

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

848



FROM: Waste Management Department

SUBMITTAL DATE:
July 23, 2007

SUBJECT: Approval and Execution of the Sixth Amendment to the Master Lease with Agua Mansa MRF, LLC, (entitled "Amended and Restated Master Lease")

RECOMMENDED MOTION: Approve the Amended and Restated Master Lease with Agua Mansa MRF, LLC, an affiliate of Burrtec Waste Industries, Inc., and authorize the Chairman to execute it on behalf of the Board

BACKGROUND: The lease agreement with Agua Mansa MRF, LLC allowed 4.25 acres of land currently included in it to revert back to the control of County, if a Conversion or Recycling/Diversion Project was not substantially completed, by December 31, 2006. In anticipation that such a project would not be completed by that date, but recognizing the potential diversion created by this kind of project as beneficial and worth pursuing, the Board extended the deadline three times for reducing the amount of land from December 31, 2006 to March 31, 2007, to June 30, 2007, and to July 31, 2007, while negotiations to amend the agreement with Agua Mansa MRF, LLC took place.

The Amended and Restated Master Lease extends the Lessee's commitment to pursue a Conversion Technology or Recycling/Diversion Project until July 1, 2010. The document includes the following among its changes to the current lease: (continued)

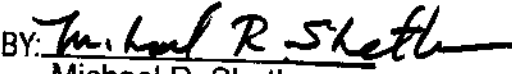

Joseph R. McCann, Ass't Chief Engineer for
Hans W. Kernkamp, General Manager-Chief Engineer

FORM APPROVED
COUNTY COUNSEL
JUL 20 2007
Joe S. Rank

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	No

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

C.E.O. RECOMMENDATION: APPROVE

BY: 
Michael R. Shetler

County Executive Office Signature

Dept Recomm.: Consent Policy
Per Exec. Ofc.: Consent Policy

Prev. Agn. Ref.: 12.2 (12/19/06); 12.1 (3/27/07); 12.1 (6/26/07) | District: 2 | Agenda Number: **12.2**

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

1. The Amended and Restated Master Lease extends the Lessee's commitment to pursue a Conversion Technology or Recycling/Diversion Project until July 1, 2010 and adds another 3.0 acres to the lease for this purpose (for a total of 7.25 acres). This land will initially be used to assist the Lessee in processing green and woody waste. Provisions (See Section 40(i)) are included in the lease for the County to regain control of these 7.25 acres under certain circumstances after July 1, 2010.
2. Processed in-county green waste may be used for Alternative Daily Cover (ADC) at Riverside County landfills once other feasible options for higher beneficial use have been exhausted.
3. Incorporates Mitigation Measure of the Mitigation Monitoring Program for Environmental Assessment No. 40362 pertaining to Lessee's responsibilities regarding road improvements to Agua Mansa Road.
4. Incorporates a performance bond requirement for Lessee regarding signal improvements at the Facility's main entrance on Agua Mansa Road with the signal to be installed and operational no later than July 1, 2008. Posting of the bond will allow Lessee to begin daily operations at its State permitted level of 4,000 tons per day.
5. Updated the ongoing insurance and bond requirements with the assistance of the County Risk Management Office.

A "Lender Consent to Amended and Restated Master Lease" accompanies the package, indicating Burrtec Waste Industries, Inc.'s bank's consent to the Amended and Restated Master Lease and that it is waiving the requirement that such consent be evidenced by a document signed by the County, Burrtec and the bank.