

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

439



FROM: Waste Management Department

SUBMITTAL DATE:
September 10, 2003

SUBJECT: Status Report on Pilot Program for Disposal of Bark Beetle Tree Material - Idyllwild/Pine Cove Communities

RECOMMENDED MOTION:

- 1) Receive and File the status report for the Pilot Program for Disposal of Bark Beetle Tree Material and implement recommendations contained therein;
- 2) Direct the General Manager-Chief Engineer to continue the program for a two-year term consistent with the contract for grinding, reporting back in 120 days on any significant changes in operations, material volume, expenditures, or regulatory compliance;

BACKGROUND: On July 15, 2003, the Board authorized a Pilot Program for the Disposal of Bark Beetle affected tree material in the Idyllwild area. The program consists of the establishing of a temporary grinding facility to alleviate the increase in green waste deliveries to the existing transfer station and provide for a facility to handle much larger tree removal efforts forecasted to begin in the area. The temporary grinding facility has significantly improved the ability of the operator of the existing transfer station to alleviate the hazards associated with the current level of tree removal in the area. Although larger tree removal efforts by SCE, USFS and CDF have not yet begun at this time, the overall efficiency of the pilot program has successfully handled the tree removal material from the existing transfer station, from the USFS and CDF's efforts to clear evacuation routes along major transportation corridors (in coordination with CALTRANS and TLMA), from an SCE subcontractor, and from two local tree service contractors.

[Signature]
Joseph R. McCann, General Manager - Chief Engineer

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 82,500*	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ -0-	For Fiscal Year:	2004

SOURCE OF FUNDS: User fees at grinding facility will pay for majority of costs; *Waste Disposal Enterprise Operating Funds are necessary to account for administrative costs and potential subsidy as described in narrative.

Positions To Be Deleted Per A-30	<input type="checkbox"/>
Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

County Executive Office Signature *[Signature]*

FORM APPROVED
COUNTY COUNCIL

SEP 11 2003

BY *[Signature]*

- Dept's Recomm.: Consent Policy
- Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 12.1 of 7/15/03 | District: 3 | Agenda Number:

BACKGROUND (CONT'D)

The status report is provided as follows:

HISTORY

The Waste Management Department (WMD) continues to work jointly with Supervisor Venable's office, the Riverside County Fire Department/California Department of Forestry (CDF), and the United States Forest Service (USFS) regarding the Local and State Emergency Declarations due to the Epidemic Infestation of Bark Beetles in and around the Idyllwild and Pine Cove Communities.

Over the last year, tree mortality due to bark beetle infestation has soared. The resulting high level of fire risk mobilized local fire officials to seek and obtain both local and State declarations of emergencies. A Federal declaration, although requested, has not yet been approved. In an effort to mitigate the fire danger with limited funding, the WMD, CDF, and USFS concluded contract grinding of the unmarketable material was the most efficient. An RFP was prepared by the WMD and subsequently issued and awarded by County Purchasing. The awarded vendor, Viramontes Express proposed costs to use a portable tub grinder on USFS land for beneficial use of the ground material at either of three diversion outlets at the indicated costs: 1) Energy conversion at the Colmac facility in Mecca (\$11 per ton); 2) Marketing of mulch through their Corona facility (\$16.50 per ton); and 3) Erosion control at inactive landfills in Riverside County (\$22 per ton).

As previously authorized by the Board, users are charged a reasonable tip fee based upon the grinding contract. That fee is currently \$16.50 per ton and provides a stable and sustainable funding source associated with the ongoing grinding operation. The WMD has developed and executed individual contracts approved by County Counsel for use of the grinding facility to allow for this funding mechanism. Also as previously approved by the Board, the tip fee contained within each contract is considered a "blended" rate (assuming half to the Colmac facility and half to Viramontes Express) that accounts for disposal flexibility, an assumption of subsidized tonnage (such as the USFS arrangement as explained below), and a contingency amount. The disposal rate is charged uniformly across all contracts, with the exception of the "no-fee" subsidized cards. Contracts are administered by the WMD in the same manner as the punch card system for its desert landfill facilities. Actual costs to date have been reviewed and are presented herein. No rate adjustment is recommended at this time.

The USFS has allowed the grinding operation to be sited at the old Idyllwild landfill, on land owned by the USFS, approximately one mile south of the Idyllwild transfer station. In consideration of the USFS in-kind commitment of land for the temporary grinding facility, land clearing as needed, issuance of a no-charge Special Use Permit to Viramontes Express and for providing routine, unannounced fire safety inspections during grinding operations, they have been allowed limited no-fee access to the grinding facility to date.

Initially, it was expected that the major volume and contractually committed users of the temporary grinding facility were to be tree service contractors hired by Southern California Edison (SCE), private tree service and timber operators (both local and non-local firms now working in the area), County-contracted tree service firms using FEMA HMGP (Hazard Mitigation Grant Program) funds, State of California Department of Transportation (CALTRANS) road crews and USFS service-contract tree removal firms. For a variety of reasons, removal efforts by these agencies have not yet begun in earnest and the primary users of the grinding facility have been the operator of the existing transfer station (Waste Management Inc. (WMI), a subcontractor to an SCE contractor performing limited removal

BACKGROUND (CONT'D)

efforts in the area, and CALTRANS and TLMA through USFS. Mid-September should see an increase of tree removal activity in the area as recently bid contracts by SCE, CDF and USFS will be closed and executed.

CURRENT STATUS

As discussed above, user fees were established at an amount deemed sufficient to cover the costs of operating the grinding facility and the highest pass through costs to Viramontes Express for the two primary beneficial outlets -- \$16.50 a ton. Erosion control at County landfills is viewed as an emergency backup outlet and therefore not considered in the initial rate, as capacity is finite as compared to Colmac and mulch markets.

On July 24th, 2003, WMD management staff conducted an inspection of the temporary grinding facility prior to operation with County Safety, USFS, and CDF. WMD subsequently staffed the gate with a TAP employee for the purpose of punching the cards, restricting access to legitimate users, logging incoming/outgoing vehicles and coordinating with Viramontes Express. Concerns related to highway traffic on State Route 243 were addressed with CALTRANS prior to allowing incoming and outgoing trucks into the site (signage and warning cones). WMD Safety and Engineering staff continue to monitor the site controls both on and off the temporary grinding site to insure vendor compliance and general operational concerns are addressed.

Grinding operations commenced on July 28th, 2003 when a loader and portable tub grinder were setup and operational by the vendor. Grinding of material initially consisted of stumps cleared from the USFS land allowed for use of the grinding operation.

On July 29th, 2003, WMI began hauling rolloff and third party transport truck loads from the transfer station as the first paying customer at the agreed upon rate of \$16.50 per ton. This rate was then used for all subsequent paying customers through a punch card system and is still the recommended rate. As authorized by the Board in the July 15, 2003 action, six "no-fee" cards (representing 600 tons) were issued to the USFS in recognition of their in-kind contribution of the land for the temporary grinding facility and fee waivers for the Special Use Permit. On July 27th, 2003, the SCE subcontractor (Mowbray) purchased a punch card and began delivering material to the site. Two other smaller tree service contractors in the area have since purchased cards.

The following table shows the revenues, estimated expenses, and tonnage processed to date:

<u>Calendar Week Ending</u>	<u>Estimated Tons Incoming</u>	<u>Tons Outgoing</u>	<u>Revenues from Card Sales</u>	<u>Estimated Expenses</u>	<u>Average Tons per Day Rec'd</u>
August 2	416	298	\$21,450	\$4,917	83
August 9	532	859	\$0	\$14,173	106
August 16	370	546	\$3,300	\$9,009	74
August 23	130	103	\$0	\$1,700	26
August 30	219	43	\$9,900	\$710	44
September 6	142	167	\$6,600	\$2,756	28
Totals	1,809	2,016	\$41,250.00	\$33,265.00	60

BACKGROUND (CONT'D)

Notes to table:

- Outgoing tons are heavier than incoming tons because debris is treated with water to minimize fire hazard. WMD staff is monitoring the usage of water to insure costs are contained.
- Card sales are for 50 visits, each visit valued from ½--4 tons @\$16.50 a ton
- Expenses are based on estimated billings not yet received from Viramontes Express (As of yet, no tons to Colmac due to startup logistics, @ \$11 a ton, and the full 2,016 tons to Viramontes Express facility @ \$16.50 a ton).
- Not included in the above costs are WMD's estimated additional cost of \$6,500 to account for gate attendant, card stock purchase for startup, and WMD managerial and administrative time in overseeing the project.

On August 25th, 2003, the transfer station operator (WMI) began restricting access to "anyone utilizing vehicles larger than pickups with trailers, to haul slash and green waste," as indicated in a flyer distributed for approximately one-week prior to August 25th, 2003. This was primarily due to the Bark Beetle Emergency and associated safety concerns related to the operation of larger vehicles within the limited space at the Transfer Station. Subsequent conversations with MAST members has presented the concern that a limited number of landowners with slightly larger vehicles in the area may wish to continue to self-haul trees cut down on their property. The Department has had more recent discussions with the transfer station operator to address this concern as well as a few other "customer complaints" and jointly come up with a revised, more definitive set of guidelines for determining who will be allowed admittance into the transfer station. Procedures to alleviate residential concerns have been proposed and are addressed in the recommendations section of this report.

RECOMMENDATIONS

- Continue the current temporary grinding facility operations for the full two year term of the contract with Viramontes Express. Viramontes Express has proven to be very responsive to the needs of the County related to promptly addressing safety concerns, operational requirements, and adding additional equipment as needed (for no additional charge).
- Continue existing and future disposal rates for the punch-card system at \$16.50 per ton. Based upon data to date, this rate is sufficient to cover the grinding costs with the current level of subsidized tonnage. Administrative costs of WMD are recommended to be absorbed by the Department in order to assist with the emergency and needed to insure effective operations. Should pass-through grinding costs exceed revenues, as a result of the exemptions described herein, authorize the WMD to subsidize said costs (given the potential impacts to the landfill system if diversion of this material is not maintained). It is expected that such subsidies by the WMD will initially be larger during the next 30 day period, until volumes increase from the efforts of SCE/CDF/USFS contractors and material is diverted to the Colmac facility.
- Change days of operation from Monday through Friday to Tuesday through Saturday.
- Allow for the local CDF office to accept applications for future punch cards for use of the grinding facility, so that mountain residents do not have to travel to the WMD's Moreno Valley facility. Cards will then be delivered weekly by WMD staff.
- Allow for a limited distribution of "no-fee" punch-cards for use at the grinding facility as follows:
 - 2-ton punch-cards as needed by the USFS in recognition of the use of Federal land for the temporary grinding facility for projects deemed necessary for life safety by the MAST;

BACKGROUND (CONT'D)

- A special 1-ton punch-card for self-haul landowners conditioned upon the following and subject to WMD procedures for approval/acceptance, such as, but not limited to:
 - Proof of an outstanding fire abatement notice or compliance letter issued by the responsible fire agency for the property;
 - Proof of land ownership for the parcel which is to be abated.
 - A valid drivers license showing a photo ID of the landowner that will be hauling the material and correct address for the land being abated in accordance with the notice from CDF to be shown at the gate;
 - An application that requires the resident to agree that the material is from their own property.
- Allow the WMD to use a permanent staff position for the grinding facility gate. Maintaining a presence at the gate has been problematic, given the remote nature of the facility, however TAP is responsive in providing replacements in a timely manner. A permanent employee would lend stability to this important aspect of the project.
- Continue to monitor the quality of the ground material to insure that as much material as possible is sent to the lowest cost outlet, Colmac. To assist in this endeavor, Viramontes Express has mobilized a screening plant to enable the maximum amount of material to go to Colmac for no additional charge. WMD engineering staff will continue to monitor closely.
- Continue to develop/monitor the MAST efforts and increase the quantity of material brought into the grinding facility. The lack of material at this stage, even with the increased volumes received at the existing transfer station, has resulted in longer down times for the temporary grinding facility. WMD staff continues to work with SCE, USFS and CDF to insure that removal efforts in the area are expedited so that the grinding vendor has sufficient material to effectively utilize his machinery.