



# CITY OF BUELLTON

## CITY COUNCIL AGENDA

**Regular Meeting of February 14, 2013 – 6:00 p.m.  
City Council Chambers, 140 West Highway 246  
Buellton, California**

Copies of staff reports or other written documentation relating to each item of business referred to on this Agenda are on file in the office of the City Clerk and are available for public inspection

### **CALL TO ORDER**

Mayor Judith Dale

### **PLEDGE OF ALLEGIANCE**

Council Members Leo Elovitz

### **ROLL CALL**

Council Members Ed Andrisek, Leo Elovitz, Holly Sierra, Vice Mayor John Connolly, and Mayor Judith Dale

### **REORDERING OF AGENDA**

### **PUBLIC COMMENTS**

Speaker Slip to be completed and turned in to the City Clerk prior to commencement of meeting. Limited to matters not otherwise appearing on the agenda. Limited to three (3) minutes per speaker. No action will be taken at this meeting.

### **CONSENT CALENDAR**

**(ACTION)**

The following items are scheduled for consideration as a group. Any Council Member, the City Attorney, or the City Manager may request that an item be withdrawn from the Consent Agenda to allow for full discussion.

- 1. Minutes of January 24, 2013 Regular City Council Meeting**
- 2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2012-13**

**PRESENTATIONS**

**PUBLIC HEARINGS**

**COUNCIL MEMBER COMMENTS**

**COUNCIL ITEMS**

**WRITTEN COMMUNICATIONS**

Written communications are included in the agenda packets. Any Council Member, the City Manager, or City Attorney may request that a written communication be read into the record.

**COMMITTEE REPORTS**

This Agenda listing is the opportunity for Council Members to give verbal Committee Reports on any meetings recently held for which the Council Members are the City representatives thereto.

**BUSINESS ITEMS**

**(POSSIBLE ACTON)**

- 3. Presentation by Kathy Vreeland, Executive Director of the Buellton Chamber of Commerce and Visitors Bureau Regarding the Transient Occupancy Tax Allocation**
- 4. Direction to Staff on Request for Proposals (RFP) on Branding and Economic Development**  
❖ *(Staff Contact: Planning Director Bierdzinski)*
- 5. Consideration of Parking Restrictions at Various Transit Stop Locations**  
❖ *(Staff Contact: Public Works Director Hess)*
- 6. Consideration of the Adoption of the Tajiguas Resource Recovery Project Term Sheet**  
❖ *(Staff Contact: City Attorney Hanson)*
- 7. Department Head Reports – (Finance, Personnel, Planning, Public Works, and Sheriff’s Department)**

**CITY MANAGER’S REPORT**

**ADJOURNMENT**

The next regular meeting of the City Council will be held on Thursday, February 28, 2013 at 6:00 p.m.

# **CITY OF BUELLTON**

**CITY COUNCIL MEETING MINUTES**  
**Regular Meeting of January 24, 2013**  
**City Council Chambers, 140 West Highway 246**  
**Buellton, California**

## **CALL TO ORDER**

Mayor Dale called the meeting to order at 6:00 p.m.

## **PLEDGE OF ALLEGIANCE**

Council Member Ed Andrisek led the Pledge of Allegiance

## **ROLL CALL**

**Present:** Council Members Ed Andrisek, Leo Elovitz, Holly Sierra, Vice Mayor John Connolly and Mayor Judith Dale

**Staff:** City Manager John Kunkel, City Attorney Ralph Hanson, Public Works Director Rose Hess, Planning Director Marc Bierdzinski, Finance Director Annette Muñoz, Station Commander Lt. Brad McVay, and City Clerk Linda Reid

## **REORDERING OF AGENDA**

None

## **PUBLIC COMMENTS**

Lt. Brad McVay introduced Deputy Matt Delgado, the new motor officer and announced that he will start in early February.

Pam Gnekow, representing the Buellton Senior Center, announced that Congresswoman Lois Capps requested to have lunch at the Senior Center and Ms. Gnekow invited the City Council to attend the lunch on Monday, January 28 at 12:00 p.m. at the Buellton Senior Center.

## **CONSENT CALENDAR**

- 1. Minutes of January 10, 2013 Regular City Council Meeting**
- 2. List of Claims to be Approved and Ratified for Payment to Date for Fiscal Year 2012-13**
- 3. Award of Contract for the 2011/12 Citywide Concrete Repair Project**

**4. Reappointment of Bonny Chard and Anita Elovitz to the Community Development Block Grant (CDBG) Committee**

**RECOMMENDATION:**

That the City Council approve the Consent Calendar as listed.

**MOTION:**

Motion by Council Member Sierra, seconded by Council Member Andrisek approving the consent calendar as listed.

**VOTE:**

Motion passed by a roll call vote of 5-0.

**PRESENTATIONS**

None

**PUBLIC HEARINGS**

None

**COUNCIL MEMBER COMMENTS**

Council Member Andrisek announced that there was a double rainbow in Buellton today.

**COUNCIL ITEMS**

None

**WRITTEN COMMUNICATIONS**

None

**COMMITTEE REPORTS**

Mayor Sierra announced that she attended the Santa Barbara County Association of Governments Board Meeting and provided an oral report regarding the meeting.

Mayor Andrisek announced that he attended the Central Coast Water Authority Board Meeting and provided an oral report regarding the meeting.

**BUSINESS ITEMS****5. Presentation by Santa Ynez Valley Hotel Association**

Mary Harris and Mike Hendrick discussed the Santa Ynez Valley Hotel Association's Quarterly Report and provided a handout for the record.

**6. Ordinance No. 13-01 – “An Ordinance of the City Council of the City of Buellton, California, to Increase the Buellton Transient Occupancy Tax Rate” (Second Reading)****RECOMMENDATION:**

That the City Council consider the adoption of Ordinance No. 13-01.

**STAFF REPORT:**

City Attorney Hanson presented the staff report.

**DOCUMENTS:**

Staff Report with attachment (Ordinance No. 13-01)

**DISCUSSION:**

The City Council discussed the following issues:

- Leaving the Transient Occupancy Tax rate at 10% to determine how best to use the additional funds
- Using the additional funds for tourism via the Visitors Bureau

**MOTION:**

Motion by Council Member Sierra, seconded by Council Member Elovitz approving and adopting Ordinance No. 13-01 – “An Ordinance of the City Council of the City of Buellton, California, to Increase the Buellton Transient Occupancy Tax Rate” by title only and waive further reading.

**VOTE:**

Motion passed by a roll call vote of 5-0.

**7. Discussion and Direction of Draft Charter City Initiative****RECOMMENDATION:**

That the City Council approve the draft Charter and authorize the City Clerk to begin the process necessary to have the Charter initiative placed on the ballot in November, 2014.

**STAFF REPORT:**

City Manager Kunkel presented the staff report.

**DOCUMENTS:**

Staff Report with attachment (Draft Charter)

**SPEAKERS/DISCUSSION:**

Tim Bennett, representing the International Brotherhood of Electrical Workers (IBEW) Local 413, stated that union electricians are effectively trained at the Buellton facility and provide quality skilled work. Mr. Bennett urged the Council to include a prevailing wage provision in the Charter.

Steven Weiner, representing Tri-Counties Building Trades Council explained how prevailing wage affects union workers and the quality of work being performed.

Michael Lopez, Plumbers and Pipefitters Local 114, stated that it's reasonable to maintain prevailing wage projects and the Council should be informed about prevailing wage issues before deciding on how to move forward with the Charter initiative.

Lisa Figueroa, representing the Charter Initiative Committee spoke about the proposed draft Charter.

The City Council discussed the following issues:

- Scheduling a workshop meeting to discuss the Charter City initiative
- Eliminating Article IV and creating a separate initiative regarding the election of Mayor

**DIRECTION:**

The City Council agreed by consensus to have staff schedule a workshop meeting to discuss the Charter City initiative in greater detail.

**8. Department Head Reports – (Finance, Personnel, Planning, Public Works, and Sheriff's Department)**

Department Heads provided informational reports for the record and two members of the public spoke.

**CITY MANAGER'S REPORT**

City Manager Kunkel provided an informational report for the record.

**CLOSED SESSION ITEMS**

**9. The City Council will conduct a Closed Session pursuant to California Government Code Section 54957 concerning the following:**

**PUBLIC EMPLOYEE PERFORMANCE EVALUATION/CONTRACT REVIEW**

Title: City Manager

The City Council met in closed session to discuss the City Manager's performance evaluation. There was no reportable action taken.

**ADJOURNMENT**

Mayor Dale adjourned the regular meeting at 9:47 p.m. The next regular meeting of the City Council will be held on Thursday, February 14, 2013 at 6:00 p.m. A City Council Workshop meeting is scheduled for Wednesday, February 13, 2013 at 6:30 p.m.

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Judith Dale  
Mayor

ATTEST:

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Linda Reid  
City Clerk

BACK-UP/SUPPORT DATA IS AVAILABLE FOR COUNCIL REVIEW IN CITY HALL

The following is a list of claims to be ratified and approved for payment by the City Council at the **February 14, 2013** Council Meeting.

Listed below is a brief summary of the attached claims:

	EXHIBIT A	\$ <u>257,955.01</u>
	EXHIBIT B	\$ <u>22,469.15</u>
	Council Pay      1/25/13	\$2,311.70
	Payroll            1/31/13	<u>\$39,485.84</u>
 <b>TOTAL AMOUNT OF CLAIMS:</b>		 <b><u>\$ 322,221.70</u></b>

	<u>FY 2011-12</u>	<u>FY 2012-13</u>
The total amount of claims and demands paid by the City for the Fiscal Year through February 5, 2013	\$ 5,462,130.52	\$ 6,593,105.65

**AUTHORIZATION IS HEREBY GIVEN TO THE CITY TREASURER TO PAY ALL CLAIMS AS REVENUES BECOME AVAILABLE**

Check-Run	Seq#	Date	Vendor Name	Checking # Obls	Discount	Net amount	Status	
27459-	549	1	1/17/2013	698 CALIFORNIA STATE DISBURSEMENT	1	.00	706.50	Logged
27460-	549	2	1/17/2013	781 VALLEY CREST LANDSCAPE MAINT,	3	.00	10,940.00	Logged
27461-	550	1	1/24/2013	0 JUSTIN WILSON	1	.00	12.63	Logged
27462-	550	2	1/24/2013	0 LENA BERCH	1	.00	9.88	Logged
27463-	550	3	1/24/2013	0 MOTOR COP SHOP, INC.	1	.00	478.90	Logged
27464-	550	4	1/24/2013	0 CHERIE BONAZZOLA	1	.00	20.00	Logged
27465-	550	5	1/24/2013	0 NADINE HANSEN	1	.00	10.00	Logged
27466-	550	6	1/24/2013	17 DAN HEMMING dba	1	.00	1,100.00	Logged
27467-	550	7	1/24/2013	28 ARAMARK UNIFORM SERVICES	1	.00	441.95	Logged
27468-	550	8	1/24/2013	83 CSD ENGINEERING	2	.00	506.50	Logged
27469-	550	9	1/24/2013	90 Ca1PERS LONG-TERM CARE PROGRAM	1	.00	84.25	Logged
27470-	550	10	1/24/2013	119 CRAIG ADAMS	1	.00	100.00	Logged
27471-	550	11	1/24/2013	121 COC/BBA/VISITORS INFORMATION	1	.00	9,104.23	Logged
27472-	550	12	1/24/2013	132 SB CO ANIMAL SVCS, HEALTH & RE	1	.00	7,867.25	Logged
27473-	550	13	1/24/2013	193 FIRST NATIONAL BANK OF OMAHA	5	.00	579.02	Logged
27474-	550	14	1/24/2013	199 FOSTER D. REIF	1	.00	50.00	Logged
27475-	550	15	1/24/2013	227 HINDERLITER, DE LLAMAS & ASSOC	1	.00	1,124.33	Logged
27476-	550	16	1/24/2013	242 JASON L. FUSSEL	1	.00	50.00	Logged
27477-	550	17	1/24/2013	263 JOHN SANCHEZ	1	.00	79.88	Logged
27478-	550	18	1/24/2013	285 SANTA MARIA TIMES dba	1	.00	70.63	Logged
27479-	550	19	1/24/2013	303 ART MERCADO	1	.00	50.00	Logged
27480-	550	20	1/24/2013	326 MNS ENGINEERS, INC.	8	.00	24,522.34	Logged
27481-	550	21	1/24/2013	350 OLIVERA'S REPAIR, INC	1	.00	211.80	Logged
27482-	550	22	1/24/2013	352 P G & E	1	.00	18,244.71	Logged
27483-	550	23	1/24/2013	391 QUALITY CODE PUBLISHING, LLC	1	.00	677.04	Logged
27484-	550	24	1/24/2013	395 JOSE RAFAEL RUIZ dba	2	.00	3,885.00	Logged
27485-	550	25	1/24/2013	405 RINCON CONSULTANTS, INC.	1	.00	4,465.00	Logged
27486-	550	26	1/24/2013	426 SAN LUIS PAPER CO.	1	.00	228.19	Logged
27487-	550	27	1/24/2013	444 ALFREDO J. BELLO dba	1	.00	436.32	Logged
27488-	550	28	1/24/2013	450 SB CO SHERIFF'S DEPARTMENT	2	.00	138,894.92	Logged
27489-	550	29	1/24/2013	452 SB MONUMENTAL CO., INC.	1	.00	2,224.80	Logged
27490-	550	30	1/24/2013	469 STAPLES CONTRACT & COMMERCIAL,	7	.00	543.53	Logged
27491-	550	31	1/24/2013	489 STEVE'S WHEEL & TIRE	1	.00	77.82	Logged
27492-	550	32	1/24/2013	556 VERIZON WIRELESS	1	.00	266.73	Logged
27493-	550	33	1/24/2013	582 VINTAGE WALK, LLC OWNERS ASSOC	1	.00	104.00	Logged
27494-	550	34	1/24/2013	598 ENGEL & GRAY, INC.	1	.00	3,480.41	Logged
27495-	550	35	1/24/2013	601 CITY OF ARROYO GRANDE	1	.00	360.00	Logged
27496-	550	36	1/24/2013	669 HYDREX PEST CONTROL	1	.00	105.00	Logged
27497-	550	37	1/24/2013	677 WALLACE GROUP	1	.00	10,921.66	Logged
27498-	550	38	1/24/2013	706 SATCOM GLOBAL, INC.	1	.00	41.97	Logged
27499-	550	39	1/24/2013	713 COASTAL COPY, LP	1	.00	484.92	Logged
27500-	550	40	1/24/2013	718 AUTOSYS, INC.	1	.00	763.00	Logged
27501-	550	41	1/24/2013	747 TERRANCE S. FRAZIER dba	1	.00	63.49	Logged
27502-	550	42	1/24/2013	781 VALLEY CREST LANDSCAPE MAINT,	1	.00	7,395.00	Logged
27503-	550	43	1/24/2013	782 WAGE WORKS	1	.00	91.00	Logged
27504-	550	44	1/24/2013	784 DS BRANDS dba	1	.00	544.93	Logged
27505-	550	45	1/24/2013	785 ZACA LAKE FOUNDATION	1	.00	600.00	Logged
27506-	550	46	1/24/2013	786 GLC GROUP, LLC	1	.00	451.50	Logged
27507-	550	47	1/24/2013	787 LISA FIGUEROA	1	.00	100.00	Logged
27508-	550	48	1/24/2013	11105 ADRIENNE WALTER	1	.00	72.00	Logged
27509-	550	49	1/24/2013	11142 CHRISTOPHE MILLNER	1	.00	115.50	Logged
27510-	550	50	1/24/2013	11144 COURTNEY R. BOWMAN	1	.00	560.00	Logged
27511-	550	51	1/24/2013	11170 DONELLE MARTIN	1	.00	300.00	Logged

Check-Run	Seq#	Date	Vendor Name	Checking	# Obls	Discount	Net amount	Status
27512-	550	52	1/24/2013	11236 GARY GENE JOHNSON dba	1	.00	66.00	Logged
27513-	550	53	1/24/2013	11244 HERMILA SANCHEZ	1	.00	238.00	Logged
27514-	550	54	1/24/2013	11292 JOSHUA A. GRANT	1	.00	45.50	Logged
27515-	550	55	1/24/2013	11300 KAREN PALMER	1	.00	59.50	Logged
27516-	550	56	1/24/2013	11321 LAURA COGAN	1	.00	90.00	Logged
27517-	550	57	1/24/2013	11342 MARIAH KORTE	1	.00	14.00	Logged
27518-	550	58	1/24/2013	11343 MARIANNE MADSEN	1	.00	180.00	Logged
27519-	550	59	1/24/2013	11476 STEPHEN F. DUNLAP	1	.00	84.00	Logged
27520-	550	60	1/24/2013	11487 TINA HUFF KALKOWSKI	1	.00	100.00	Logged
27521-	550	61	1/24/2013	11525 VICTORIA L. BENNETT	1	.00	70.00	Logged
27522-	551	1	1/28/2013	424 S Y R W C D	2	.00	2,389.48	Logged
						.00		
** Total check discount **						.00		
** Total check amount **						257,955.01		
						.00		

EXHIBIT B

Payments via Electronic Fund Transfer (EFT):

Hasler annual fee	1/11/13	50.00
Payroll Taxes	1/14/13	551.13
FSA-Staff	1/15/13	755.63
Payroll Taxes	1/17/13	8,968.66
Payroll Taxes	1/28/13	120.39
Payroll Taxes	1/31/13	10,812.84
UI/ETT 4th Qtr	1/31/13	625.50
Use Tax 4th Qtr	1/31/13	485.00
FSA-Council	1/31/13	100.00
Total		<hr/> \$22,469.15

**FISCAL YEAR 2012-13 REVENUE AND EXPENDITURE RECAP**

As of December 31, 2012  
50.0%  
of the year elapsed

<u>GENERAL FUND</u>	<u>Budgeted</u>	<u>Year to Date</u>	<u>% of Budget YTD</u>	<u>Cash Balance at 12/31/12</u>
Total Revenues (1)	\$4,296,365.00	\$2,178,551.01	51%	\$2,447,385.50
Total Expenditures (1)	\$5,017,791.00	\$2,460,615.66	49%	
<u>SPECIAL REVENUE FUNI</u>	<u>Budgeted</u>	<u>Year to Date</u>	<u>% of Budget YTD</u>	<u>Cash Balance at 12/31/12</u>
Total Revenues	\$501,419.00	\$355,392.55	71%	\$1,950,596.57
Total Expenditures	\$1,164,304.00	\$400,868.78	34%	
<u>WATER/SEWER</u>	<u>Budgeted</u>	<u>Year to Date</u>	<u>% of Budget YTD</u>	<u>Cash Balance at 12/31/12</u>
Total Revenues	\$2,051,250.00	\$1,132,329.31	55%	\$4,974,355.87
Total Expenditures	\$2,698,458.00	\$1,109,284.85	41%	
<u>SUCCESSOR AGENCY</u>	<u>Budgeted</u>	<u>Year to Date</u>	<u>% of Budget YTD</u>	<u>Cash Balance at 12/31/12</u>
Total Revenues	\$0.00	\$1,191.46	N/A	(\$26,731.00)
Total Expenditures	\$0.00	\$1,781,330.58	N/A	

The Revenue Status Report and Expenditure Status Report are available for your review.

**The Cash Balances as of February 5, 2013 are as follows:**

<b>Checking</b>	<b>Balance as of:</b>	<b><u>FY 2011-12</u></b>	<b><u>FY 2012-13</u></b>
Rabobank	2/5/13	<u>118,640.83</u>	<u>78,984.78</u>
<b>Total Checking</b>		<b>118,640.83</b>	<b>78,984.78</b>
<b>Savings/Investments</b>			
LAIIF-savings	12/31/12	12,917,361.98	11,714,648.42
Rabobank-money mkt	12/31/12	202,481.08	203,419.74
Morgan Stanley-bonds	12/31/12	375,000.00	126,271.18
Great Pacific-treasuries	12/31/12	0.00	503,245.66
First Empire-bonds	12/31/12	<u>3,485,000.00</u>	<u>2,504,493.46</u>
<b>Total Savings/Investments</b>		<b>16,979,843.06</b>	<b>15,052,078.46</b>
% of cash invested		23.76%	22.06%
<b>Total Cash</b>		<b><u>17,098,483.89</u></b>	<b><u>15,131,063.24</u></b>

1.) General Fund revenues and expenditures include Storm Water, Parks and Rec and Landscape Maintenance

2.)\*Restricted cash of \$6,158,840.64 not included in general fund cash balance at 12/31/12

**CITY OF BUELLTON**  
City Council Agenda Staff Report

City Manager Review: JHK  
Council Agenda Item No.: 4

To: The Honorable Mayor and City Council

From: Marc Bierdzinski, Planning Director

Meeting Date: February 14, 2013

Subject: Direction to Staff on Request for Proposals (RFP) on Branding and Economic Development

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**BACKGROUND**

Attached are the draft RFPs for branding (Attachment 1) and Economic Development (Attachment 2).

At the direction of City Council, staff sent out a Request for Qualifications (RFQ) for both a branding consultant and an economic development consultant. Statement of Qualifications (SOQ) were received from four firms for branding and seven firms for economic development.

The four branding firms are:

- Flint Strategies of Half Moon Bay, CA
- Graphic Solutions of San Diego, CA
- North Star of Nashville, TN
- The Placemaking Group of Oakland, CA

The seven economic development firms are:

- Applied Development Economics of Walnut Creek, CA
- BAE Urban Economics of San Francisco, CA
- Buxton Corporation of Fort Worth, TX
- Chabin Concepts of Chico, CA
- Craft Consulting Group of Lafayette, CA
- Kosmont Companies of Los Angeles, CA
- Rosenow Spevacek Group of Santa Ana, CA

At the August 9, 2012, City Council meeting, the City Council voted to accept the RFPs and table them until after the November election to see whether Measure D2012 was approved. The City Council also directed staff not to spend additional time or money on sending out additional requests for Statement of Qualifications (SOQ) and just use the firms that responded to the original SOQ. The meeting minutes from August 9, 2012, are provided as Attachment 3.

Measure D2012 has passed and staff is seeking City Council direction on issuing the RFPs and budgeting for these consultants.

### **RECOMMENDATION**

That the City Council provide direction to staff on whether to budget for branding and economic development consultants and issue the RFPs based on that direction.

### **ATTACHMENTS**

Attachment 1 – Draft RFP for Branding

Attachment 2 – Draft RFP for Economic Development

Attachment 3 – Minutes of August 9, 2012, City Council Meeting

**DRAFT** Request for Proposal

for a

**Branding Consultant** for the

***City of Buellton***



Proposals Due by 4:45 p.m.  
on , 2012

City of Buellton Planning Department  
107 W. Highway 246, P.O. Box 1819  
Buellton, CA 93427  
(805) 688-7474



, 2012

ATTN:

SUBJECT:                   **REQUEST FOR PROPOSAL – BRANDING CONSULTANT FOR  
THE CITY OF BUELLTON**

The City of Buellton is soliciting proposals from qualified firms for developing and marketing a branding concept for the City of Buellton. The consultant will join City officials and Chamber of Commerce members in developing this task.

### **BACKGROUND**

The City of Buellton recently completed a public visioning process. The Final Vision Plan was accepted in February 2012. Goal 1 of the Vision Plan is to portray a positive Buellton image and brand. Goal 1 from the Vision Plan is attached to this RFP. The Sub-Committee Report on branding is also attached that discusses this goal in more detail. The entire vision plan can be viewed on the City’s website, [www.cityofbuellton.com](http://www.cityofbuellton.com).

The City has been labeled “Service Town USA” in the past and has been known for Pea Soup Andersens since the 1920s. The Chamber of Commerce/Visitor’s Bureau has also developed a tagline for marketing the City (“Gateway to the Valley”). The selected consultant will review these past associations and help determine the best course of action to brand and market the City of Buellton. The City is willing to look at all available options, including moving away from these past associations or building upon them.

The City is also issuing an RFP for an economic development advisor and both the branding consultant and economic development advisor will be expected to coordinate their efforts. Both consultants will also work with City staff and the Chamber of Commerce/Visitor’s Bureau as a team.

### **PROJECT TIME SCHEDULE**

Send out Request for Proposal	, 2012
Last day to submit questions/clarifications	, 2012
<b>Consultants Proposal Due</b>	<b>, 2012, by 4:45 p.m.</b>

### **CONSULTANT - SCOPE OF WORK**

The following are the mandatory and optional tasks that are being requested. The costs of the optional tasks shall be separate line items from the mandatory tasks.

#### **Task 1 – Review Existing Setting/Meet with Staff**

The consultant shall review the existing branding and marketing of the City and determine its current effectiveness. This shall include the Vision Plan and its data relating to branding. Budget for at least two meetings with City staff and/or City committees in this initial data gathering stage.

### **Task 2 – Meet with Stakeholders**

The consultant shall meet with City staff, City Council members, and community stakeholders to ascertain the wishes and desires of the various stakeholders on the future branding of the City.

### **Task 3 – Develop Brand and Marketing Strategy**

The consultant shall prepare a Branding and Marketing Strategy for the City of Buellton. The Branding and Marketing Strategy shall be in a format to easily allow the agents of the City to implement the recommendations.

Deliverables: Ten hard copies and an electronic version (in Word and PDF) of the Branding and Marketing Strategy.

### **Task 4 – Present Report to the City Council**

The consultant shall present the Branding and Marketing Strategy at a public meeting of the Buellton City Council.

### **Optional Task 5 – Additional Public Meetings**

In the event the consultant is requested to attend additional public meetings, the RFP shall include a budget for attendance at these additional meetings.

### **Optional Task 6 – Additional Services**

In the event the City wishes assistance in implementing the Branding and Marketing Strategy, the consultant shall budget for additional time for this task.

## **CITY - SERVICES TO BE PROVIDED**

1. Copies of all applicable land use documents in electronic format.
2. Scheduling meetings and meeting rooms.
3. Attend meetings with the consultant.
4. Administer contracts.
5. Process progress payments submitted by the consultant and approved by the Planning Director within a timely period.

## **CONSULTANT'S PROPOSAL**

The City is providing this RFP only to those firms that submitted a Statement of Qualifications for providing branding services. The City's quality-based selection process will require each consultant to submit a proposal which demonstrates the consultant's ability to provide the best available services and design products at a reasonable cost.

All proposals shall include, as a minimum, the following elements:

1. A description of your project team:
  - Identification of key personnel to be assigned to this project with complete resumes of each and percentage of time to be devoted to the project.
  - A listing of other firms (subs or partners) to be utilized to fulfill the terms of the agreement with qualifications and their participating personnel.
  - A review of similar projects completed by the project team. Include a statement that key staff will not be changed during the course of the project following proposal submittal without the City's concurrence or direction.
2. Consultant references. Include reference names, agencies/companies, addresses, and current phone numbers and e-mail address.
3. Description of the branding services proposed by the consultant and your detailed scope of work, and project deliverables associated by each Task.
4. A discussion of the methods to be used for adjusting fees (either upward or downward) if the actual scope changes during the contract period.
5. A copy of your firm's insurance certificate that verifies the ability to comply with the City's liability requirements.
6. If sub-consultants are being proposed, describe the nature and extent of services to be provided by each sub-consultant.
7. A Project Schedule with milestones outlined.
7. Proposed fees for professional services for each component of work as described above. These fees shall be in the form of a maximum not to exceed cost. Provide a schedule of hourly rates according to personnel classifications. The proposed fee schedule shall be in an envelope separate from the main body of the proposal.

All proposals, whether selected or rejected, shall become the property of the City of Buellton. The City reserves the right to reject any or all proposals. The costs of preparation of the proposal will be borne by the proposer. Proposal shall be signed by a representative of the consultant who has the authority to sign contracts for the consultant. Attached is a copy of the City's standard contract. Please review to insure all conditions can be met.

Award of a contract is contingent upon the availability of funds.

## **SELECTION PROCEDURE**

Listed below is the City of Buellton's selection procedure for selecting firms to provide professional services.

1. Prepare and distribute the Request for Proposals stating the scope of work and requesting that the firm submit a written proposal including a not-to-exceed amount for the service.
2. Review all proposals for completeness.
3. Prepare "short list" for firms submitting complete proposals that satisfy the City's requirements and meet the City's budget for this process.
4. Rate the short list consultants' proposals in light of the specific project proposed and the criteria given below.
  - a. Consultant's knowledge and understanding of the issues as they relate to conducting branding services.
  - b. Past experience in the field.
  - c. Adequacy of professional staff and depth of firm.
  - d. Completeness of proposal.
5. The top consultants will be invited to make presentations to the City Council.
6. The City Council will rank the firms in order of preference and direct staff to begin negotiations with the top ranked consultant.
7. Staff will enter negotiations with the top ranked consultant. If the City and the consultant are unable to reach agreement, the City will enter negotiations with the next highest ranked consultant. The process continues until agreement is reached with a qualified consultant, or the City decides to re-issue the Request for Proposals.
8. The consultant will be required to sign the City's standard contract for professional services.

Interested firms shall submit ten copies of their proposal to the City of Buellton Planning Department, 107 West Highway 246, P.O. Box 1819, Buellton, CA 93427, attention Marc Bierdzinski, Planning Director. Proposals must be submitted no later than 4:45 p.m. on , , 2012. Postmarks are not accepted.

If you have any questions or require additional information, please contact:

- Marc Bierdzinski at (805) 688-7474, [marcb@cityofbuellton.com](mailto:marcb@cityofbuellton.com).

Marc P. Bierdzinski, AICP  
Planning Director

ATTACHMENT

- Goal 1 from Vision Plan – Branding
- Sub-Committee Report on Branding
- City standard contract

All City documents referenced in this RFP and the Buellton Municipal Code can be viewed on the City's website, [www.cityofbuellton.com](http://www.cityofbuellton.com).

**DRAFT** Request for Proposal

for an

**Economic Development Consultant** for the

***City of Buellton***



Proposals Due by 4:45 p.m.  
on , 2012

City of Buellton Planning Department  
107 W. Highway 246, P.O. Box 1819  
Buellton, CA 93427  
(805) 688-7474



, 2012

ATTN:

SUBJECT:                   **REQUEST FOR PROPOSAL – ECONOMIC DEVELOPMENT  
CONSULTANT FOR THE CITY OF BUELLTON**

The City of Buellton is soliciting proposals from qualified firms for performing economic development activities for the City of Buellton. The consultant will join City officials and Chamber of Commerce members in developing this task.

### **BACKGROUND**

The City of Buellton recently completed a public visioning process. The Final Vision Plan was accepted in February 2012. Goal 8 of the Vision Plan is to foster local economic development that supports the community vision. Goal 8 from the Vision Plan is attached to this RFP. The Sub-Committee Report on economic development is also attached that discusses this goal in more detail. The entire vision plan can be viewed on the City's website, [www.cityofbuellton.com](http://www.cityofbuellton.com). The California Association for Local Economic Development (CALED) prepared an assessment of the City in 2008 (attached to this RFP). The City's General Plan also has an Economic Development Element.

Economic development activities for the City are currently handled by two groups. The City has an economic development task force comprised of members from City staff, the City Council, and Board members of the Chamber of Commerce. The Chamber of Commerce/Visitor's Bureau is also under contract with the City to perform basic economic development activities. These duties are attached to this RFP. The main focus of the Chamber is tourism recruitment.

The City is seeking a qualified economic development professional to assist the City in developing an economic development strategy, and then providing economic development assistance on an on-call basis on the implementation of the plan. We are looking to add and build upon the base that has been started.

The City is also issuing an RFP for a branding consultant and both the branding consultant and economic development advisor will be expected to coordinate their efforts. Both consultants will also work with City staff and the Chamber of Commerce/Visitor's Bureau as a team.

### **PROJECT TIME SCHEDULE**

Send out Request for Proposal	, 2012
Last day to submit questions/clarifications	, 2012
<b>Consultants Proposal Due</b>	<b>, 2012, by 4:45 p.m.</b>

### **CONSULTANT - SCOPE OF WORK**

The following are the mandatory and optional tasks that are being requested. The costs of the optional tasks shall be separate line items from the mandatory tasks.

### **Task 1 – Develop an Existing Economic and Demographic Profile**

The consultant shall develop an existing economic and demographic profile using, but not limited to, the following data sources:

- The City’s Economic Development Element of the General Plan and other relevant goals and policies
- The 2008 CALED Study
- Meetings with City staff, the economic development task force, City Council members, the Chamber of Commerce Executive Director, and other City stakeholder groups
- The 2012 Public Vision Plan

Deliverables: Ten hard copies and an electronic version (in Word and PDF) of the existing economic and demographic profile of the City.

### **Task 2 – Prepare a SWOT Analysis**

The consultant shall prepare a Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis.

Deliverables: Ten hard copies and an electronic version (in Word and PDF) of the SWOT Analysis.

### **Task 3 – Prepare Final Economic Development Strategy Plan**

The consultant shall prepare an Economic Development Strategy Plan with specific goals, strategies, and action items to implement the plan. The final plan shall include the deliverables from Tasks 1 and 2.

Deliverables: Ten hard copies and an electronic version (in Word and PDF) of the Economic Development Strategy Plan.

### **Task 4 – Present Plan to the Economic Development Task Force and City Council**

The consultant shall present the Economic Development Strategy Plan to the Economic Development Task Force and then to the City Council (two meetings total).

### **Optional Task 5 – Additional Public Meetings**

In the event the consultant is requested to attend additional public meetings, the RFP shall include a budget for attendance at these additional meetings.

### **Optional Task 6 – On-Call Economic Advisor Services**

In the event the City wishes assistance in implementing the Economic Development Strategy Plan, the consultant shall budget for additional time for this task on an on-call basis.

### **CITY - SERVICES TO BE PROVIDED**

1. Copies of all applicable land use documents in electronic format.
2. Scheduling meetings and meeting rooms.
3. Attend meetings with the consultant.
4. Administer contracts.
5. Process progress payments submitted by the consultant and approved by the Planning Director within a timely period.

### **CONSULTANT'S PROPOSAL**

The City is providing this RFP only to those firms that submitted a Statement of Qualifications for providing branding services. The City's quality-based selection process will require each consultant to submit a proposal which demonstrates the consultant's ability to provide the best available services and design products at a reasonable cost.

All proposals shall include, as a minimum, the following elements:

1. A description of your project team:
  - Identification of key personnel to be assigned to this project with complete resumes of each and percentage of time to be devoted to the project.
  - A listing of other firms (subs or partners) to be utilized to fulfill the terms of the agreement with qualifications and their participating personnel.
  - A review of similar projects completed by the project team. Include a statement that key staff will not be changed during the course of the project following proposal submittal without the City's concurrence or direction.
2. Consultant references. Include reference names, agencies/companies, addresses, and current phone numbers and e-mail address.
3. Description of the economic development services proposed by the consultant and your detailed scope of work, and project deliverables associated by each Task.
4. A discussion of the methods to be used for adjusting fees (either upward or downward) if the actual scope changes during the contract period.
5. A copy of your firm's insurance certificate that verifies the ability to comply with the City's liability requirements.

6. If sub-consultants are being proposed, describe the nature and extent of services to be provided by each sub-consultant.
7. A Project Schedule with milestones outlined.
8. Proposed fees for professional services for each component of work as described above. These fees shall be in the form of a maximum not to exceed cost. Provide a schedule of hourly rates according to personnel classifications. The proposed fee schedule shall be in an envelope separate from the main body of the proposal.

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7. Staff will enter negotiations with the top ranked consultant. If the City and the consultant are unable to reach agreement, the City will enter negotiations with the next highest ranked consultant. The process continues until agreement is reached with a qualified consultant, or the City decides to re-issue the Request for Proposals.
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Marc P. Bierdzinski, AICP  
Planning Director

#### ATTACHMENT

- Goal 8 from Vision Plan – Economic Development
- Sub-Committee Report on Economic Development
- CALED Study
- Chamber of Commerce economic development tasks
- City standard contract

All City documents referenced in this RFP and the Buellton Municipal Code can be viewed on the City's website, [www.cityofbuellton.com](http://www.cityofbuellton.com).

**BUSINESS ITEMS****6. Discussion Regarding Honoring Former Council Member Russ Hicks****RECOMMENDATION:**

That the City Council determine how best to honor former Council Member Russ Hicks and provide staff with direction on how to proceed.

**STAFF REPORT:**

City Manager Kunkel presented the staff report.

**DOCUMENTS:**

Staff report with attachments (Photos)

**SPEAKERS/DISCUSSION:**

Ben Fitzgerald, Buellton, stated that River View Park should not be renamed in honor of Russ Hicks and that it should remain named River View Park.

Matt Hicks, Buellton, thanked the Council and staff for their consideration in honoring his Dad but requested this item be tabled until the family can talk to Council Members and staff to determine the best way to honor Russ Hicks.

Ron Anderson, Buellton, requested this item be tabled until the family, Council, and staff can determine the best way to honor Russ Hicks.

The City Council discussed the following issues:

- Establishing a procedure to honor former Council Members and others or consider each case individually
- Having the Planning Commission work on this issue to determine how best to honor Russ Hicks
- Forming a committee to create a design for a food preparation area at River View Park in honor of Russ Hicks and to seek donations to fund the effort
- Setting up a bank account to raise money for a memorial

**DIRECTION:**

The City Council agreed by consensus to table this item until the Council and staff have had time to work with the Hicks family to determine the best way to honor Russ Hicks.

**7. Public Visioning Process Debrief and Future Direction****RECOMMENDATION:**

That the City Council provide direction to staff regarding how to proceed with the Visioning Process.

**STAFF REPORT:**

Planning Director Bierdzinski presented the staff report.

**DOCUMENTS:**

Staff report with attachments (Draft Request for Proposals (RFP's) for Branding and Economic Development)

**SPEAKERS/DISCUSSION:**

Peggy Brierton, Buellton, stated the Steering Committee and Planning Commission should get an opportunity to look at the study and that the RFP's should be sent to other firms.

Ron Anderson, Buellton, stated the Council should move forward on the Visioning process but should be flexible until after the November election to see whether Measure D2012 (raising Transient Occupancy Tax) is passed.

Cindy Taylor, Buellton, stated we need to make Buellton welcome to the people traveling through the City and that all citizens should be involved in the process.

The City Council discussed the following issues:

- RFP's for both Branding and Economic Development
- Tabling this item until after the November election
- Looking for other sources of funding

**MOTION:**

Motion by Vice Mayor King, seconded by Council Member Connolly to accept and table the RFP's until after the November election to see whether Measure D2012 is approved and not spending staff time or City funds on additional Statement of Qualifications being sent out.

**VOTE:**

Motion passed by a roll call vote of 4-1, Council Member Dale voting no.

The City Council discussed the following issues:

- Having the Planning Commission and Steering Committee look at the various studies and provide recommendations as to how to move forward

**MOTION:**

Motion by Council Member Dale, seconded by Council Member Connolly directing staff to review the Corridor Study and the Cal Poly Study with the Planning Commission and Steering Committee and bring back recommendations to the City Council.

**VOTE:**

Motion passed by a roll call vote of 5-0.

**DIRECTION:**

The City Council agreed by consensus to have staff move forward with workshops with the Planning Commission regarding the Zoning Ordinance and Community Design Guidelines.

**CITY OF BUELLTON**  
City Council Agenda Staff Report

City Manager Review: JHK  
Council Agenda Item No.: 5

To: The Honorable Mayor and City Council

From: Rose Hess, Public Works Director

Meeting Date: February 14, 2013

Subject: Consideration of Parking Restrictions at Various Transit Stop Locations

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**BACKGROUND**

The City of Buellton is serviced by Santa Ynez Valley Transit (SYVT). There are 5 transit stops, which have been identified by staff and the SYVT operators that have had safety issues arise during transit operations. Buses are supposed to stop directly in front of the bus shelter for access, however for these particular locations listed, there are either vehicles parked in place or parked too close for the bus driver to safely maneuver. These areas would benefit from some form of parking restrictions.

The areas for consideration are:

1. Avenue of Flags @ Second Street (Houston's Liquor)
2. Meadow View Drive @ Meadow Road (River View Park)
3. Highway 246 @ Park Circle (Ranch Club Mobile Home Park)
4. Highway 246 @ Valley Station Drive (west of Post Office)
5. McMurray Road (across from Theater)

Notices have been sent to the property owners/businesses adjacent to these sites to solicit comment during this meeting.

SYVT operators are requesting 60 feet of red curb, centered at the bus shelter, at each location. Buses are exempt from the parking restrictions placed by red curbs. Staff has reviewed the various sites and has provided Attachment 1 for discussion. Only one location, #5 – McMurray Road, has an existing 50 foot red curb for the bus stop. 60 feet would be the minimum amount of parking restriction to provide a safe area for the buses to transition into and out of the stop. Each bus is approximately 27 feet in length. Not all areas are suitable for red curbs as it may negatively impact adjacent businesses. However, other curb colors may be more appropriate.

Considerations for parking restrictions include the following colors and restrictions as defined by the California Vehicle Code Section 21458:

**Curb Markings**

**21458.** (a) Whenever local authorities enact local parking regulations and indicate them by the use of paint upon curbs, the following colors only shall be used, and the colors indicate as follows:

(1) **Red** indicates no stopping, standing, or parking, whether the vehicle is attended or unattended, except that a bus may stop in a red zone marked or signposted as a bus loading zone.

(2) **Yellow** indicates stopping only for the purpose of loading or unloading passengers or freight for the time as may be specified by local ordinance.

(3) **White** indicates stopping for either of the following purposes:

(A) Loading or unloading of passengers for the time as may be specified by local ordinance.

(B) Depositing mail in an adjacent mailbox.

(4) **Green** indicates time limit parking specified by local ordinance.

(5) **Blue** indicates parking limited exclusively to the vehicles of disabled persons and disabled veterans.

(b) Regulations adopted pursuant to subdivision (a) shall be effective on days and during hours or times as prescribed by local ordinances.

Location 1 – Avenue of Flags @ Second Street. The transit stop is immediately adjacent to Houston’s Liquor. Red curbing, particularly at 60 feet in length encompasses the entire frontage of the vacant lot between Houston Liquor and First Street. This stop however is one of the locations with the highest safety concerns identified by the transit operators due to constant conflict with parked vehicles. Staff recommends that White or Yellow marking would be appropriate in this location for the length of 60 feet. This would allow vehicles to stop for short durations without parking for extended periods and interfering with the bus.

Location 2 – Meadow View Drive @ Meadow Road. The area is a single loaded residential street. The stop has recently been relocated here to utilize the existing park benches for riders. There have been safety issues raised at this location in the past, but not specifically conflict with other vehicles. Ridership is quite low at this location. In addition, due to the proximity to residences, staff does not recommend to mark red curbs at this time.

Location 3 – Highway 246 @ Park Circle. This is located on the south side of Highway 246. A Caltrans encroachment permit would be required, supported by a City Resolution determining the need. Parking restriction here would not negatively impact the adjacent mobile home park. To keep all the transit stops along Highway 246 consistent, particularly with the relative speeds and traffic volumes, staff recommends 60 feet of red curb.

Location 4 – Highway 246 @ Valley Station. Located on the south side of Highway 246, same requirements as Location 3. Sixty feet of red curb would completely restrict the frontage east of the Valley Station driveway. Parking restriction should not negatively impact the adjacent businesses as parking facilities are provided on-site. In addition, this would provide additional site clearance for the Fire Department driveway to the east. Staff recommends 60 feet of red curb.

Location 5 – McMurray Road – across from the movie theater. Located on the east side of McMurray Road, with an existing 50 feet red curb. McMurray Road is the other location with high safety concerns identified, particularly with the volume of trucks parking along the road. A minimum of 10 feet (5 feet on each end) of red curb is requested to extend the area that buses can transition into and out of the stop. Staff recommends an additional 10 feet of red curb.

### **FISCAL IMPACT**

Approval of curb painting will have minimal Fiscal Impact as the markings can be completed by staff.

### **RECOMMENDATION**

Staff recommends parking restrictions at various transit stop locations as noted above, specifically at Locations 1,3, 4 and 5, and that the Council direct staff to prepare a Resolution for adoption of the parking restrictions to be heard at the next council meeting.

### **ATTACHMENT**

Attachment 1 – Site Photos

1. *Avenue of Flags @ Second Street*



2. *Meadow View Drive @ Meadow Road*



3. Highway 246 @ Park Circle



4. Highway 246 @ Valley Station



5. McMurray Road



**CITY OF BUELLTON**  
City Council Agenda Staff Report

City Manager Review: JHK  
Council Agenda Item No.: 6

To: The Honorable Mayor and City Council

From: Ralph D. Hanson, City Attorney

Meeting Date: February 14, 2013

Subject: Consideration of the Adoption of the Tajiguas Resource Recovery Project Term Sheet

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**BACKGROUND**

At the January 10, 2013 City Council meeting, Mark Schleich, Santa Barbara County Deputy Public Works Director of Recourse Recovery and Waste Management, gave a presentation of the proposed transaction to modify the Tajiguas Landfill and the proposed Tajiguas Resource Recovery Project Term Sheet (the "Term Sheet").

Attached for Council consideration is the Term Sheet.

As mentioned by Mr. Schleich, and as specifically stated in the Term Sheet, this is only a non-binding statement of intent that allows the project to commence the CEQA process and initial negotiations and does not, in itself, require any payment of City funds. Adoption of the Term Sheet does not commit the City to any participation in the ultimate project at the Tajiguas Landfill.

**FISCAL IMPACT**

The Term Sheet will not require any payment of City funds. A separate action of the County to increase tip fees is proposed to fund CEQA preparation and review of the project. Ultimate costs for the final project are presently unknown.

**RECOMMENDATION**

That the City Council adopt the Tajiguas Resource Recovery Project Term Sheet and authorize the City Manager to execute the Term Sheet on behalf of the City.

**ATTACHMENT**

Attachment 1 - Tajiguas Resource Recovery Project Term Sheet

**TAJIGUAS RESOURCE RECOVERY PROJECT TERM SHEET**

This **TERM SHEET** ("Term Sheet") is entered into by and between the COUNTY OF SANTA BARBARA, ("County"), the CITY OF SANTA BARBARA, a California municipal corporation and charter city ("Santa Barbara"), the CITY OF BUELLTON, a California municipal corporation ("Buellton"), the CITY OF GOLETA, a California municipal corporation ("Goleta"), the CITY OF SOLVANG, a California municipal corporation ("Solvang") (collectively "Public Participants") and MUSTANG RENEWABLE POWER VENTURES, LLC, a California limited liability company ("Mustang" or "Contractor"). The Term Sheet is based on the Request for Proposals ("RFP") issued in October 2009 by the Public Participants for a Resource Recovery Project. It sets forth basic terms of a proposed transaction to modify the existing Tajiguas Landfill, which is owned by the County and which receives solid waste from residents, businesses and other entities within the jurisdictions of the Public Participants, to include the development of a solid waste resource recovery facility. Public Participants and Contractor are sometimes collectively referred to herein as the "Parties". The use of the terms "will" or "shall" or "may" or use of the passive or active voice in any description in this document is meant to be merely descriptive, pending CEQA review and final decisions and negotiations of terms and procedures mentioned herein, and shall not, in any way, change the speculative nature of the description of the project or terms thereof in this document.

**I. INTRODUCTION**

The purpose of this Term Sheet is to memorialize the preliminary terms contained in the RFP, as modified through discussions among the parties, and to inform the public regarding the goals and principles identified by the Santa Barbara County Multi-Jurisdictional Solid Waste Task Group that will guide the proposal to develop the proposed Resource Recovery Project (as defined below) throughout the public review process. As further described below, the Resource Recovery Project shall not proceed unless and until the parties have negotiated, executed and delivered mutually acceptable contractually binding agreements based upon information produced from the CEQA environmental review process and other public review and hearing processes, subject to all applicable governmental approvals. If agreement can be reached, these negotiations may result in definitive binding agreements ("Definitive Agreements") which also may include leases, issuance of bonds and other legal documents.

This Term Sheet is intended to memorialize the present intent of the parties in the manner approved by the California Court of Appeal in the case of *Cedar Fair v City of Santa Clara*, 194 Cal.App.4th 1150, in that it is a non-binding statement of intent and does not preclude the possibility that the Public Participants may take actions at their legislative discretion contrary to the current stated intent of the parties in order to comply with the California Environmental Quality Act (CEQA), state statutes, or their municipal charters and other provisions of law.

The Resource Recovery Project (also referred to as "Project") is a modification of the currently existing operation at the Tajiguas Landfill. The Project, as presently envisioned, will include two

components: a Materials Recycling Facility (“MRF”) and an Anaerobic Digestion facility (“AD”). The AD facility will also include one or more combined heat and power units (“Power Plant”) that is estimated to convert methane rich biogas to approximately 1+ megawatts of renewable power that will be sold to So Cal Edison via a long term power purchase agreement. The Project is based upon the landfilled municipal solid waste and waste characterization study of 2008 as included in the project Request for Proposals (RFP).

The Resource Recovery Project will be designed, built, owned, operated and, after its primary operational period, potentially transferred to the County by Contractor via a private-public partnership structure, pursuant to Government Code Section 5956.4 *et seq* and other provisions of law. Other than initial CEQA costs, no Public Participant funds are anticipated to be used for the permitting, development, ownership or operation of the Resource Recovery Project. The Resource Recovery Project will process mixed municipal solid waste (MSW) generated by the Public Participants as well as potentially process Commingled Source Separated Recyclables and Source Separated Organic (food & green) Waste (as such terms are defined herein) into valuable commodities (recyclables, compost, soil amendments & energy) diverting an estimated 62% or more of the processed material from disposal at the Tajiguas Landfill consistent with the goals of the Public Participants.

The Resource Recovery Project is intended to provide at least a 20 year solid waste management plan for the region that will help all participating jurisdictions achieve a variety of unfunded State mandates. Since the passage of AB 939 in 1990, which required the diversion of 50% of all waste generated, there has been a considerable legislative effort to limit and mitigate the environmental impact of the handling and disposal of waste. The most prominent of these new laws is AB 341, which sets a state recycling rate goal of 75% or higher. The Resource Recovery Project will allow all participating communities to substantially increase diversion rates. The state also requires that all communities plan for at least 15 years of disposal capacity (California Public Resources Code Div. 30, Part 2, Chap. 4, Sec. 41701). This project would give the Public Participants at least 20 years of disposal capacity without expanding the landfill or exportation of the waste to another community.

Other important State requirements that the Resource Recovery Project will help Public Participants achieve are AB 32, the Global Warming Solutions Act and SB 2X – 33% Renewable Energy by 2020. MSW is a significant cause of greenhouse gases. When buried municipal solid waste decomposes and methane gas is generated. Although over 75% of the gas generated at the Tajiguas Landfill is captured through best management practices, the remaining 25% of the gas is still generating the same amount of CO<sub>2</sub> as 22,000 passenger vehicles on the road every year. The Resource Recovery Project is planned to largely eliminate all future methane potential of the region’s landfilled waste; greatly reducing local greenhouse gas emissions and helping participating jurisdictions achieve the reduction mandated by AB 32. The Tajiguas Landfill currently generates 2.5 MW of green energy from the methane it collects. The Resource Recovery Project would add an estimated 1 MW of green energy to its existing production, enough to power approximately 1,000 homes here in Santa Barbara County and helping the state get to 33% of renewable energy by 2020.

The Public Participants are considering forming a joint powers authority (JPAuthority) or entering into a five public agency joint powers agreement (JPAgreement) to administer the relationship between the Public Participants and the Contractor over the anticipated 20 year term of the Definitive Agreements. The County intends to execute a Site Lease with the Contractor for the Project Site(s) located at the Tajiguas Landfill to facilitate the construction and operation of the Resource Recovery Project and the transfer of the project facilities to the County at the end of the term.

The County will be the Lead Agency for CEQA puposes, and the County’s Public Works Department Resource Recovery & Waste Management Division will be the project applicant in order to complete the CEQA Process.

No new or increased taxes will be required to finance the development of the Resource Recovery Project. The Definitive Agreements to be executed between the proposed JPAuthority or parties to the JPAgreement and the Contractor will provide for delivery of the waste streams in volumes and at tip fees agreed upon by the Public Participants that will be less than \$100 per ton, as specified in the Resource Recovery Project Request for Proposals, for the term of the agreement with Contractor.

The Public Participants have defined the following requirements for the Project (“Project Goals”):

***Increase Diversion of Post-Recycled MSW for Affected Jurisdictions.*** The Resource Recovery Project must increase the diversion of post-recycled MSW intended for landfill disposal through pre-processing (or post-processing) and/or conversion of post-recycled MSW into beneficial products such as energy, fuels, or other marketable products (e.g., compost, aggregate, metals).

***Reduce Environmental Impacts of Landfilling MSW.*** Modification of current landfill operations to include the Resource Recovery Project must limit and/or mitigate environmental impacts of landfilling MSW, including but not limited to water quality and greenhouse gas emissions.

***Provide Financial Feasibility and Sustainability.*** The Resource Recovery Project must have capital and operating costs that result in a feasible, cost-competitive tipping fee, with long-term financial stability that would limit financial impacts to affected rate payers.

***Produce Green Energy and Other Marketable Products.*** The Resource Recovery Project must include a component of green energy and/or fuel production, along with other marketable products, as applicable, such as recovered metals and compost.

***Provide a Humane Work Environment.*** The Project will be dedicated to maintaining humane working conditions, and will not consider any Resource Recovery that is deemed to have an unjust or unsafe impact on workers.

***Result in a Long-Term Waste Disposal Plan.*** The Resource Recovery Project must result in a long-term waste disposal alternative for participating jurisdictions within Southern Santa Barbara County (with a 20 year minimum lifespan required).

## **II. TERM SHEET NON-BINDING; CEQA COMPLIANCE REQUIRED**

**A. EFFECT OF TERM SHEET.** This Term Sheet is intended to provide a general non-contractual framework for the subsequent negotiation of definitive agreements regarding the development and operation of the Resource Recovery Project and does not create any binding contractual obligations on any Party or to commit any Party to a particular course of action. A transaction of this type involves many essential terms and conditions that have not yet been agreed upon, and it is expressly contemplated by the Parties that, in order to effectuate the Resource Recovery Project, binding Definitive Agreements will have to be negotiated, agreed to by the Parties and ultimately submitted to the elected official boards of the Public Participants for appropriate reviews and approvals in accordance with the applicable statutory and municipal code requirements for such approvals. As a result, all terms and issues set forth in this Term Sheet are subject to further discussion, revision and approvals. Contractor and the Public Participants each acknowledge and agree that all binding contracts, transactional documents, leases and land use entitlements must be approved in the future in accordance with the provisions of state and local law, and all other applicable legal requirements ("Applicable Requirements").

**B. NO IMPACT ON CALIFORNIA ENVIRONMENTAL QUALITY ACT PROCESS.** In order to comply with the California Environmental Quality Act ("CEQA") and give the public the opportunity to be aware of the environmental consequences of the Resource Recovery Project, and to fully participate in the CEQA process, the County, on behalf of the Public Participants, retains the discretion to (i) modify the transaction, create and enter into transactional documents, and modify the project as may, in their sole discretion, be necessary to comply with CEQA, (ii) identify and select other feasible alternatives to avoid significant environmental impacts, (iii) balance the benefits of the Resource Recovery Project against any significant environmental impacts prior to taking final action if such significant impacts cannot otherwise be avoided, and/or (iv) determine not to proceed with the Resource Recovery Project. No legal obligations will exist unless and until the parties have negotiated, executed and delivered mutually acceptable agreements based upon information produced from the CEQA environmental review process and on other public review and hearing processes, subject to all applicable governmental approvals.

In accordance with California Code of Regulations, Title 14, section 15084(d)(3), the County will serve as Lead Agency, with its Public Works Department Resource Recovery & Waste Management Division, ("RRWMD") serving as Project Applicant for both permitting and CEQA process purposes. Contractor will serve as a Vendor to the Project Applicant, and shall be responsible for permitting, constructing and operating the Project. Public Participants, as Responsible Agencies under CEQA, may take discretionary action on behalf of their individual agency to determine their level of participation in the resulting project. The County shall subject the EIR prepared by the Consultant hired by the County to the County's own review and analysis, and the conclusions and findings of the

final EIR shall reflect the County's independent judgment. Contractor shall bear all of the costs associated with the preliminary and final engineering and design for the Project and of the preliminary feasibility studies required by Contractor for the project's preliminary engineering and design. County shall issue a request for proposal for an EIR consulting firm to prepare the environmental document for the Project. County understands and acknowledges that prior to entering into the Definitive Agreements each of the Public Participants will exercise their independent judgment by reviewing and considering the final EIR and approving the Project.

### **III. OVERVIEW OF PROJECT**

#### **A. PROJECT HISTORY TO DATE**

The Public Participants formed the Santa Barbara County Multi-Jurisdictional Solid Waste Task Group ("MJSWTG") in 2002 to provide a forum to discuss and plan regional long-term solid waste management strategies and facilities. The MJSWTG identified various areas of interest and appointed representatives to serve on Subgroups, including the Conversion Technology (CT) Subgroup, to specifically research the feasibility of anaerobic digestion facilities and thermal gasification facilities for the communities served by the Tajiguas Landfill.

In February 2004, the MJSWTG developed a long-term waste management plan for the County. The plan was adopted by the jurisdictions served by the Tajiguas Landfill and included the development of a conversion technology (CT) facility which is essentially a facility that further recovers materials from the wastestream and converts those materials into energy, fuels, and other potentially marketable products.

In March 2007, the CT Subgroup of the MJSWTG was re-initiated and established a technical working subgroup comprised of staff from each of the participating jurisdictions (the cities of Buellton, Goleta, Santa Barbara, Solvang, and the County). This technical subgroup has met regularly over the last five years and was instrumental in hiring a consultant to evaluate the feasibility of conversion technologies, preparing the request for proposals for the project, reviewing the proposals submitted, conducting presentations to the general community regarding the project, and selecting the recommended project.

In August 2007, County staff provided a solid waste management update to the Santa Barbara County Board of Supervisors which included the request for direction for staff to work with its regional partners to evaluate the feasibility of constructing a facility that would reduce our community's reliance on landfilling. Technologies are available that would further process waste to remove recyclables and convert the majority of the remaining material into synthetic fuels, electricity, compost, soil amendments or other usable products. The benefits of this type of facility include providing a long-term waste management plan, minimizing the environmental effects of waste disposal, providing financial stability, maximizing recycling rates for participating jurisdictions, and potentially generating green energy for our community.

In October 2007, the City Council of Santa Barbara and the County Board of Supervisors approved the recommendation made by the Subgroup to hire Alternative Resources, Inc. (ARI) to proceed with the evaluation of a CT facility to be established on the South Coast, most likely at the Tajiguas Landfill. ARI was recommended to the Santa Barbara County Board of Supervisors based on a RFP process and selection committee that contained staff members from the County of Santa Barbara, the City of Santa Barbara, the City of Goleta, and the Montecito Sanitary District.

During the Fall and Winter of 2007/2008, staff from the County and City of Santa Barbara conducted a comprehensive outreach effort speaking directly to over 40 community organizations, agencies, and jurisdictions including the City Councils of Goleta, Buellton and Solvang. The purpose of the effort was to make the community more aware of the current rates of waste generation and the need for a long-term waste management plan and how CT may fit in the plan. In addition, the potential benefits of further processing recyclables and converting waste to an energy source were explained. Based on community feedback, the CT Subgroup and ARI drafted goals that were used as guiding principles in the evaluation process as well as evaluation criteria that were used to screen potential technologies for suitability at the Tajiguas Landfill.

In January 2008, both the City of Santa Barbara City Council and the Santa Barbara County Board of Supervisors approved the project goals and criteria to be used when preparing the feasibility report.

In April 2008, a feasibility report was completed and identified eight potential CT contractors, representing three different processes (anaerobic digestion, thermal processing, and refuse derived fuel). Each of the contractors met all of the criteria and expressed their ability to achieve 60-100% diversion at a rate of less than \$100 per ton (an assumed cost to dispose at an alternative facility in the future). Due to the breadth of contractor types and capabilities, it was determined by the consultant and Subgroup that there were feasible alternatives that could result from a competitive procurement process.

In May 2008, County staff presented the Feasibility Report and its findings to the Santa Barbara County Board of Supervisors and requested direction to begin drafting a Request for Proposals (RFP) to solicit project proposals from the short-listed conversion technology vendors identified in the feasibility report, directions for staff to continue to make presentations to the community on the results of the report, and to hold a public forum for elected officials from the potential partner cities to discuss the legal arrangement for the facility.

In August 2008, the CT Subgroup held a two-day public forum to discuss ownership, operation, financing, and contract administration of this potential facility. These meetings were attended by elected officials of the cities of Santa Barbara, Goleta and Buellton as well as the County of Santa Barbara. Feedback from this forum was formally presented and approved by the Santa Barbara County Board of Supervisors in October 2008.

During the summer of 2009, the City Councils of each jurisdiction proposed to participate in the project (cities of Buellton, Goleta, Santa Barbara, and Solvang) approved letters of interest and intention to commit material to the project if the facility was able to meet each of the project goals.

In October 2009, an RFP to modify existing operations at Tajiguas Landfill and establish a facility that would reduce our community's reliance on landfilling was released by the Santa Barbara County Board of Supervisors. The City of Santa Barbara City Council also received an update on the release of the RFP. In June 2010, the County received five proposals submitted by four vendors (one vendor, Mustang Renewable Power Ventures, submitted a Base and an Alternative proposal). In October 2010, each of the vendors made oral presentations of their proposals to the Subgroup. During 2010 to 2011, ARI and the Subgroup reviewed the proposals submitted and held four public official forums to discuss the proposals including their opportunities, weaknesses and their strengths.

In June 2011, the Public Participants advised Mustang that the Public Participants represented by the CT Subgroup, as well as comments from previously held public official forums, preferred Mustang's base proposal and thus would recommend Mustang as the preferred Project Contractor and the Base Proposal as the Preferred Project.

In January 2012, the Santa Barbara County Board of Supervisors agreed with the CT Subgroup and directed County Staff to proceed with the environmental review of Mustang's proposal.

In June 2012, a meeting of City managers from the respective jurisdictions directed that the environmental review process be funded through a surcharge at the Tajiguas Landfill rather than by Mustang.

**B. IMPLEMENTATION OF PROJECT GOALS.**

1. No Public Participant funds will be used for the Entitlement/Permitting Process, construction, financing, commissioning, operation, management, or decommissioning and deconstruction of the Project;

2. The Definitive Agreements to be negotiated by the parties may include, as further specified below, a Joint Powers Authority or a five party JPAgreement between the Public Participants, Construction and Operation (C&O) terms, and a Site Lease.

3. The C&O terms will provide for Contractor to design, build, own, and operate the Project to, for and on behalf of the Public Participants on the selected County site(s) for the Project. The C&O terms are anticipated to include a waste delivery agreement[s] between the Public Participants and Contractor which shall provide for a minimum and maximum annual delivery of MSW and potentially other waste streams within the control of the Public Participants to the Project for processing.

4. Project revenues will be generated from a combination of Tip Fees, Power Sales, Product Sales, Carbon Credit and/or Renewable Energy Credit Sales as such terms are defined herein or in Contractor’s RFP Submittal will be sufficient in time and amount to pay debt service on any Bonds issued for the Project as set forth herein.

5. Only those Project revenue sources identified below (which shall be limited to the specified portion of demonstrated total net incremental municipal revenues, and those other dedicated Project revenues identified below, generated by the Project) shall be used to support any tax-exempt or taxable bonds or other state and local obligations issued by the California Pollution Control Finance Authority (“CPCFA”) or any other appropriate state or local agency for the Project (“Bonds”). The term of the Bonds shall be coterminous with or have a final maturity date earlier than the initial term of the Definitive Agreements and the Site Lease. The Public Participants will have no liability or any other responsibilities or obligations for any debt service of the Project.

6. Contractor will provide a guaranty or a combination of credit support, including a letter of credit, bond insurance, pledge of leasehold interest and/or assets, and such other mechanisms or combinations of these and other mechanisms, as described below, on terms acceptable to the legal counsels of the Public Participants, in order to ensure that no Public Participants’ funds, shall be used to satisfy the Project’s obligations with respect to the Bonds or the permitting and construction of the Project. The form and amount of such guaranty or other credit support may change throughout the term of the Bond financing as more specifically set forth below.

7. The County will retain fee ownership and will continue to operate the Tajiguas Landfill throughout the construction, operation and decommissioning, if any, of the Project.

**C. PUBLIC PARTICIPANTS’ RESPONSIBILITIES.** The following discussion represents the Parties’ concepts and intention at the time of approval of this Term Sheet, which may change as CEQA alternatives review, design studies and negotiations proceed.

1. **JPA Formation or Negotiator of JPAgreement.** The Public Participants will consider the formation of a Joint Powers Authority (“JPAuthority”) or entering into a five agency Joint Powers Agreement (“JPAgreement”). The JPAuthority or JPAgreement is anticipated to enter into the definitive and binding agreements with the Contractor as provided herein. The JPAuthority or JPAgreement will provide for the policies and procedures for implementing the Resource Recovery Project mutually agreed upon by the Public Participants and all necessary commitments by the Public Participants.

2. **Site Lease.** The County shall negotiate and execute a Site Lease with Contractor on terms as materially contemplated in Section B herein following completion of the CEQA Process and Entitlement Process and concurrent with execution of Definitive Agreements between the JPAuthority or parties to the JPAgreement and Contractor. The County will make space available for this project at no cost other than the Regional Waste Infrastructure Fee as defined in Section E 4. Should the final project include the use of real property that is not owned by the County, the Public Participants will negotiate with the owner of such property for the acquisition, lease and/or use of such other properties in a manner

consistent with this Term Sheet and such property agreements that will provide for the payment of a Regional Waste Infrastructure Fee.

3. **Construction and Operation (C&O) Terms.** The Public Participants and/or the JPAuthority or the parties to a JPAgreement intend to begin negotiating these terms and conditions during the environmental review of the Resource Recovery Project contemplated herein. The C&O terms will provide for the Parties' mutually agreed upon commitments as detailed herein, in the RFP, and in Contractor's RFP Submittal Response. If the project goes forward, such C&O terms will be finalized after certification of the Final EIR by the Board of Supervisors and approval of the Project by the Public Participants and receipt of all necessary entitlements and included in the Definitive Agreements.

4. **Waste Services Commitment Terms.** The Public Participants intend to begin negotiating these terms and conditions during the environmental review of the Resource Recovery project contemplated herein. The Waste Services terms shall be reviewed and properly approved by each Public Participant and will provide for the Parties' mutually agreed upon waste stream delivery commitments. Consistent with the RFP and in the Contractor's RFP Submittal Response. If the project goes forward the Waste Services terms will be finalized after certification of the Final EIR by the Board of Supervisors and approval of the Project by the Public Participants and receipt of all necessary entitlements and included in the Definitive Agreements.

5. **Financial Structure.** Unless specifically indicated, the financial structure, including mechanisms and amounts ("Financing Plan"), is preliminary and subject to additional analysis, audits, and modifications. The current Financing Plan for the Project is based on Contractor's analysis, Contractors' RFP Submittal, and financial market conditions and other reasonable assumptions as of July 2012 that require further verification and confirmation. The parties understand and agree that the final Financing Plan may require revisions based on the results of continuing analysis and audits, including MSW characteristic surveys completed periodically or annually and the financial market conditions at the time the Project is ready to be financed, which is currently anticipated to occur in 2014 following completion of the CEQA Process and Contractor's receipt of all necessary and required Entitlements to construct the Project. The final Financing Plan will be subject to the mutual agreement of the parties, the review and approval of the County's Board of Supervisors and the other required decision-makers of Public Participants prior to the issuance of any bonds for the Project.

**D. PROPOSED RESOURCE RECOVERY PROJECT FACILITIES.** The following discussion represents the Parties' concepts and intention at the time of approval of this Term Sheet, which may change as CEQA alternatives review, design studies and negotiations proceed.

1. **Resource Recovery Project.** Contractor will, at its own cost, construct the Project, including its MRF and AD components subject to completion of the CEQA Process and Contractor's receipt of all necessary and required approvals and Entitlements, as such term is defined herein, and the suggested negotiation and execution of binding Definitive Agreements. The Resource Recovery Project will be constructed at the Tajiguas Landfill on a Site or other location determined to be appropriate as a result of the CEQA environmental review process to be specified by the County with mutual approval by

Contractor. If constructed at Tajiguas, the Project will have a site plan generally consistent with the Project site plan attached as Exhibit A, it being the intent of the parties that the Project shall encompass an approximately 6 acre site known as the “380 Operations Deck Site”. In addition, approximately 4-6 acres of additional site are required for composting material produced by the AD facility to be provided to Contractor at one or more locations at the Tajiguas Landfill by the County comparable to the location set forth on Exhibit B. The final Project site plan shall be subject to any conditions in the final Entitlements and mutual agreement of the parties, and shall be attached as an exhibit to the Definitive Agreements.

2. **Design.** Contractor shall have complete responsibility for the design and construction of those components of the Project located at a County site. The proposed design of the Project will be in accordance with the provisions of RFP Appendix F and shall be consistent with the site plan, floor plans, elevations and perspective drawings of the Project included in Contractor’s RFP Submittal. Final design of the Project shall be approved by the Public Participants and the County’s RRWMD and shall be subject to the CEQA Process and the Entitlement Process.

3. **Construction.** Contractor and its designated general contractor, Diani Building Corp., (“GC”) will construct those components of the Project located on County property in strict accordance with plans and specifications in the final Entitlements, approvals and building permits issued by the County’s Building & Safety Division of the Planning & Development Department. Contractor and its GC shall be responsible for complying with all requirements imposed by Applicable Law relating to the design and construction of the Project.

4. **Technologies.** If applicable, Contractor will construct those components of the Project located on County property using the MRF and AD technologies described in detail in its RFP Submittal. The MRF technology will be supplied by Van Dyke Baler-Bollegraaf based in the Netherlands. The MRF facility is designed to recover valuable recyclables (glass, metal paper, plastic, etc.) The recyclable recovery fraction is estimated to be ~37% of the MSW waste stream. The AD technology will be supplied by Bekon Energy Technologies, Inc. based in Munich, Germany or a comparable dry fermentation AD technology company to be approved by the Public Participants. The AD component is designed to process organic waste (~25%) into compost, soil amendments and electricity. The total landfill diversion rate for the Resource Recovery Project is estimated to exceed 62% of the MSW delivered to the Project for processing. The anticipated recovery and diversion percentages are dependent upon the characteristics of the waste delivered to the Project. As discussed in Section F 3 Waste Stream Characteristics, the target recovery and diversion percentages may be adjusted up or down based upon completion of a Waste Characteristics study to be completed prior to completion of the Definitive Agreement

5. **Visitor Center.** Contractor has proposed to construct a visitor’s center as a key component of the Project consistent with the provisions of the RFP and as described in Contractor’s RFP Submittal. The Visitor Center will be staffed by the Contractor and open to the public during normal business hours.

6. **Bonding & Insurance.** Contractor, the General Contractor and the Project Operator (as such terms are defined herein) shall provide any and all surety, bonds and insurance related to the Project's design, construction, operations & maintenance as required by the RFP, as specified Contractor's RFP Submittal and as will likely be required in connection with the Project Financing, or as otherwise required by law.

**E. SITES(S); LEASE.** The following discussion represents the Parties' concepts and intention at the time of approval of this Term Sheet, which may change as CEQA alternatives review, design studies and negotiations proceed.

Final selection of the Site(s) for the Project will depend on the outcome of the EIR review Process and the Entitlement Process.

1. **Tajiguas Landfill.** If the CEQA Process and the Entitlement Process results in approval of the Tajiguas Landfill as a location for portions of the Project, the County will enter into a Site lease with Contractor for one or more Tajiguas Landfill Site(s). These Tajiguas Landfill Site(s) may include the approximately 6 acre 380 Operations Deck Site and approximately 4-6 acres for compost curing at a location to be mutually agreed upon by the parties ("Tajiguas Composting Site"). The 380 Operations Deck Site and the Tajiguas Composting Site are referred to as the "Tajiguas Landfill Sites."

2. **Other Sites.** If the CEQA and Entitlement Process identify an alternative Site for the Project, or any components of the Project, the Parties may negotiate for the acquisition or lease of such other properties and the use thereof with the owner of such property in a manner consistent with this Term Sheet and the County or JPAuthority (if such an Authority is created) may enter into a Site lease with Contractor for use of that property. The terms and conditions of a Site lease for the alternative Site, if any, must be compatible with the terms of the Site lease in the RFP and in paragraph C.2. (above).

3. **Term.** The initial term of the Site lease(s) shall be for a period of 20 years. The Public Participants shall have an option to extend the term for at least one additional ten-year extension upon providing 365 days written notice to Contractor of their intent to extend.

4. **Regional Waste Infrastructure Fee/.** The Regional Waste Infrastructure Fee ("Fee") is estimated to be \$4,400,000 per year total for all approved Project site(s), adjusted annually by the Project CPI. The Contractor shall pay the Fee for the entire lease term and shall be payable in equal monthly installments. The Fee shall be payable to the County or its designee. The Regional Waste Infrastructure Fee is a fee understood by the participating jurisdictions to be intended to cover the reallocated cost for the closure/post closure of the landfills, environmental monitoring and controls required by regulating agencies, retirement of current debt service at the Tajiguas Landfill, reasonable administrative overhead.

5. **Environmental.** The Site lease will include standard environmental indemnity provisions. The County will indemnify Contractor for any and all pre-existing environmental conditions prior to the construction of the Project. Contractor will indemnify the County and the Public Participants for any and all environmental impacts caused by the construction, use of the site and operation of the Project.

6. **Access.** In conjunction with the execution of the Site lease(s) the County and Contractor will execute reciprocal easement agreements allowing Contractor and its operations to access the County Project Site(s) and any other areas of the Tajiguas Landfill Sites or any other approved Project Site(s) required for the normal operation of the Project.

7. **Buy-out Option. Improvements.** Upon the expiration of the Term(s) of the Site Lease(s), the County (or the JPAuthority, if such an Authority is created) shall have the exclusive option, at their sole discretion, to acquire the Project improvements made by Contractor for a payment of \$1.00. If the County (or the JPAuthority) determines not to purchase the Project improvements after the expiration of the Term(s), Contractor shall remove the Project improvements and restore the Site(s) to the condition reasonably equivalent to its condition before construction of the Project within 365 days from written notice from the County of the decision not to acquire the Project improvements or the JPAuthority's decision not to exercise the extension of the Definitive Agreements including the Site Lease. If the County elects to acquire the Project, any and all decommissioning, demolition and removal reserves established by Contractor shall be disbursed to Contractor.

Sites. In order to protect the Public Participants and the rate payers and to comply with the Project's Financial Feasibility and Sustainability goals, should an alternative Project Site(s), not owned by the County, be required by CEQA, operational necessity or at the discretion of the parties, an alternative arrangement shall be established granting the County or the JPAuthority the option of acquiring such Site(s) for a payment of \$1.00 or an equivalent long-term lease.

8. **Possessory Interest Taxes.** Contractor acknowledges and agrees that this Site Lease may create a possessory interest subject to property taxation and that Contractor may be subject to the payment of property taxes levied on such interest. Contractor will covenant and agree to pay all taxes, including possessory interest tax and assessments, which may be levied upon any taxable interest in the land or improvements.

**F. WASTE STREAM COMMITMENTS.** The following discussion represents the Parties' concepts and intention at the time of approval of this Term Sheet, which may change as CEQA alternatives review, design studies and Project negotiations proceed regarding the final terms of the Project and the Public Agency participation in the Project.

1. Pursuant to Section 5.1.4 Minimum and Maximum Deliveries Specified in the RFP, the public participants requested proposals for a facility designed to process a minimum of 192,102 and a maximum of 222,756 tons of municipal solid waste over the 20 year period of time. Since the release of the RFP, the public participants have requested that the potential optional element of processing source-separated commingled recyclables and organics at the same facility be included in the CEQA analysis as a means of enhancing the cost-effectiveness and efficiency of the community's existing and future waste management programs. Two scenarios will be evaluated for purposes of CEQA and are included in the Notice of Preparation released by the County in April 2012. The first scenario is considered the Base Project and includes up to 250,000 tons per year of MSW entering the MRF, and up to 73,000 tons per year of organics entering the AD. The second scenario is referred to as the Optional Element and includes

up to 40,000 tons per year of source-separated commingled recyclables. Specific waste flow commitments made by each jurisdiction will be finalized at the time of contract negotiations with the Contractor.

2. **Delivery Reset.** Pursuant to Section 5.1.5 of the RFP, the public participants included the ability for Periodic Delivery Resets to be a potential term of the Definitive Agreements. After proposal review, the Public Participants envision the possibility of a single Reset at Year 10 of no more or less than 10%. The public participants will determine the need for a Delivery Reset at the time of Definitive Agreement negotiations with the Contractor. For purposes of CEQA, the Public Participants have set a maximum amount of material that could possibly be received by the proposed facility.

3. **Acceptable Waste Characteristics.** The Definitive Agreement between the parties shall provide that the MSW delivered to the Project each year by the Public Participants shall be comprised of waste having characteristics (higher heating value-(HHV), moisture content-(MC) and or biomethane potential-(BMP), individually or collectively “Acceptable Waste Characteristics”) comparable to the MSW described in the Waste Characterization Study included in the RFP. The specific acceptable Waste Characteristics of the MSW to be delivered to the Project will be specified in the Definitive Agreement and shall additionally be determined by a study to be conducted prior to the completion of the Definitive Agreement. All parties acknowledge that changing the characteristics of the waste delivered to the facility can increase or decrease the amount of revenue achieved from the sale of commodities and the importance of not changing the characteristics without prior approval of the other parties.

4. **Spot Market Waste.** The Definitive Agreement between the parties shall provide that Contractor shall be permitted to acquire spot market MSW of other acceptable waste for processing at the Project at Tip Fees comparable to the Tip Fees charged to the Public Participants. Contractor's acquisition of spot market MSW is intended to utilize the Project's available processing capacity in the event the Public Participants' MSW delivery volumes are less than the Project's maximum processing capacity. Spot market MSW may be acquired by Contractor from any private or public source located within the County if the Project has unutilized processing capacity. Spot market MSW may be acquired by Contractor from any private or public source located outside of the County only with specific review and legal approvals of the Public Participants or the JPA.

5. **Tip Fees.** The Definitive Agreement between the parties shall provide that the Public Participants shall pay Contractor a Tip Fee as negotiated by the Public Participants. Such Tip Fee to be determined based on the specific waste processing components constructed at the Project (i.e. MRF and AD), each Project component's operating capacity, the volume of material committed to be delivered, , the Resets, the Acceptable Waste Characteristics, and any other criteria defined and agreed upon by the parties as set forth in the Definitive Agreements. The Public Participants have conducted financial due diligence of the revised proformas submitted by the Contractor dated July 17, 2012 and have found that the proposal meets the financial goals of the Project. At completion of the CEQA process and Contractor's receipt of necessary approvals and Entitlements, the final tipping fee will be negotiated and included in the Definitive Agreements. **Regional Waste Infrastructure Fee Payment.** The Definitive Agreement between the parties shall provide that the MSW Tip Fees per ton charged the Public Participants may include the Regional Waste Infrastructure Fee as described in Section E 4.

6. **Tip Fee Variable Cost Component Adjustment.** The Definitive Agreement between the parties shall provide that the MSW Tip Fees per ton charged the Public Participants in year two and thereafter shall also include adjustment amounts intended to cover the cost of living increases for certain costs and expenses as more specifically detailed in the RFP (“Adjustment Factor” or “Project CPI”).

7. **Contractor’s Tip Fee Revision.** In the event that the Public Participants determine the need to revise any of the waste streams, resets, capacity or other operational parameters, or to materially modify any of the Project components, Contractor reserves the right to revise the Pricing set forth in their July 17, 2012 Submittal. Additionally, changes in other factors such as interest rates, market-accepted debt to equity ratios, and the value of biogas and recyclables may affect Pricing and will be negotiated prior to approval of the Definitive Agreements.

8. **Reconciliation/True-up Process.** The Definitive Agreement between the parties shall provide for an annual reconciliation process for each contract year between the payments made by Contractor to the Public Participants and payments made by the Public Participants to Contractor. Such reconciliation process is set forth and described in detail in the RFP, subject to approval by the JPA or Public Participants if JPA is not formed.

**G. OTHER CONSIDERATION TO PUBLIC PARTICIPANTS.**

The Definitive Agreement between the parties shall provide for the following additional payments to the County and the Public Participants:

1. **Grant Fund Payments.** Contractor shall make an annual Grant Fund Payment of \$20,000 to the County payable upon completion of the Project Financing and adjusted annually by the Adjustment Factor. The annual Grant Fund Payment shall be used at the sole discretion of the Public Participants for activities related to the operation of the Project such as, but not limited to, intern programs, educational programs and outreach activities concerning the Project.

2. **Contract Administration Payments.** A payment of \$50,000 per year shall be made by the Contractor to the County for contract administration and day to day operational oversight on behalf of the Public Participants commencing upon the completion of the Project financing and continuing until the commercial operation date at which point it shall increase to \$160,000 per year, which values shall be adjusted by the Adjustment Factor as specified in the RFP.

3. **Revenue Sharing.** As requested in the RFP and as specified in Contractor's RFP Submittal, Contractor agrees to share 50% of any excess revenue generated by the Project with the Public Participants as specified in Contractor's RFP Submittal. Revenue Sharing with the Public Participants will include, but not be limited to, the following list of potential sources as defined in the RFP and as specified in Contractor’s RFP Submittal: Energy Revenues; Regulatory-Driven Revenues (post-RFP Submittal); Materials Revenues from both MSW recyclable recovery and commingled source separated recyclables, each subject to a different formula as specified in Contractor's RFP Submittal; Spot Market Waste Revenues and Fees upon achieving Revenue Sharing hurdle levels and amounts all as specified in Contractor's RFP Submittal. Specific revenue sharing formulas will be negotiated at the time of tip fee

negotiations and will be included in the Definitive Agreements. **Cost Savings Sharing.** As requested in the RFP and as specified in Contractor's RFP Submittal, Contractor agrees to share 50% of any revenue generated by the Project with the Public Participants as specified in Contractor's RFP Submittal as a result of cost savings from one or more potential sources. Cost Savings Sharing with the Public Participants includes, but is not limited to, the following list of potential sources as defined in the RFP and as specified in Contractor's RFP Submittal: Reduction in Facility Construction Costs; Reduction in Financing Costs; Reduction in Operations & Maintenance Costs upon achieving Revenue Sharing hurdle levels and other amounts all as specified in Contractor's RFP Submittal. Specific cost sharing formulas will be negotiated at the time of tip fee negotiations and will be included in the Definitive Agreements.

**H. PROJECT FINANCING.**

1. **Contractor's Financing Obligation.** The Definitive Agreements executed by the parties shall provide that Contractor shall be responsible for 100% of the Project's debt and equity financing as required by the RFP. The Public Participants shall have the option to review, audit and perform due diligence at any time on Contractor's debt and equity financing proposals, and obligation(s).

2. **CPCFA Bond Debt Financing.** Contractor anticipates that the Project's debt financing shall be funded through the issuance and sale of California Pollution Control Finance Authority ("CPCFA") Industrial Development Waste Bonds ("Bonds"). Contractor anticipates approximately 60-80% of the Project's total cost shall be financed through the sale of CPCFA Bonds at market interest rates to be fully amortized over an 11-20 year schedule. As specified in Contractor's RFP Submittal, the debt amortization schedule will be determined based on the Resets mutually agreed upon by the Public Participants and Contractor upon completion of the CEQA Process and all necessary and required Entitlements prior to commencement of the Project Financing.

3. **Equity Financing.** Contractor anticipates that the Project's equity financing may be funded through a combination of the sale of a 10% Investment Tax Credit ("ITC") applicable to eligible Project costs and the placement of institutional equity for the balance.

4. **No Public Participant Obligations.** The Public Participants shall have no liability or responsibility for any portion of the Project Financing other than the timely payment of Tip Fees to the Project for the delivered waste stream volume, as specified in the Definitive Agreements.

5. **Financing Commitment Term.** If Contractor has not obtained Project Financing within twelve months from the date of completion of the CEQA Process and Contractor's receipt of all necessary and required Entitlements to construct the Project, the Public Participants shall have the right to terminate the Definitive Agreements at their sole discretion.

**I. OPERATIONS & MAINTENANCE.**

The Definitive Agreements to be executed between the parties shall provide for the Operations & Maintenance of the Project as specified in the RFP and as specified in Contractor's RFP Submittal.

1. **Project Operator.** Contractor shall enter into a Project Operating Agreement with a qualified firm experienced in the day-to-day operations and management of facilities comparable to the Project (“Project Operator”). Contractor shall consult with the Public Participants in the selection process and shall not enter into any Project Operating Agreement with the Project Operator without the express written approval of such firm and the specific terms and conditions of the Project Operating Agreement from the County (or the JPA). The Project Operator shall be required to meet any and all specific criteria as specified in the RFP including bonding and insurance.

2. **Manager.** Except as provided below, Contractor shall, throughout the term of the Definitive Agreements, coordinate and supervise the Project Operator as the Project's Manager and shall remain liable to the Public Participants for 100% of all performance obligations as specified in the RFP, as specified in Contractor's RFP Submittal, as such obligations will be delineated in the Definitive Agreements. Contractor shall not sell, assign or hypothecate its ownership interest in the entity acting as Project Manager without the express written approval of the County and Public Participants (or the JPA), with any such approval not to be unreasonably withheld. In such an event of a proposed transfer, Contractor is to furnish to the Public Participants all information available to Contractor as to the responsibility, reputation, financial standing and business of any proposed assignee, subcontractor or other third party contemplated in this section. If Contractor fails to provide such information or the Public Participants, acting reasonably, are not satisfied as to the responsibility, reputation, financial standing and business of any proposed assignee, subcontractor or other third party, such shall constitute grounds for a reasonable withholding of consent. Public Participants' approval of the transfer of the management function or ownership interest of the Contractor may include a provision for the reimbursement of any actual expenses incurred by the County and Public Participants (or the JPA) in the review of any such assignment.

3. **Project Employees.** As specified in the RFP and as specified in Contractor's RFP Submittal, Contractor, and or its Project Operator, shall use its/their best efforts to recruit, train and employ any County staff currently employed at the Tajiguas Landfill to work at the Project during operations.

4. **Start-up & Testing.** Following the completion of construction of the Project, start-up testing of all of the Project's components, equipment and systems will be completed to demonstrate that each is installed correctly, functions as intended, and meets the applicable conditions specified in the RFP. Start-up testing will occur once the equipment or system has been installed and is mechanically and electrically complete. The Public Participants or their representatives shall have the right to observe any start-up testing.

5. **Acceptance.** Upon successful completion of the startup testing, the Acceptance Test will occur. Contractor, its GC and the Project Operator shall prepare an Acceptance Test Plan and conduct the Acceptance Test. The Acceptance Test is to demonstrate that the Project and all of its components (MRF & AD) function as intended to meet Performance Standards & Guarantees, including permit limits. The Acceptance Test shall include, but not be limited to, the following sub-tests: Facility Reliability Test; Facility Capacity Tests; Environmental Compliance Test; Net Electric Output Test; Material Recovery Test; Residue Test; Ambient Noise; and, Ambient Odor. The Performance Standards & Guarantees all

are specified in the RFP and Contractor's RFP Submittal and as such shall be delineated in the Definitive Agreements.

6. **Performance.** Contractor shall meet the Performance Guarantees for the Project as specified in the RFP and as specified in Contractor's RFP Submittal. The performance guarantees include the following: Waste Throughput Guarantee; Availability Guarantee; Annual Waste Throughput Guarantee; Minimum Electric Output Guarantee; Net Electric Generating Guarantee; Material Recovery Guarantee; Residue Quantity Guarantee; Residue Quality Guarantee; Environmental Performance Guarantee; and Scheduled Acceptance Date Guarantee. As specified in Contractor's RFP Submittal, all of the above performance guarantees are subject to the Public Participants' delivery of the Minimum Annual Delivery Tonnage of MSW meeting Acceptable Waste Characteristics. The specifics of each Performance Guarantee as well as compliance and remedies for each Performance Guarantee will be defined in the Definitive Agreements. The Performance Guarantees are dependent upon the characteristics of the waste delivered to the Project. As discussed in Section F 3 Waste Stream Characteristics, Performance Guarantees are likely to be revised upon completion of a Waste Characteristics study to be completed prior to completion of the Definitive Agreements.

7. **Reports.** Contractor and the Project Operator shall maintain records and prepare reports as described in RFP Appendix F, including reports to the Public Participants documenting operation and maintenance of the Project, regulatory activities, and other relevant information. Reports shall include monthly and annual operations and maintenance reports, and a monthly complaint log reporting any and all complaints relating to the Project and a description of the response.

8. **Bonding & Insurance.** Contractor, the General Contractor and the Project Operator shall provide any and all surety, bonds and insurance related to the Project's design, construction, operations & maintenance as required by the RFP, as specified in Contractor's RFP Submittal, as required in connection with the Project Financing, or as otherwise required by law. Such surety, bonds and insurance shall be provided by Contractor, General Contractor and the Project Operator in a form acceptable to the appropriate legal counsel.

**J. PERMITTING.**

The Definitive Agreements to be executed between the parties, based on applicable law and all federal, state and local regulatory agency requirements shall provide for the Entitlement processing of the Project as specified in the RFP and as specified in Contractor's RFP Submittal.

1. **Lead Agency.** The County of Santa Barbara acting through its Public Works Department will be the lead agency for the permitting of the Project and for ensuring compliance with CEQA. The other Public Participants shall be Responsible Agencies. The County's Public Works Resource Recovery and Waste Management Division will be the Project Applicant for permitting and CEQA purposes with the Contractor acting as the County's vendor. The County's Building & Safety Division will be responsible for the issuance of Building Permits required to construct the Project, if any. The County's Public Works Resource Recovery and Waste Management Division will be responsible for an amendment to the County's Non-Disposal Facility Element (NDFE) and or the County Siting Element (CSE).

2. **Entitlement Process.** As used in this Term Sheet, "Entitlement" shall refer to any permit or approval necessary for the project and "Entitlement Process" shall refer to the procedures, hearings, applications, approvals and decisions from any agency or entity necessary to accomplish the goals of this project.

3. **Contractor Obligations.** Contractor will additionally be responsible for obtaining the following permits from the relevant state or local agencies:

- a) Solid Waste Facility Permit- California Department of Resources Recycling and Recovery (CalRecycle)
- b) Air Permits (Construction and Operation) - Santa Barbara County Air Pollution Control District (SBCAPCD)
- c) Industrial Wastewater Discharge Permit-Central California Regional Water Quality Control Board (CCRWQCB )
- d) Septic System Permit-Santa Barbara County Public Health Department (SBCPHD)
- e) Stormwater NPDES Permit (Construction and General Industrial)-State Water Resources Control Board (SWRCB)
- f) California Department of Fish & Game Permit (if necessary) (CDFG)
- g) Renewable Portfolio Standard (RPS) Pre-Certification & Certification - California Energy Commission (CEC)
- h) Power Purchase Agreement (PPA) approval - California Public Utilities Commission (CPUC)
- i) Hazardous waste permitting, health risk assessment and Unified Program requirements - California Department of Toxic Substances Control (DTSC)

Contractor shall prepare, file and process applications for the above permits with the relevant state or local agency in parallel with the County's CEQA Process & Entitlement Process. Commencing with the date on which this Term Sheet is executed, Contractor shall bear 100% of the going-forward cost of preparing, review, filing and processing such applications and the applications for the the Entitlement

Process. County shall provide Contractor with reasonable access to the County Sites for the Project as required by Contractor in order to complete the Entitlement Process.

4. **Contractor Termination.** Contractor reserves the right, in the exercise of its sole discretion, to withdraw from and terminate the Entitlement Process for the Project described above without penalty Contractor shall provide notice of withdrawal/termination in writing.

5. **Public Participant Termination.** Each Public Participant reserves the right, in the exercise of its sole discretion, to withdraw from and terminate its participation in the Project described above without penalty. Said Public Participant shall provide notice of withdrawal/termination in writing to the Contractor and all other public agencies.

#### **K. INDEMNIFICATION.**

The Definitive Agreements to be executed between the parties shall provide for the indemnification of the Public Participants as specified in the RFP and as specified in Contractor's RFP Submittal. To the extent that any indemnification provision in the RFP conflicts with provisions herein, the provisions herein shall take precedence.

1. **Contractor Indemnity.** Contractor shall protect, indemnify and hold harmless the Public Participants and their representatives, officers, employees and subcontractors (the "Indemnified Public Participant Parties") from and against all liabilities, damages, claims, judgments, expenses, including attorney's fees, or actions, and will defend the Indemnified Public Participant Parties in any suit for personal injury to, or death of, any person, or loss or damage to property arising out of the ownership, lease, use or operation of the Project, environmental harm resulting from the Project and/or the Sites for the duration of the Definitive Agreements Term, performance or non-performance of Contractor's obligations under the contract, or breach of its obligations there under.

2. The County (or any successor or participating agency) may, in its sole and absolute discretion, elect to defend any third party litigation or suits challenging any action taken by the County with regard to any procedure or substantive aspect of the County's approval of development of the Resource Recovery Project or related projects, the environmental review process under the California Environmental Quality Act (hereinafter "CEQA") for the Project.

3. The Contractor may, however, in its sole and absolute discretion appear as real party in interest in any such third party action or proceeding.

4. If the County or any participating agency elects to actively defend such third-party action or proceeding, the Contractor shall be responsible for and fully reimburse the County for whatever reasonable legal fees and costs, in their entirety, which may be incurred by the County in defense of such action or proceeding and actually paid by the County to third parties (i.e., not to County or City officers, employees, staff or consultants). The County shall have the absolute right to retain such independent legal counsel as the County may deem necessary and appropriate.

5. In the event of an award of attorney fees and costs to any third party challenging the approval of the Project, under CEQA or for any other reason, the Contractor shall pay such an award and the County and other Public Participants shall have no responsibility or obligation to do so. Contractor shall also fully and completely reimburse County and other Public Participants in the event of any award of court costs and/or attorney fees is made directly against County and/or the Public Participants in favor of any third party challenging the Final EIR for the Project.

**L. MISCELLANEOUS PROVISIONS**

1. **Contractor Affiliates.** Elements of the Project may be undertaken by Mustang-Santa Barbara, LLC and/or B Mortgage Acceptance Corp. dba The Dewey Group, both of which are entities affiliated with Contractor. All references to “Mustang” or “Contractor herein shall refer equally, individually and collectively, to Mustang Renewable Power Ventures, LLC, Mustang-Santa Barbara LLC, and/or B Mortgage Acceptance Corp. dba The Dewey Group.

2. **(a) Exclusive Right to Negotiate Definitive Agreements.** The parties acknowledge that Mustang as the Project Contractor is granted an exclusive right to negotiate (ERTN) the Definitive Agreements with the Public Participants for the County-owned Project sites, subject to provisions of subparagraph L.2.(b) below. The exclusive right to negotiate shall commence upon the execution of this Term Sheet by at least the County and the cities of Santa Barbara and Goleta and shall continue for a period of 12 months following certification of Final EIR by the Board of Supervisors (BOS). No Project commitments of any kind have been made to Contractor nor will any be made until execution of Definitive Agreements. Notwithstanding the above, this ERTN shall terminate forty-eight months after execution of this Term Sheet. The 48 month period shall be tolled for up to an additional 18 months during pending CEQA litigation by a third party. Pending CEQA litigation begins when a CEQA challenge is filed in Superior Court and ends when final judgment is issued.

**(b) Following certification of the Final EIR by the Board of Supervisors,** and should an alternative site(s) (pursuant to paragraph E.2) for any component of the Project be selected which is not located on County-owned real property, Contractor understands and acknowledges that the Public Participants shall have the right to negotiate for the use of the non-county site directly with the property owner(s) of the alternative site(s) and the ERTN in the preceding paragraph for that component of the Project shall not apply to such separate negotiations. However, the ERTN shall still be in effect for all other components and County-owned sites for the Project pursuant to paragraph L.2.(a). The property owner(s) shall be afforded 12 months following certification of the Final EIR to negotiate mutually acceptable contracts for the use of the alternative non-County site or to provide a purchase option for such property held by the Public Participants. Should the property owner(s) fail within those 12 months or any extension thereof granted by the Public Participants to negotiate acceptable terms for such suitable alternative non-County site(s) for that Project component, the Board of Supervisors may reevaluate the selection of alternative sites identified in the certified Final EIR.

3. **Implementation of this Term Sheet.** This Term Sheet authorizes County staff, with the assistance and consultation of the County Counsel, and the assistance of the staff of the Public Participants, to negotiate Definitive Agreements consistent with the terms and conditions of this Term

Sheet with Contractor and to report to the County Board of Supervisors and the elected board of each Public Participant.. Contractor understands that any and all contracts, leases, bonds and Definitive Agreements must be approved in accordance with the requirements of applicable CEQA law, the Santa Barbara County code and policy and any other applicable Public Participants' Charters and applicable codes and must be reviewed and approved by the applicable Public Participants' respective decision-makers.

4. **Cooperation.** In connection with this Term Sheet, the parties shall reasonably cooperate with one another to achieve the objectives and purposes of this Term Sheet. In an effort to accomplish the parties' Goals set forth above, the parties will negotiate over the proposed terms and conditions related to the Project as set forth in this Term Sheet, it being understood and agreed that in drafting the Definitive Agreements, in the event of any inconsistency between any of the parties' Goals and any more of the specific provisions contained in this Term Sheet, the parties shall look to, and be guided by, the more specific applicable provision in the RFP and/or Contractor's RFP Submittal. The County's Public Works Department agrees to apply for and to reasonably expedite the processing of entitlements and approvals for the Project, including the commencement of the CEQA Process and the Entitlement Process. Notwithstanding the foregoing, any Party to this Term Sheet may exercise their prerogatives pursuant to paragraphs J.4. or J.5. to terminate negotiations at their discretion.

5. **NONDISCRIMINATION:** Contractor shall comply with County laws, rules and regulations regarding nondiscrimination as such are found in the Santa Barbara Code and federal and state law and as such may from time to time be amended. These provisions are incorporated herein as if they were fully set forth. Noncompliance with provisions of this section shall constitute a material breach of this Agreement and in addition to any other remedies provided by law, County shall have the right to terminate the Agreement and the interest thereby created without liability therefore.

6. **Effect of Signatures.** By signing below, the parties evidence their general agreement with the provisions of this Term Sheet and agree to use this Term Sheet as the framework for the negotiations on binding Definitive Agreements. Any agreements resulting from negotiations will become effective only if and after such agreement has been considered and approved by the necessary Public Participants, following conduct of all legally required statutory and municipal charter review procedures, including any necessary CEQA Process and Entitlement Process. This paragraph remains a statement of general intent and does not create a legal or contractual obligation for any party to enter into any agreement described in or contemplated in this Term Sheet.

IN WITNESS WHEREOF, the parties executed this TERM SHEET on the dates indicated.

**COUNTY OF SANTA BARBARA:**

Attest \_\_\_\_\_  
Clerk

By: \_\_\_\_\_  
Chair

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**APPROVED AS TO FORM:**

County Counsel

By: \_\_\_\_\_  
Deputy

Date: \_\_\_\_\_

**CITY OF SANTA BARBARA:**

APPROVED AS TO CONTENT:

By: \_\_\_\_\_  
City Finance Director

By: \_\_\_\_\_  
City of Santa Barbara  
City Administrator

Date: \_\_\_\_\_

Date: \_\_\_\_\_

APPROVED AS TO FORM:

City of Santa Barbara  
City Attorney

By: \_\_\_\_\_

Date: \_\_\_\_\_

**CITY OF GOLETA**

APPROVED AS TO FORM:

By: \_\_\_\_\_  
Tim W. Giles, City Attorney  
City Attorney

By: \_\_\_\_\_  
Daniel Singer, City Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST:**

By: \_\_\_\_\_  
Deborah Constantino, City Clerk

Date: \_\_\_\_\_

**CITY OF BUELLTON:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**CITY OF SOLVANG:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**MUSTANG RENEWABLE POWER VENTURES, LLC**

By: \_\_\_\_\_

John Dewey

Its: Managing Member

Date: \_\_\_\_\_

**B MORTGAGE ACCEPTANCE CORP. DBA  
THE DEWEY GROUP**

By: \_\_\_\_\_

John Dewey

Its: President & CEO

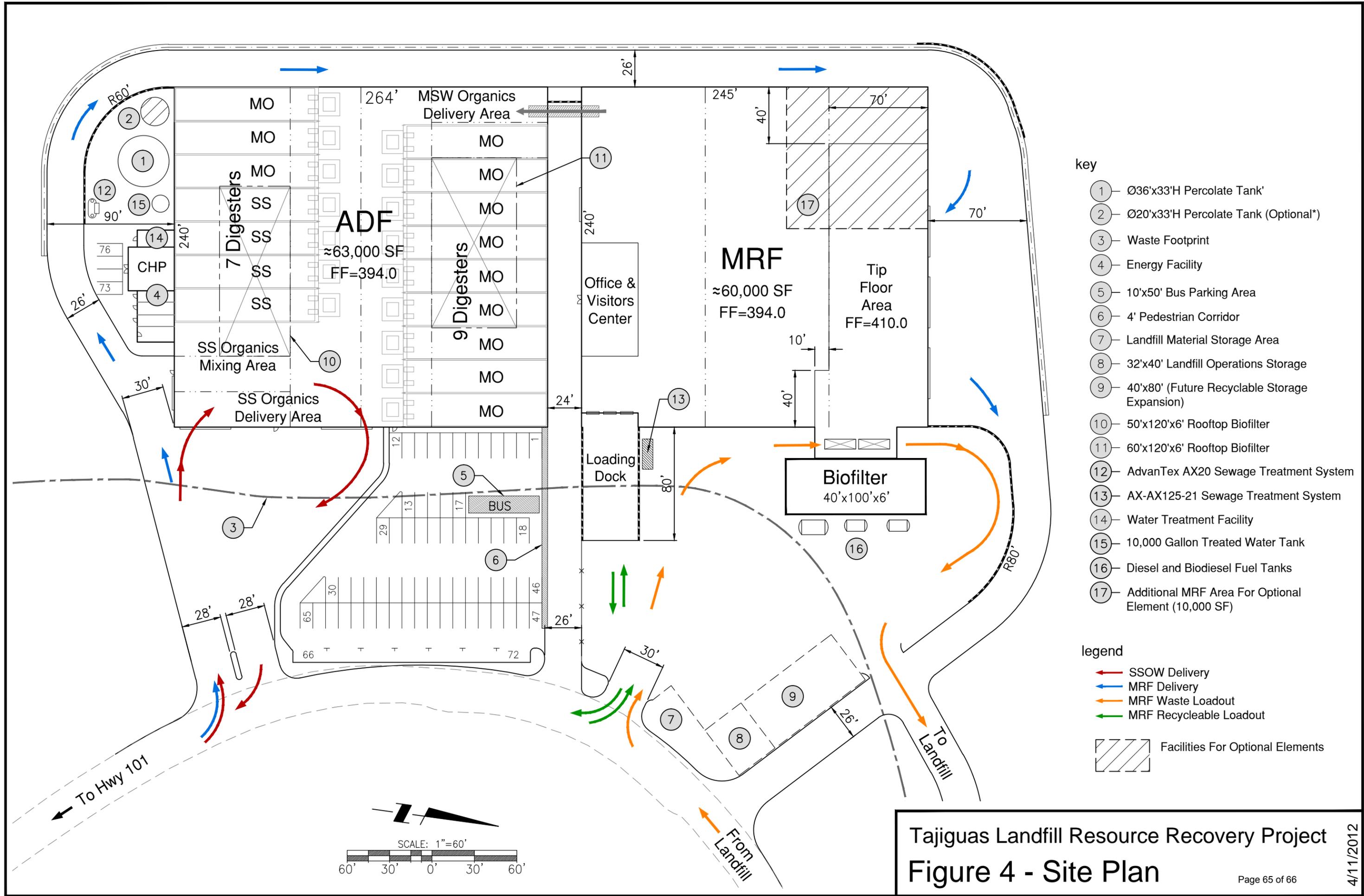
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**APPENDIX A**

**PROJECT SITE PLAN  
TAJIGUAS LANDFILL 380 OPERATIONS DECK SITE**

**APPENDIX B**

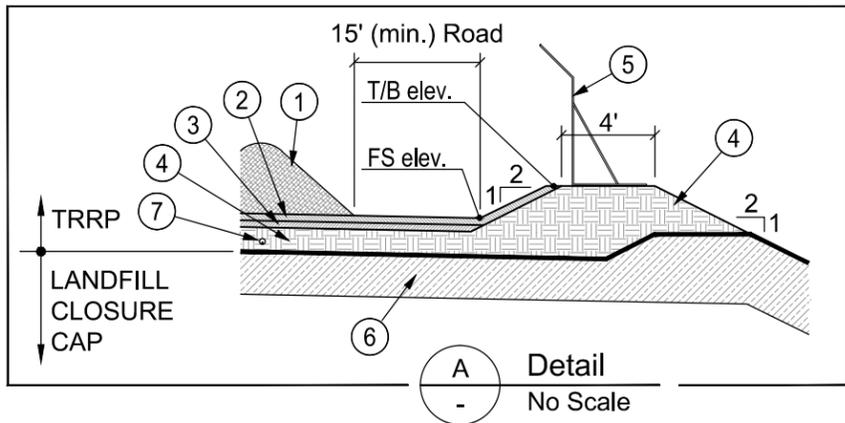
**PROJECT SITE PLAN  
TAJIGUAS LANDFILL COMPOST CURING AREA(S)**



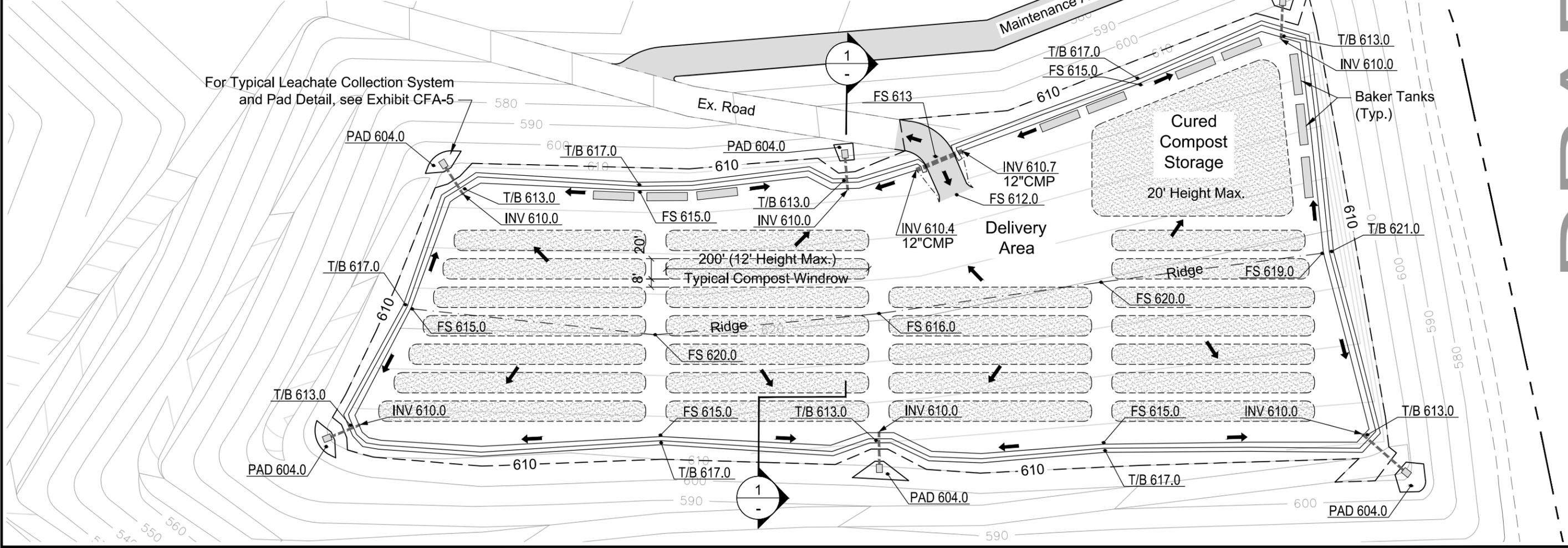
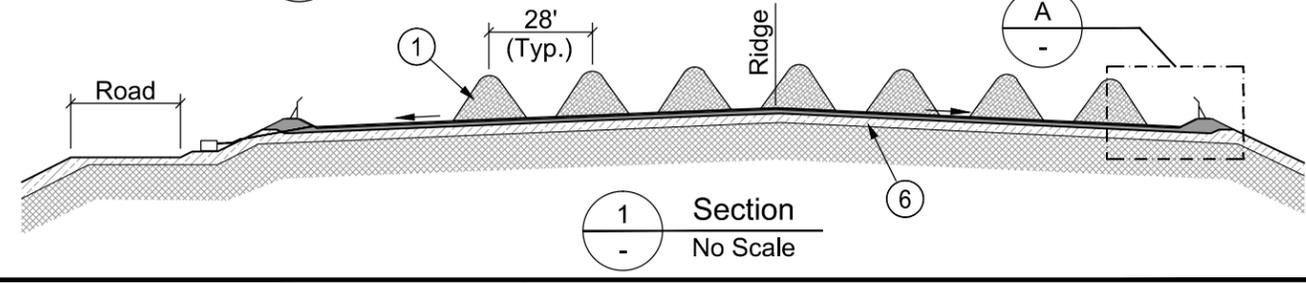
- key**
- ① — Ø36"x33"H Percolate Tank'
  - ② — Ø20"x33"H Percolate Tank (Optional\*)
  - ③ — Waste Footprint
  - ④ — Energy Facility
  - ⑤ — 10'x50' Bus Parking Area
  - ⑥ — 4' Pedestrian Corridor
  - ⑦ — Landfill Material Storage Area
  - ⑧ — 32'x40' Landfill Operations Storage
  - ⑨ — 40'x80' (Future Recyclable Storage Expansion)
  - ⑩ — 50'x120'x6' Rooftop Biofilter
  - ⑪ — 60'x120'x6' Rooftop Biofilter
  - ⑫ — AdvanTex AX20 Sewage Treatment System
  - ⑬ — AX-AX125-21 Sewage Treatment System
  - ⑭ — Water Treatment Facility
  - ⑮ — 10,000 Gallon Treated Water Tank
  - ⑯ — Diesel and Biodiesel Fuel Tanks
  - ⑰ — Additional MRF Area For Optional Element (10,000 SF)

- legend**
- ← SSOW Delivery
  - ← MRF Delivery
  - ← MRF Waste Loadout
  - ← MRF Recyclable Loadout
  - ▨ Facilities For Optional Elements

Tajiguas Landfill Resource Recovery Project  
 Figure 4 - Site Plan  
 Page 65 of 66  
 4/11/2012

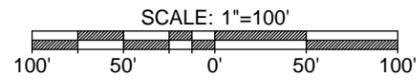


- Keynotes**
- ① Compost windrow
  - ② 3" AC wearing course over
  - ③ MPV 600 paving mat over 3" AC base course
  - ④ 12" min. compacted earth fill
  - ⑤ Litter fence
  - ⑥ Existing monolithic cover soil layer
  - ⑦ 1/2" HDPE irrigation pipe in 2" Sch 40 PVC duct



DRAFT

prepared by  
**John Kular Consulting**  
 10901 Rockridge Way, Bakersfield, CA 93311  
 661-663-7732 kularconsult.com



Tajiguas Resource Recovery Project  
**Exhibit CFA-2**  
 Compost Layout and Grading Plan  
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