

Council Meeting of  
September 20, 2011

Honorable Mayor and Members  
of the City Council  
City Hall  
Torrance, California

**Members of the Council:**

**SUBJECT: Public Works – Approve service agreement for closed City Yard landfill.  
Expenditure: Not to exceed \$115,000**

**RECOMMENDATION**

Recommendation of the Public Works Director that City Council approve a one-year consulting services agreement with Shaw Environmental for a not to exceed amount of \$115,000 to provide operation, maintenance and compliance testing/reporting services for the closed City landfill located at the City Yard.

Funding

Funding is available in the Sanitation Operating budget.

**BACKGROUND/ANALYSIS**

The City of Torrance operated a non-hazardous waste landfill within the current City Yard facility near Madrona and Spencer streets from 1953 through 1965. Research indicates that the City landfill accepted residential, commercial, and industrial waste, including oily waste, and was ultimately closed and capped in 1966.

In 1983, the City began construction of the current City Yard Facility, which encompassed this closed landfill. As a means to properly vent the underground trapped methane gas being produced by the waste decomposition, a landfill gas (LFG) collection system was also installed at this time. The LFG system consists of numerous collection wells drilled at varying depths throughout the landfill area, and interconnected to a blower (vacuum) system, which draws the collected gas through an activated carbon filter system for the removal of volatile organic compounds. The LFG collection system is necessary to reduce offsite migration of methane from the site and to comply with California regulations requiring the control of methane from closed landfills.

In 2008, the City was issued a compliance notice by Southern California Air Quality Management District (SCAQMD) due to the landfills 25 year old gas collection system being inefficient in controlling offsite gas migration and for not having a permit from the SCAQMD to operate the landfill gas collection system. Shaw Environmental, who had past knowledge of the City's landfill gas collection system, was hired to assist in getting the City in compliance and has worked diligently with the SCAQMD to bring the City in compliance per SCAQMD Rule 1150.1 since 2008. During this time, Shaw has assisted the City in providing ongoing maintenance, monthly monitoring, testing and reporting as required by Rule 1150.1. They have also installed a supplemental blower system near the monitoring probes to assist in the offsite methane migration. In addition, they submitted a compliance plan on the City's behalf and received approval from the SCAQMD as required by Rule 1150.1. The compliance plan is a detailed plan which specifies how

the LFG collection system should be operated based on the amount of gas at the site. The plan is the basis for the annual SCAQMD permit approval and renewal for the landfill gas collection and control system at the Yard.

Staff solicited proposals from three specialized, qualified firms to provide ongoing maintenance, testing and reporting of the City's closed landfill at the City Yard. Staff reviewed the three proposals, interviewed the firms and determined each to be qualified to perform the services requested. The cost for services was based on the minimum yearly cost for operation, maintenance and regulatory compliance reporting for the landfill. In addition to these cost, non routine maintenance and or emergency work cost were based on a time and material basis.

<b>Vendor</b>	<b>Total Yearly Estimated Cost</b>
Shaw Environmental	\$ 65,875 (minimum yearly maintenance cost) \$ <u>25,224</u> (estimated non-routine cost based on past history) \$ 91,099 Total
SCS Field Services	\$ 58,000 (minimum yearly maintenance cost) \$ <u>33,796</u> (estimated non-routine cost based on past history) \$ 91,796 Total
Terra-Petra	\$ 99,296 (estimate did not include lab fees)

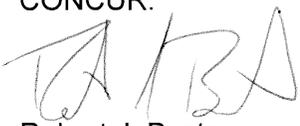
Although SCS Field Services had the lowest minimum estimated cost by \$7,875 staff considers Shaw Environmental to be the most cost effective due to their lower time and material rate schedule for non routine work. Furthermore, Shaw Environmental has successfully performed these services for the City and knows the history of the City's landfill, including the ongoing landfill maintenance and compliance requirements. Therefore, it is recommended that Shaw Environmental be retained as the consulting firm to perform these services. This new agreement will allow Shaw Environmental to continue providing ongoing maintenance, testing and reporting of the City's closed landfill to comply with SCAQMD rule 1150.1.

Respectfully submitted,

ROBERT J. BESTE  
Public Works Director

By   
John Drakodaidis  
Senior Administrative Analyst

CONCUR:

  
Robert J. Beste  
Public Works Director

  
LeRoy J. Jackson  
City Manager

Attachment: A. Consulting Services Agreement - Shaw Environmental

## **CONSULTING SERVICES AGREEMENT**

This CONSULTING SERVICES AGREEMENT (“Agreement”) is made and entered into as of September 20, 2011 (the “Effective Date”), by and between the CITY OF TORRANCE, a municipal corporation (“CITY”), and Shaw Environmental Inc., a California corporation (“CONSULTANT”).

### **RECITALS:**

- A. CITY wishes to retain the services of an experienced and qualified CONSULTANT to provide ongoing operations, maintenance, and compliance support and testing of the landfill gas collection control system located at the City Services Facility .
- B. CONSULTANT represents that it is qualified to perform those services.

### **AGREEMENT:**

#### **1. SERVICES TO BE PERFORMED BY CONSULTANT**

CONSULTANT will provide the services listed in the Scope of Services attached as Exhibit A. CONSULTANT warrants that all work and services set forth in the Scope of Services will be performed in a competent, professional and satisfactory manner.

#### **2. TERM**

Unless earlier terminated in accordance with Paragraph 4 below, this Agreement will continue in full force and effect from the Effective Date through September 19, 2012.

#### **3. COMPENSATION**

- A. CONSULTANT’s Fee.

For services rendered pursuant to this Agreement, CONSULTANT will be paid in accordance with the Compensation Schedule attached as Exhibit B, provided, however, that in no event will the total amount of money paid the CONSULTANT, for services initially contemplated by this Agreement, exceed the sum of \$115,000 (“Agreement Sum”), unless otherwise first approved in writing by CITY.

- B. Schedule of Payment.

Provided that the CONSULTANT is not in default under the terms of this Agreement, upon presentation of an invoice, CONSULTANT will be paid monthly the fees described in Paragraph 3.A. above, according to the Compensation Schedule. Payment will be due within 30 days after the date of the monthly invoice.

#### **4. TERMINATION OF AGREEMENT**

- A. Termination by CITY for Convenience.

- 1. CITY may, at any time, terminate the Agreement for CITY’s convenience and without cause.
- 2. Upon receipt of written notice from CITY of such termination for CITY’s convenience, CONSULTANT will:

- a. cease operations as directed by CITY in the notice;
  - b. take actions necessary, or that CITY may direct, for the protection and preservation of the work; and
  - c. except for work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing subcontracts and purchase orders and enter into no further subcontracts and purchase orders.
3. In case of such termination for CITY's convenience, CONSULTANT will be entitled to receive payment for work executed; and costs incurred by reason of such termination, along with reasonable overhead and profit on the work not executed.

B. Termination for Cause.

1. If either party fails to perform any term, covenant or condition in this Agreement and that failure continues for 15 calendar days after the nondefaulting party gives the defaulting party written notice of the failure to perform, this Agreement may be terminated for cause; provided, however, that if during the notice period the defaulting party has promptly commenced and continues diligent efforts to remedy the default, the defaulting party will have such additional time as is reasonably necessary to remedy the default.
2. In the event this Agreement is terminated for cause by the default of the CONSULTANT, the CITY may, at the expense of the CONSULTANT and its surety, complete this Agreement or cause it to be completed. Any check or bond delivered to the CITY in connection with this Agreement, and the money payable thereon, will be forfeited to and remain the property of the CITY. All moneys due the CONSULTANT under the terms of this Agreement will be retained by the CITY, but the retention will not release the CONSULTANT and its surety from liability for the default. Under these circumstances, however, the CONSULTANT and its surety will be credited with the amount of money retained, toward any amount by which the cost of completion exceeds the Agreement Sum and any amount authorized for extra services.
3. Termination for cause will not affect or terminate any of the rights of the CITY as against the CONSULTANT or its surety then existing, or which may thereafter accrue because of the default; this provision is in addition to all other rights and remedies available to the CITY under law.

C. Termination for Breach of Law.

In the event the CONSULTANT or any of its officers, directors, shareholders, employees, agents, subsidiaries or affiliates is convicted (i) of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of a contract or subcontract; (ii) under state or federal statutes of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty which currently, seriously, and directly affects responsibility as a public consultant or contractor; (iii) under state or federal antitrust statutes arising out of the submission of

bids or proposals; or (iv) of violation of Paragraph 19 of this Agreement; or for any other cause the CITY determines to be so serious and compelling as to affect CONSULTANT's responsibility as a public consultant or contractor, including but not limited to, debarment by another governmental agency, then the CITY reserves the unilateral right to terminate this Agreement or to impose such other sanctions (which may include financial sanctions, temporary suspensions or any other condition deemed appropriate short of termination) as it deems proper. The CITY will not take action until CONSULTANT has been given notice and an opportunity to present evidence in mitigation.

5. **FORCE MAJEURE**

If any party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental control, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. **RETENTION OF FUNDS**

CONSULTANT authorizes CITY to deduct from any amount payable to CONSULTANT (whether or not arising out of this Agreement) any amounts the payment of which may be in dispute or that are necessary to compensate CITY for any losses, costs, liabilities, or damages suffered by CITY, and all amounts for which CITY may be liable to third parties, by reason of CONSULTANT's negligent acts or omissions or willful misconduct in performing or failing to perform CONSULTANT's obligations under this Agreement. In the event that any claim is made by a third party, the amount or validity of which is disputed by CONSULTANT, or any indebtedness exists that appears to be the basis for a claim of lien, CITY may withhold from any payment due, without liability for interest because of the withholding, an amount sufficient to cover the claim. The failure of CITY to exercise the right to deduct or to withhold will not, however, affect the obligations of CONSULTANT to insure, indemnify, and protect CITY as elsewhere provided in this Agreement.

7. **CITY REPRESENTATIVE**

John Drakodaidis is designated as the “City Representative,” authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by CITY under this Agreement, those actions will be taken by the City Representative, unless otherwise stated. The City Manager has the right to designate another City Representative at any time, by providing notice to CONSULTANT.

8. **CONSULTANT REPRESENTATIVE(S)**

The following principal(s) of CONSULTANT are designated as being the principal(s) and representative(s) of CONSULTANT authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

John C. Burns  
Leonard Mendoza

9. **INDEPENDENT CONTRACTOR**

The CONSULTANT is, and at all times will remain as to CITY, a wholly independent contractor. Neither CITY nor any of its agents will have control over the conduct of the CONSULTANT or any of the CONSULTANT’s employees, except as otherwise set forth in this Agreement. The CONSULTANT may not, at any time or in any manner, represent that it or any of its agents or employees are in any manner agents or employees of CITY.

10. **BUSINESS LICENSE**

The CONSULTANT must obtain a City business license prior to the start of work under this Agreement, unless CONSULTANT is qualified for an exemption.

11. **OTHER LICENSES AND PERMITS**

CONSULTANT warrants that it has all professional, contracting and other permits and licenses required to undertake the work contemplated by this Agreement.

12. **FAMILIARITY WITH WORK**

By executing this Agreement, CONSULTANT warrants that CONSULTANT (a) has thoroughly investigated and considered the scope of services to be performed, (b) has carefully considered how the services should be performed, and (c) fully understands the facilities, difficulties and restrictions attending performance of the services under this Agreement. If the services involve work upon any site, CONSULTANT warrants that CONSULTANT has or will investigate the site and is or will be fully acquainted with the conditions there existing, prior to commencement of services set forth in this Agreement. Should CONSULTANT discover any latent or unknown conditions that will materially affect the performance of the services set forth in this Agreement, CONSULTANT must immediately inform CITY of that fact and may not proceed except at CONSULTANT’s risk until written instructions are received from CITY.

13. **CARE OF WORK**

CONSULTANT must adopt reasonable methods during the term of the Agreement to furnish continuous protection to the work, and the equipment, materials, papers, documents, plans, studies and other components to prevent losses or damages, and will be responsible for all damages, to persons or property, until acceptance of the work by CITY, except those losses or damages as may be caused by CITY's own negligence.

14. **CONSULTANT'S ACCOUNTING RECORDS; OTHER PROJECT RECORDS**

Records of the CONSULTANT's time pertaining to the project, and records of accounts between CITY and the CONSULTANT, will be kept on a generally recognized accounting basis. CONSULTANT will also maintain all other records, including without limitation specifications, drawings, progress reports and the like, relating to the project. All records will be available to CITY during normal working hours. CONSULTANT will maintain these records for three years after final payment.

15. **INDEMNIFICATION**

CONSULTANT will indemnify, defend, and hold harmless CITY, the Redevelopment Agency of the City of Torrance, the City Council, each member thereof, present and future, members of boards and commissions, its officers, agents, employees and volunteers from and against any and all liability, expenses, including defense costs and legal fees, and claims for damages whatsoever, including, but not limited to, those arising from breach of contract, bodily injury, death, personal injury, property damage, loss of use, or property loss however the same may be caused and regardless of the responsibility for negligence. The obligation to indemnify, defend and hold harmless includes, but is not limited to, any liability or expense, including defense costs and legal fees, arising from the negligent acts or omissions, or willful misconduct of CONSULTANT, its officers, employees, agents, subcontractors or vendors. It is further agreed, CONSULTANT's obligations to indemnify, defend and hold harmless will apply even in the event of concurrent negligence on the part of CITY, the City Council, each member thereof, present and future, or its officers, agents and employees, except for liability resulting solely from the negligence or willful misconduct of CITY, its officers, employees or agents. Payment by CITY is not a condition precedent to enforcement of this indemnity. In the event of any dispute between CONSULTANT and CITY, as to whether liability arises from the sole negligence of the CITY or its officers, employees, agents, subcontractors or vendors, CONSULTANT will be obligated to pay for CITY's defense until such time as a final judgment has been entered adjudicating the CITY as solely negligent. CONSULTANT will not be entitled in the event of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation.

16. **NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES**

No officer or employee of CITY will be personally liable to CONSULTANT, in the event of any default or breach by the CITY or for any amount that may become due to CONSULTANT.

**17. INSURANCE**

- A. CONSULTANT must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:
1. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:
    - a. Primary Bodily Injury with limits of at least \$500,000 per person, \$1,000,000 per occurrence; and
    - b. Primary Property Damage of at least \$250,000 per occurrence; or
    - c. Combined single limits of \$1,000,000 per occurrence.
  2. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least \$1,000,000 per occurrence.
  3. Professional liability insurance with limits of at least \$1,000,000 per occurrence.
  4. Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least \$1,000,000.
- B. The insurance provided by CONSULTANT will be primary and non-contributory
- C. CITY ("City of Torrance"), the Redevelopment Agency of the City of Torrance, the City Council and each member thereof, members of boards and commissions, every officer, agent, official, employee and volunteer must be named as additional insured under the automobile and general liability policies.
- D. CONSULTANT must provide certificates of insurance and/or endorsements to the City Clerk of the City of Torrance before the commencement of work.
- E. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CITY.

**18. SUFFICIENCY OF INSURERS AND SURETIES**

Insurance or bonds required by this Agreement will be satisfactory only if issued by companies admitted to do business in California, rated "B+" or better in the most recent edition of Best's Key Rating Guide, and only if they are of a financial category Class VII or better, unless these requirements are waived by the Risk Manager of CITY ("Risk Manager") due to unique circumstances. In the event the Risk Manager determines that the work or services to be performed under this Agreement creates an increased or decreased risk of loss to CITY, the CONSULTANT agrees that the minimum limits of any insurance policies or performance bonds required by this Agreement may be changed accordingly upon receipt of written notice from the Risk Manager; provided that CONSULTANT will have the right to appeal a determination of

increased coverage by the Risk Manager to the City Council of CITY within 10 days of receipt of notice from the Risk Manager.

**19. CONFLICT OF INTEREST**

- A. No officer or employee of the CITY may have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to the Agreement that effects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.
- B. No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

**20. NOTICE**

- A. All notices, requests, demands, or other communications under this Agreement will be in writing. Notice will be sufficiently given for all purposes as follows:
1. Personal delivery. When personally delivered to the recipient: notice is effective on delivery.
  2. First Class mail. When mailed first class to the last address of the recipient known to the party giving notice: notice is effective three mail delivery days after deposit in an United States Postal Service office or mailbox.
  3. Certified mail. When mailed certified mail, return receipt requested: notice is effective on receipt, if delivery is confirmed by a return receipt.
  4. Overnight delivery. When delivered by an overnight delivery service, charges prepaid or charged to the sender's account: notice is effective on delivery, if delivery is confirmed by the delivery service.
  5. Facsimile transmission. When sent by fax to the last fax number of the recipient known to the party giving notice: notice is effective on receipt. Any notice given by fax will be deemed received on the next business day if it is received after 5:00 p.m. (recipient's time) or on a non-business day.

6. Addresses for purpose of giving notice are as follows:

CONSULTANT:	Shaw Environmental Inc. C/O John C. Burns 4 Park Plaza, Suite 600 Irvine , CA 92614 Fax: 949-474-8309
CITY:	City Clerk City of Torrance 3031 Torrance Boulevard Torrance, CA 90509-2970 Fax: (310) 618-2931

- B. Any correctly addressed notice that is refused, unclaimed, or undeliverable because of an act or omission of the party to be notified, will be deemed effective as of the first date the notice was refused, unclaimed or deemed undeliverable by the postal authorities, messenger or overnight delivery service.
- C. Either party may change its address or fax number by giving the other party notice of the change in any manner permitted by this Agreement.

21. **PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING**

This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either CITY or CONSULTANT without the prior written consent of the other.

22. **INTEGRATION; AMENDMENT**

This Agreement represents the entire understanding of CITY and CONSULTANT as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

23. **INTERPRETATION**

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

24. **SEVERABILITY**

If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of the Agreement will remain in full force and effect.

25. **TIME OF ESSENCE**

Time is of the essence in the performance of this Agreement.

**26. GOVERNING LAW; JURISDICTION**

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from the Agreement will be in Los Angeles County, California.

**27. COMPLIANCE WITH STATUTES AND REGULATIONS**

CONSULTANT will be knowledgeable of and will comply with all applicable federal, state, county and city statutes, rules, regulations, ordinances and orders.

**28. WAIVER OF BREACH**

No delay or omission in the exercise of any right or remedy by a nondefaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

**29. ATTORNEY'S FEES**

Except as provided for in Paragraph 15, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorney's fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment.

**30. EXHIBITS**

All exhibits identified in this Agreement are incorporated into the Agreement by this reference.

**31. CONSULTANT'S AUTHORITY TO EXECUTE**

The person(s) executing this Agreement on behalf of the CONSULTANT warrant that (i) the CONSULTANT is duly organized and existing; (ii) they are duly authorized to execute this Agreement on behalf of the CONSULTANT; (iii) by so executing this Agreement, the CONSULTANT is formally bound to the provisions of this Agreement; and (iv) the entering into this Agreement does not violate any provision of any other Agreement to which the CONSULTANT is bound.

CITY OF TORRANCE  
a Municipal corporation

Shaw Environmental, Inc.  
a California corporation

\_\_\_\_\_  
Frank Scotto, Mayor

By: \_\_\_\_\_  
John C. Burns  
Client Program Manager II

ATTEST:  
\_\_\_\_\_  
Sue Herbers  
City Clerk

APPROVED AS TO FORM:  
JOHN L. FELLOWS III  
City Attorney

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

Attachments:      Exhibit A      Scope of Services  
                         Exhibit B      Compensation Schedule

Revised:      10/29/2008

EXHIBIT A

Scope of Services



**Shaw Environmental, Inc.**

4 Park Plaza, Suite 600

Irvine, California 92614

(949)701-9951

FAX: (949) 474-8309

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August 24, 2011

Project No. 140772

Mr. John Drakodaidis

City of Torrance, Public Works

20500 Madrona Ave

Torrance, CA 90503

SUBJECT: Proposal for Continued Operations & Maintenance Services and Compliance  
Support Landfill Gas Control System, Madrona Landfill, Torrance, CA

Dear Mr. Drakodaidis

Shaw Environmental, Inc. (Shaw) is pleased to present this proposal for continued operations & maintenance (O&M) services and compliance support for the landfill gas control system located under the facility maintenance building and parking lot. Shaw has been performing these services for City of Torrance (City) since September 2009. This proposal includes activities (tasks) to be performed over the next year, starting September 20, 2011. Shaw has not increased the cost of our services from the existing contract.

In order to ensure proper operation of the gas collection and control system (GCCS), routine balancing and O&M of the gas collection system is needed.

Madrona Landfill (City) GCCS O&M objectives include:

- Maintain compliance with air regulatory permits and standards
- Implement O&M procedures in accordance with good industry practices
- Monitor for off-site migration of LFG
- Preserve the integrity and long-term operation of the equipment within the limitations of this proposal.

Mr. John C. Burns will be assigned as the project manager, senior technical resource, and assigned reviewer for products and activities resulting from this project. Leonard Mendoza will work closely with the City to coordinate tasks and maintain compliance during this contract period. Leela Correa will be the assigned air quality engineer and together they will be supported by other engineers, scientists, and technicians on an as needed basis, significantly expanding the technical resources available to the City.

### ***SCOPE OF WORK***

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Under this scope of services, Shaw proposes to complete the following routine tasks:

- Task 1 – Complete O&M of the Gas Collection System
- Task 2 – Quarterly Compliance Activities
- Task 3 – Hot Perimeter Probe Compliance Activities

The following describes each of the proposed routine tasks in detail and the work products to be prepared under each task.

In addition, Shaw will perform Non Routine and Emergency activities as described below.

### ***ROUTINE ACTIVITIES***

#### **Task 1 – Complete O&M of the Gas Collection System**

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##### **A. O&M of the Gas Collection System**

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Shaw will operate and maintain the gas collection system at the landfill. Routine O&M of the collection system will be done once a month and will include:

- Balancing the well field to maximize LFG quality and flow to control subsurface migration and surface emissions;
- Balancing the well field to control overdraw that could lead to underground fires or impact the LFG quality;
- Conducting monthly well monitoring and adjustments in accordance with good industry practices;
- Monitoring the perimeter probes and wellfield on the same day per standard industry practices;
- Monitoring the performance of the condensate sump, as necessary;
- Monthly downloading of the gas flow and inlet gas temperature from the supplemental blower and carbon system

- Report Wellfield Monitoring results to SCAMQD per SCAQMD requirements.

A balanced wellfield requires monitoring the methane, oxygen, and carbon dioxide gas concentrations at each wellhead and balancing gas concentrations and flow rates from the LFG extraction wells to the blower using a, Gem 2000, or comparable instrument. Data will be gathered from the wellfield, compiled, and used to properly balance the wellfield based on site-specific needs. In addition, Shaw will monitor the vacuum at each wellhead.

### **B. Carbon Adsorber Systems**

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Shaw will operate, inspect, and maintain both the Paxton and American Fan blower and carbon adsorber facilities in compliance with the air quality permits. While on-site, Shaw technicians will perform the following duties on a weekly basis on the American Fan (supplemental) Blower and monthly on the Paxton Blower system.

- Inspect the blower/adsorber facility and auxiliary equipment;
- Test operation of the blower;
- Inspect condensate knockout vessel to verify that it is properly operating;
- Lubricate the blower bearings in accordance with manufacturer's recommendations (unless blower units are equipped with sealed bearings);
- Test inlet and outlet of the gas quality and Organic vapors to meet SCAMQD permit requirements
- City to purchase or pay the rent on the supplemental carbon units each month.
- Schedule carbon change outs as necessary based on performance of the system;
- Control vegetative growth inside and immediately around the carbon/blower facility enclosure.

### **C. Compliance Activities Weekly**

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Routine Compliance Activities will include:

- Monitor the American Fan (Supplemental Blower) carbon system weekly for temperature, flow, inlet and outlet non-methane organic compounds (NMOC) as required by air district permit;
- Weekly calculation of carbon adsorber removal efficiency for the American Fan (Supplemental) Blower;

### **D. Compliance Activities Monthly**

Routine Monthly Compliance Activities will include;

- Monitor the Paxton Blower carbon system monthly for temperature, flow, inlet and outlet non-methane organic compounds (NMOC) as required by air district permit;
- Conduct monthly LFG perimeter probe monitoring during routine wellfield monitoring and adjustment of the collection system in order to control LFG migration;

**Task 2 – Compliance Activities Quarterly**

Shaw will perform quarterly compliance monitoring as follows:

**A. Routine Quarterly Activities for the months of July, August and September will include;**

- Conduct Quarterly Interior probe monitoring for probes located in the main facilities building;
- Integrated Surface Monitoring and Sampling as prescribed by the 1150.1 Alternative Compliance Plan
- Take Raw Gas Samples and provide analytical results from the inlet of the Paxton Blowers to show Compliance with 1150.1 requirements
- Prepare and submit quarterly compliance reports to South Coast AQMD;

**B. Routine Quarterly Activities for the months of October, November and December will include;**

- Conduct Quarterly Interior probe monitoring for probes located in the main facilities building;
- Integrated Surface Monitoring and Sampling as prescribed by the 1150.1 Alternative Compliance Plan
- Prepare and submit quarterly compliance reports to South Coast AQMD;

**C. Routine Quarterly Activities for the months of January, February and March will include;**

- Conduct Quarterly Interior probe monitoring for probes located in the main facilities building;
- Integrated Surface Monitoring and Sampling as prescribed by the 1150.1 Alternative Compliance Plan
- Conduct Annual Instantaneous Surface Monitoring as prescribed by the 1150.1 Alternative Compliance Plan
- Prepare and submit quarterly compliance reports to South Coast AQMD; and
- Prepare and Submit Annual Report to SCAQMD for the Landfill Methane Reduction Rule.

**D. Routine Quarterly Activities for the months of April, May and June will include;**

- Conduct Quarterly Interior probe monitoring for probes located in the main facilities building;
- Integrated Surface Monitoring and Sampling as prescribed by the 1150.1 Alternative Compliance Plan
- Oversee third party Supplemental Blower Source test, tasks includes preparing and submittal of test protocol, actual field testing and analytical and final report preparation and submit to SCAQMD
- Prepare and submit quarterly compliance report to South Coast AQMD;

### **Task 3 – Hot Perimeter Probe Compliance Activities**

When a perimeter probe is exceeding the SCAQMD limit of 5% by volume during monthly readings, Shaw will follow the following steps;

- Take sample and deliver to AtmAA, Inc. laboratory for the required analytical reports of the gas as prescribed by the 1150.1 Alternative Compliance Plan
- Follow up monitoring within 10 days of the first exceedance of the Hot Probe as prescribed by the 1150.1 Alternative Compliance Plan
- Follow up monitoring within 20 days of the first exceedance of the Hot Probe as prescribed by the 1150.1 Alternative Compliance Plan
- Follow up monitoring within 30 days of the first exceedance of the Hot Probe as prescribed by the 1150.1 Alternative Compliance Plan

We have assumed providing the additional monitoring as described above for up to 6 times for each individual probe each year.

### **Reports**

*As part of the above tasks, Shaw will provide a work detail sheet to the designated City representative for each day of routine work completed. This sheet will detail fieldwork performed and show equipment and materials utilized in the completion of routine work. These forms will be included in the monthly report provided to City. In addition, a monthly summary of on-site work conducted will be prepared. The monthly summary will include the tabulated monitoring results recorded for that month, problems encountered and solutions implemented, adjustments made to the wellfield or blower system, and general maintenance performed on the GCCS. This report will also include items necessary to verify regulatory compliance.*

### **NON-ROUTINE ACTIVITIES**

*Shaw will complete non-routine work as directed by the City. Additional Non-Routine work, work not included in the routine work section above, can include items such as additional visits to site beyond the one regularly scheduled monthly visit for monitoring and balancing of collection system, repair of broken or leaking piping, repair of condensate sumps, and coordinating activities of third party contractors. This work is essential to achieving the operational goal; however, it is considered work that can be scheduled to allow for efficient procurement of materials, rental of equipment, and scheduling of additional personnel that may be required. Shaw will provide necessary labor, equipment and tools required to perform these types of services on an as-needed, time and materials basis.*

### **EMERGENCY WORK**

*Emergency work includes any situation related to the collection system that constitutes an imminent safety hazard and/or compliance related issue. Emergency services consist of responding to conditions that would require an immediate response and restoration of the operation of the collection system. These can include, but are not limited to, odor complaints and repair of LFG pipe*

*breaks that disrupt LFG flow. The urgent nature of these items is such that schedules cannot be defined.*

*Shaw will provide emergency work detail sheets to City's representative for each emergency call-out. These sheets will detail field labor hours, equipment, and materials utilized in the completion of the emergency work. These sheets will be presented within 72 hours of the call-out.*

*Shaw will respond to emergency conditions, as needed on an event-by-event basis, seven (7) days per week, within a twelve (12) hour period from notification of the problem. If upon response to an emergency call we determine that the facets of the "emergency" do not constitute an immediate safety threat, the technician will perform only the work required to eliminate any related safety hazard. Once the safety hazard has been mitigated, Shaw will proceed to coordinate and schedule the non-emergency repairs as described under non-routine activities.*

### **PROJECT BUDGET ESTIMATE AND SCHEDULE**

Shaw proposes to perform the above activities, with the exception for Non Routine and Emergency tasks which will be performed on a time and materials basis, on a fixed price per task as detailed below in accordance with the terms and conditions of the existing Agreement between City and Shaw. Shaw proposes to perform these services from September 20, 2011 – September 19, 2012 (Initial Term). Shaw will perform non-routine activities on a time and material basis per the enclosed rate sheet. Parts and materials and outside services (such as laboratory analyses and compliance testing) will be procured upon approval at cost plus 10%.

<b>Task Description</b>	<b>Number of Events</b>	<b>Price per Event (*lump sum unless otherwise noted)</b>	<b>Annual Total Cost</b>
<b>Routine O&amp;M</b>	<b>12</b>	<b>\$2,900</b>	<b>\$34,800</b>
<b>SCAQMD Quarterly Monitoring and Reporting(July, Aug, Sept)</b>	<b>1</b>	<b>\$6,412</b>	<b>\$6,412</b>
<b>SCAQMD Quarterly Monitoring and Reporting (Oct, Nov, Dec)</b>	<b>1</b>	<b>\$4,702</b>	<b>\$4,702</b>
<b>SCAQMD Quarterly Monitoring and Reporting (Jan, Feb, March)</b>	<b>1</b>	<b>\$10,307</b>	<b>\$10,307</b>
<b>SCAQMD Quarterly Monitoring and Reporting Includes Annual Source Test for Supplemental blower</b>	<b>1</b>	<b>\$9,654</b>	<b>\$9,654</b>

(Apr, May, June)			
Hot Probe Monitoring and Analytical	Per Event (estimated 6 per year)	\$2,790	\$16,740
Non-Routine and Emergency Work Allotment with Prior City Approval	As Needed On Call Services	Varies On scope (Time and Materials)	\$32,385
Total Contract Value			\$115,000

### **ASSUMPTIONS**

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The Shaw proposed price is based on the scope provided in this proposal and the following assumptions:

- City will provide necessary information, including as-builts (hard copy and electronic copy), relevant to this project. Available background materials requested will be available to Shaw at no cost.
- City will provide access to the site.
- Shaw will not be responsible for waste oil drums or their contents left on site.
- Shaw will not be responsible for contaminated Granular Activated Carbon.
- The City has the responsibilities to remove condensate from the condensate knock-out at their cost.
- This proposal does not include implementing corrective action to control any off-site migration beyond monthly routine balancing of the well field.
- The proposed fixed price does not include the costs of outside services such as laboratory analyses and compliance testing. Such services will be billed to City at cost plus 10% as non-routine services.
- Shaw is not responsible for any penalties for late permits.
- City will pay permit fees. No permit application costs are included in this change order proposal.

Please do not hesitate to call me if you have any questions or require additional information. Shaw appreciates the opportunity to be a continued service provider to the City of Torrance.

Sincerely,

A handwritten signature in black ink, appearing to read "J.C. Burns", with a long horizontal flourish extending to the right.

John C. Burns  
Client Program Manager II

**AUTHORIZATION FOR WORK**

This proposal dated August 24, 2011 is for The City of Torrance – Madrona Landfill

Not to Exceed Value: \$115,000

**TOTAL ESTIMATE:**

All work will be performed on a fixed price basis except for non routine and emergency work which will be on a time-and-materials, not-to-exceed cost basis.

## EXHIBIT B

## COMPENSATION SCHEDULE

Table 1 – Rate Schedule

Task Description	Number of Events	Price per Event (*lump sum unless otherwise noted)	Annual Total Cost
Routine O&M	12	\$2,900	\$34,800
SCAQMD Quarterly Monitoring and Reporting(July, Aug, Sept)	1	\$6,412	\$6,412
SCAQMD Quarterly Monitoring and Reporting(Oct, Nov, Dec)	1	\$4,702	\$4,702
SCAQMD Quarterly Monitoring and Reporting(Jan, Feb, March)	1	\$10,307	\$10,307
SCAQMD Quarterly Monitoring and ReportingIncludes Annual Source Test for Supplemental blower(Apr, May, June)	1	\$9,654	\$9,654
Hot Probe Monitoring and Analytical	Per Event (estimated 6 per year)	\$2,790	\$16,740
Non-Routine and Emergency Work Allotment with Prior City Approval	As Needed On Call Services	Varies On scope(Time and Materials)	\$32,385
<b>Total Contract Value</b>			<b>\$115,000</b>

TABLE 2 - RATE SCHEDULE

Staff	Rate per Hour
Project Manager/ Client Program Manager II	\$150
Air Quality Specialist/Safety Specialist	\$150
Lead Field Specialist	\$110
Air Quality Engineer	\$101
Field Technician	\$60
Administration	\$55
Vehicles	\$80/day
Instrument – GEM 2000	\$28/day
Instrument – FID	\$138/day
Safety Meter – 4 Gas Meter	\$6/day
Additional Items not owned by Shaw	Cost plus 15%