

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

720



FROM: Waste Management Department

SUBMITTAL DATE:
January 5, 2004

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

RECOMMENDED MOTION:

Receive and File the status report for the Program for Disposal of Bark Beetle Tree Material and implement recommendations contained therein.

BACKGROUND: On September 23, 2003 the Board approved the initial report of the Program for Disposal of Bark Beetle Tree Material and directed the General Manager-Chief Engineer to continue the program for a two-year term consistent with the contract for grinding. In addition, the Board requested a status report be presented January 13, 2004 updating changes in operations, volumes of material, expenses, and compliance issues. Through the cooperative efforts of the residents in the Idyllwild/Pine Cove Communities, Waste Management Inc., and the various haulers and contractors operating in the area, the disposal of the tree material continues in a coordinated manner. The last three months has seen an increase in the level of participation both in individual trips to the grinding facility and number of unique entities making use of the facility to dispose of tree related waste.

Departmental Concurrence

Joseph R. McCann, General Manager - Chief Engineer

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 95,950*	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

- Dep't Recomm.: Consent Policy
- Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 12.1 of 7/15/03; 12.2 of 9/23/03 | **District:** 3 | **Agenda Number:** 12.1

BACKGROUND (CONT'D)

The status report is provided as follows:

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 re-emphasized by the fire storms of October and November 2003 mobilized local fire officials to seek and obtain both local and State declarations of emergencies. In an effort to mitigate the fire danger the WMD, CDF, and USFS concluded contract grinding of the unmarketable material was the most efficient method to aid in the removal of the material from the mountain area. 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 tip fee of \$16.50 per ton to cover the cost of the grinding contract. The fee 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 in a table below. 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. Twelve (12) "no-fee" cards have been 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.

Grinding operations commenced on July 28th, 2003 when a loader and portable tub grinder were setup and operational by the vendor. 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.

The major volume and contractually committed users of the temporary grinding facility are the 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. Removal efforts by these agencies have increased substantially since the end of October causing certain operational changes with the grinding facility.

BACKGROUND (CONT'D)

There are now approximately 40 accounts regularly accessing the grinding facility. Increased traffic, WMD inexperience with dealing with logging operations, and the inherent inability of the punch card system to be totally accurate when estimating the weights have led the WMD to consider the installation of a scale and the addition of a computerized weighing program to resolve the problem. It is also anticipated that a portable building will be needed to protect the employees and computer that will be added to the site. By taking these steps the accuracy of reported tonnage received at the site will increase.

Large haulers are being urged to divert logs directly to Colmac to minimize the material standing at the grinding facility. Colmac has offered haulers the option to bring logs, four feet or longer, directly to their facility without charging a disposal fee. In effect, this saves the hauler the \$16.50 per ton, allows Colmac to store additional material until needed (Colmac believes they can store up to 200,000 tons in this manner), and maintains the tonnage limits for the grinding facility. WMD staff continues to work with SCE, USFS, CalTrans 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.

WMD has increased the gate hours at the grinding facility from five to six days and adjusted the hours to 7:30 am to 4:30 pm. Currently two part time gate service attendants work the facility, each for three days a week. Customers to the grinding facility fluctuates between 30 and 90 per day. Viramontes Express, the grinding facility operator, will often work extra hours to catch up with grinding the material.

Since August 25th, 2003 when the transfer station operator (WMI) began restricting access to "anyone utilizing vehicles larger than pickups with trailers, to haul slash and green waste," certain issues have developed related specifically to the landowners in the affected areas. 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. Guidelines were established with WMI that allowed for residential vehicles with truck beds up to 12 feet long to enter the transfer station. Those landowners that pay their disposal fee to the County and have vehicles with a dumping bed greater than 12 feet have been given the option of applying for a special residential card. Each card is good for two tons and has been sufficient for most residential customers who, for the most part, need to dispose of slash and pine needles through the grinding facility. To date the department has issued nine residential cards to landowners. In addition, the transfer station has agreed to extend its hours of operation to include Tuesday and Wednesday hours. This is a test to gauge the amount of traffic and the need the community demonstrates for the additional disposal time during this emergency. The Department continues to work with WMI to address any new resident concerns.

BACKGROUND (CONT'D)

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

<u>Month</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 2003	1,667	1,849	\$34,650	\$30,509	67
September 2003	1,070	1,780	\$21,450	\$25,360	54
October 2003	1,605	2,815	\$15,704	\$37,109	64
November 2003	2,557	2,591	\$62,287	\$26,387	107
December 2003	3,458	2,843	\$66,412	\$42,659	138
Totals	10,357	11,878	\$203,503	\$162,024	87

Notes to table:

- Outgoing tons are heavier than incoming tons because debris is treated with water to minimize fire hazard, and because of the inaccuracies inherent in the punch card system of estimating weights. WMD staff is monitoring the usage of water to insure costs are contained, and considering the addition of a site scale to insure more accurate incoming weights.
- Card sales are for 50 visits, each visit valued from ½--6 tons @\$16.50 a ton. Note that revenues from card sales will precede the estimated expenses.
- Expenses are based on actual and estimated billings from Viramontes Express (\$16.50/ton) and Colmac (\$11.00 a ton).
- Not included in the above costs are WMD's estimated additional costs of approximately \$40,000/yr. to account for gate attendants, card stock purchase for startup, and WMD managerial and administrative time in overseeing the project.

RECOMMENDATIONS

- 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).
- WMD to install a scale and portable building at the grinding facility site to aid in the accurate recognition of tonnage and charging of fees.
- Continue to develop/monitor the MAST efforts.