AMENDMENT TO AGREEMENT NO. 026-A-07/08-BOS made and entered by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County"), acting by and through County Service Area No. 10, a lawfully established County Service Area as defined by Government Code Section 25210 et seq., and NewPoint Group, Incorporated, a corporation duly qualified to conduct business in the State of California, whose principal place of business is 2555 Third Street, Suite 215, Sacramento, CA 95818 (hereinafter referred to as "Consultant").

ARTICLE I

Scope of Services: Shall be amended to include the services, work, and tasks designated as outlined in Exhibit "A-1" marked "Scope of Work First Amendment".

ARTICLE IV

Compensation for Services: Shall be amended to increase the total amount of the Agreement by Fifteen Thousand Dollars and No/100 (\$15,000), the total Agreement SHALL NOT EXCEED Eighty Eight Thousand Three Hundred and Twenty Dollars and No/100 (~~\$88,320~~).

\$87,320

Seven

(672,320 + 15,000)

All other sections of the Agreement No. 026-A-07/08-BOS, dated the 12th day of February 2008 shall remain unchanged and in full force.

REQUESTING DEPARTMENT CONCURRENCE:

By: _____ Dated: _____

Gerri Silva, M.S., REHS

Director Environmental Management Department

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Agreement No. 026-A-07/08-BOS the day and year last below written.

- - COUNTY OF EL DORADO - -

Dated: _____

By: _____
Chair,
Board of Supervisors

ATTEST:

Cindy Keck, Clerk of the
Board of Supervisors

Dated: _____

By: _____

- - CONSULTANT - -

Dated: _____

By: _____
James A. Gibson, Ph.D., Director
NewPoint Group, Inc.

ATTEST:

Dated: _____

By: _____
"Corporate Secretary"
NewPoint Group, Inc.

EXHIBIT "A-1"

SCOPE OF WORK

First Amendment

Additional NewPoint Group Task to Evaluate County Franchise Agreement Extension Options

In this additional task, NewPoint Group will conduct an assessment of the following four (4) options available to the County related to franchise agreement extensions:

1. *Franchise Extension with Additional Free Services* - a new franchise agreement could require the Contractor to provide certain new services at no cost to the County or ratepayer (i.e., as a non-allowable cost). New services could include new residential and commercial recycling programs, free collection services at County facilities, or potentially a new Resource Recovery Facility or Material Recovery Facility
2. *Franchise Extension with Option for County to Purchase Contractor Facilities* - a new franchise agreement could provide the County with the right, or option, to purchase the facility when the franchise agreement terminates, or the Contractor sells the business. The County also could assign this right, or option, to a Joint Powers Authority (JPA), if desired
3. *No Franchise Extension and Use Competitive Bidding Process* - the County could put the franchise out to competitive bid. This process would occur approximately two (2) years prior to expiration of the current franchise agreement. A two-year timeframe is required because the bid process requires that much lead time before the County can award a contract and a new hauler can begin operations
4. *No Franchise Extension and County Provides Refuse Collection Services* - in this option the County would not extend the franchise and would instead perform its own refuse collection operations.

In a letter report, we will clearly describe the County intent for each of these four (4) options. We will develop "pros" and "cons," of these four (4) options for County consideration and use in negotiations with its franchised haulers. We will prepare a comparison table of the "pros" and "cons" of each option so the County can clearly see differences between the options. We will show how these four (4) options compare in terms of:

- Process requirements
- Ratepayer impacts
- Quality of service impacts
- Service level impacts
- System cost impacts.

We expect most of the comparisons between these options will be more descriptive and qualitative, rather than quantitative. We will use relative differences between the options (e.g., high, medium, low, or large, moderate, small). To the degree possible, we will try to estimate high-level, "order of magnitude," cost and rate impacts to the County for these various options.

**Additional NewPoint Group Task to Evaluate
County Franchise Agreement Extension Options (continued)**

New Point Group

We also will provide the County with some sample terms and conditions recently used by other jurisdictions in their negotiations of franchise extensions. Examples of these terms and conditions include:

- Caps on future interim year rate changes
- Caps on tipping fees (allowed with profit)
- Customer service enhancements (web site, newsletter, online billing)
- Franchise fee increases
- Franchise reassignment fees
- New on-call pickup services
- New diversion enhancement programs
- Performance penalties/incentives
- Rate freezes.

New Point Group

Where possible, we will discuss with each of the franchise haulers their initial ideas, for franchise extension terms, so we can identify those potentially preferred terms and conditions. We will identify how these various terms and conditions benefit the County, ratepayer, and/or hauler.

Deliverable: Letter Report Comparing Four (4) Franchise Extension Options

Schedule: April 30, 2008

Cost: \$15,000