ATTACHMENT 1

CONTRACT CONCEPTS
FISCAL YEAR 1997-98

Concept Number: 28-WPM-RMDZ

Requesting Party: WASTE PREVENTION & MARKET DEVELOPMENT DIVISION
Amount: $250,000.00
Fund: RMDZ
Primary Staff Contact: Deborah Borzelleri

Description: IMPLEMENTATION & ADMINISTRATION OF RMDZ LOAN PROGRAM

Since December of 1992, we have been utilizing the services of Attorney Doug Hodell to assist with implementation and administration of our Recycling Market Development Zone (RMDZ) Loan Program. Mr. Hodell originally was with the law firm of Carroll Burdick & McDonough and is now with the law firm of Boutin Dentino Gibson & DiGiusto. To date, Mr. Hodell has developed all of the documentation for the RMDZ Loan Program, and has provided training and consultative services as needed to assist with the implementation and operation of the loan program, including processing and closing new loans, maintaining existing loans, assisting on problem loans such as foreclosures and effectuating the sale of certain loans.

Supports Board Mandate:

Market Development/Recycling.

History:

Prior requests for approval for outside legal services for the RMDZ program were made in 1992, 1993, 1994, 1995 and 1996.

--**Contract #C2025:** In September 1992, outside legal services were authorized in an amount of $100,000 for fiscal year 1992/93.
--**Contract #C2039:** An expenditure of $60,000 was authorized in December 1992 for fiscal year 1992/93. In August 1993, an additional $100,000 for fiscal year 1993/94 was authorized. In November 1993 an additional $60,000 for fiscal year 1993/94 was authorized. An additional $15,000 for services related to loan closings for fiscal year 1993-94 was authorized in May 1994.
--**Contract #C4001:** An expenditure of up to $158,000 was authorized for the fiscal year 1994-95. In May 1995, an augmentation of that contract was approved for an additional $50,000.
--**Contract #C5026:** In October 1995, an amount of $188,000 was approved for fiscal year 1995-96. An additional $50,000 for legal

services for fiscal year 1996/97 was authorized in October 1996. On June 30, 1996, $55,698.96 was disencumbered.
--**Contract #C6033:** An expenditure of $90,000 was authorized for fiscal year 1996/97 in October 1996. An additional $50,000 for legal services for fiscal year 1997/98 was authorized in August 1997.

Benefit to the Board:

Since this is a highly specialized field of law and all of our loans are individualized, continued retention of outside legal counsel with expertise in lending ensures that the loans are structured, closed and administered in a manner consistent with commercial lending practices, while also ensuring compliance with statutory mandates and implementation of the Board's policies. In addition, outside legal counsel with expertise in problem loans, workout agreements, foreclosures, etc., ensures that the Board's interests are fully protected in the situation where a borrower defaults on a Board loan.

Budget Process:

The amount for this request was calculated based on consideration of past years' actual costs for same/similar services and the cost per hour times estimated hours to prepare and follow through with individual loans, consultative services regarding modifications to or problems with existing loans. The projected amount also includes legal matters such as loan defaults, workout agreements, collateral modifications and foreclosures.

Division Liaison	Date
Branch Manager	Date
Deputy Director	Date