

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

537



FROM: Waste Management Department

SUBMITTAL DATE: February 3, 2003

SUBJECT: Approval and Execution of the Third Amendment to the Master Lease with Agua Mansa MRF, LLC, establishing a permanent Green Waste Facility (GWF) at the Robert A. Nelson Transfer Station.


RECOMMENDED MOTION:

APPROVE the following Agreements with Agua Mansa MRF, LLC, an affiliate of Burrtec Waste Industries, Inc., (and also Union Bank of California, N.A. in one instance) to implement the Green Waste Facility (GWF) related site improvements, and authorize the Chairman to execute them on behalf of the Board:

1. Third Amended Master Lease;
2. Second Amended Agreement for Disposal of Solid Waste (Waste Delivery Agreement);
3. Consent and Agreement (with Agua Mansa MRF, LLC and Union Bank of California, N.A. as Agent)

AUTHORIZE the General Manager – Chief Engineer to extend authority to Burrtec Waste Industries to continue the interim green/woody waste processing at the Robert A. Nelson Transfer Station until the permanent Green Waste Facility is completed.

(Cont'd)



 Joseph R. McCann, General Manager-Chief Engineer

FINANCIAL DATA:
 CURRENT YEAR COST: \$ -0-
 NET COUNTY COST: \$ -0-
 SOURCE OF FUNDS:

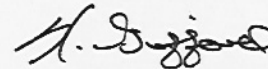
ANNUAL COST: \$ 0
 IN CURRENT YEAR BUDGET: YES NO _____
 BUDGET ADJUSTMENT: YES _____ NO FY: _____

COUNTY C.E.O. RECOMMENDATION:

REQUIRES
4/5 VOTE

APPROVE

Executive Officer Signature



FORM APPROVED BY COUNTY COUNSEL

FEB 03 2003

BY 

- Policy
- Policy
- Consent
- Consent

Department Recommendation:
Per Executive Office:

BACKGROUND:

On September 10, 2002, the Board authorized the General Manager-Chief Engineer to extend authority to Burrtec Waste Industries to continue green/woody waste processing at the Robert A. Nelson Transfer Station for 30 days, and to authorize two additional 30-day extensions of this authority if there were no significant complaints (Agenda Item 12.1).

Materials are still being transferred from the site to be used as alternative daily cover at Badlands and Colton Landfills, as erosion control and to other compost sites when available. No other direct haul option for the material is currently available or foreseen in the near future. It is crucial to both the City and County that a green waste processing/transfer point continue, in order to maintain landfill diversion levels. The Riverside City Council, at its November 19, 2002 meeting, extended its green waste tipping agreement with Burrtec Waste Industries to October 30, 2003, with provisions for a one-year, mutually agreed to extension.

On December 3, 2002 the Board authorized the General Manager – Chief Engineer to complete a lease amendment reflecting Riverside City Council and County staff's recommendation to allow the development of a permanent green and woody waste processing facility at the Robert A. Nelson Transfer Station for consideration in 60 days. At that time the General Manager – Chief Engineer was also authorized to allow Burrtec Waste Industries to continue the interim green/woody waste processing at the Robert A. Nelson Transfer Station for 60 days, while environmental evaluation of a lease amendment was completed (Agenda Item 12.3).

Staff has successfully completed negotiations with Burrtec Waste Industries, the required environmental evaluation and is recommending a Third Amendment to the Master Lease with Agua Mansa MRF, LLC (Burrtec) to address green waste processing concerns in the area on a permanent basis. The Third Amendment will not result in impacts not identified or assessed in the adopted EIR. Staff has prepared a Notice of Exemption, which will be filed following the Board's decision to approve execution of the agreements.

The Third Amended Master Lease Agreement with Agua Mansa MRF, LLC (Burrtec) does the following:

1. Requires Agua Mansa MRF, LLC to complete an approximate 31,000 square foot waste Green Waste Facility (GWF) at the back of the existing Transfer Station by October 30, 2003 entirely at their own expense and still requires the construction of a 50,000 square foot Materials Recovery Facility (MRF) on the front of the facility. The termination of the lease remains at March 10, 2021, approximately 18 years from the submittal date. (*Note: The Board may recall the agreement transfers these capital improvements to the County at the end of the lease period for \$1*). Provisions are included to continue market rate lease of these added areas, with term reverting to the original term (March 10, 2017) if construction of the GWF and MRF are not completed by October 30, 2003 and December 31, 2003 respectively.

BACKGROUND (CONT'D):

2. Allocates another 1.84 acres, east of the property for market rate rental to add to their approximate 2.65-acre truck maintenance, parking and storage yard activities, to compensate for the displacement of the same size area due to the unanticipated need for a GWF. Provisions are also included to eliminate this added 1.84 area, along with the term reversion mentioned above, if construction of the GWF and MRF are not completed by October 30, 2003 and December 31, 2003 respectively.
3. Allows for no greater than 250 tons per day of Out of County Green Waste to be handled at the GWF, for a processing fee of \$.50 per ton. The Out of County Green Waste is not allowed to be disposed or used as Alternative Daily Cover (ADC) at County Landfills and cannot compromise the Riverside County daily capacity needs.

A "Consent and Agreement" is included with the package, indicating Burrtec Waste Industries, Inc.'s bank concurrence, as the Master Lease allows the lender to approve any amendment to the document.

JRM:dw:ga

Attachments