

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



ITEM: 12.1  
(ID # 24821)

**MEETING DATE:**  
Tuesday, June 04, 2024

**FROM :** DEPARTMENT OF WASTE RESOURCES

**SUBJECT:** DEPARTMENT OF WASTE RESOURCES: Public Hearing for Requested Gate Fee Increase at Edom Hill Transfer Station, District 4 [\$0 – Waste Resources Enterprise Funds] (CEQA Exempt per Section 15273 and 15061(b)(3))

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Conduct a Public Hearing for requested Gate Fee changes at the Edom Hill Transfer Station (EHTS) as proposed by Burrtec Recovery and Transfer (Burrtec) in accordance with the Master Lease Agreement (the Agreement) dated November 5, 2002; and
2. Find that the Project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3) (General Rule for Exemption), and statutorily exempt from CEQA pursuant to Section 15273 (Rates, Tolls, Fares, and Charges).

**ACTION:Policy**

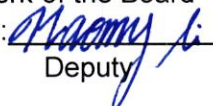
  
Hans Keinkamp, General Manager - Chief Engineer 5/15/2024

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Perez, seconded by Supervisor Gutierrez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: June 4, 2024  
xc: Waste

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$0	\$0	\$0	\$0
<b>NET COUNTY COST</b>	\$0	\$0	\$0	\$0
<b>SOURCE OF FUNDS: Waste Resources Enterprise Fund</b>			<b>Budget Adjustment:</b>	No
			<b>For Fiscal Year:</b>	24/25

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

**Summary**

On November 5, 2002, the County entered into an agreement with Waste Management of the Desert (WMOD) to develop, construct, and operate a transfer station at the Edom Hill Landfill site once the landfill closed. The Edom Hill Landfill closed in November 2004 and the transfer station began operation at that time. WMOD sold their rights in the agreement to Burrtec Recovery and Transfer (Burrtec) in 2006.

The Agreement between the County and Burrtec as Lessee, states that extraordinary gate fee adjustments (other than CPI) are to be approved by the County Board of Supervisors following a public hearing. In April 2024, Burrtec contacted the Department of Waste Resources (Department) to request an extraordinary rate increase as outlined in the Agreement. Pursuant to Section 5(d) of the Agreement, the Department, on behalf of Burrtec, is presenting the request to the Board of Supervisors for consideration.

The gate fee at the EHTS is made up of four component parts. The recapture of the capital investment (i.e. the Facility Element) and the City Mitigation Fee are fixed. The Disposal Fee element is based on the long-term hauling contract that Burrtec has with the County. The Operating & Transport Elements are the only components that Burrtec can increase on an annual basis.

Burrtec contends that for the past three fiscal years, EHTS has been operating at a loss due to increased labor benefits, worker's compensation, equipment and fuel cost increases. Department staff reviewed documentation verifying Burrtec's current and historical operating costs. Additionally, Department staff reviewed Burrtec's Financial Statements which indicated that the facility is operating at a loss equating to \$4.21/ton. To address the operating losses, Burrtec is therefore requesting an Extraordinary Rate Adjustment, as allowed for under the Master Lease Agreement, to the Operating & Transport Elements.

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Gate Fee Components	Gate Fee per Lease Agreement July 1, 2023	Increase based on 2023 CPI (2.88%)	Extraordinary Rate Adjustment	Total Proposed Gate Fee effective July 1, 2024
Facility Element	\$0.89	N/A	N/A	\$0.89
Operating Element	\$7.57	\$0.22	\$0.52	\$8.31
Transport Element	\$12.12	\$0.35	\$3.69	\$16.16
Disposal Fee	\$38.12	N/A	N/A	\$38.12
City Mitigation Fee	\$1.00	N/A	N/A	\$1.00
<b>Total:</b>	<b>\$59.70</b>	<b>\$0.57</b>	<b>\$4.21</b>	<b>\$64.48</b>

Notice of the public hearing was published in the Desert Sun on May 19, 2024. The gate rate adjustment proposed under this action will continue to be the lowest transfer station rate in Riverside County. Staff recommends approval of the Burrtec rate request.

Upon conclusion of the Public Hearing, the Department will bring the rate request back to the Board for consideration at the June 25, 2024 meeting.

**California Environmental Quality Act (CEQA) Findings**

The proposed rate increase (Project) has been reviewed and determined to be exempt from CEQA under CEQA Guidelines Section 15061(b)(3) and Section 15273 (Rates, Tolls, Fares, and Charges). The proposed rate increase is for the purpose of meeting operating expenses, and a Notice of Exemption will be filed with the County Clerk upon Board approval of the Project.

**Impact on Residents and Businesses**

The EHTS is an essential service facility that provides a necessary outlet for solid waste in the Coachella Valley. For residential households, the proposed rate increase will result in a cost increase ranging from approximately \$0.23/month to \$0.40/month, depending on jurisdiction.

**Attachment**

Attachment A. NOE 24-01 Extraordinary Rate Adjustment at the EHTS


 Jason Farin, Principal Management Analyst      5/28/2024     
 
 Aaron Gettis, Chief of Deputy County Counsel      5/24/2024



Hans W. Kernkamp, General Manager-Chief Engineer

## NOTICE OF EXEMPTION

**DATE:** May 13, 2024

**TO:** County Clerk, County of Riverside

**PROJECT CASE NO/TITLE:** NOE 24-01/ Extraordinary Rate Adjustment at Edom Hill Transfer Station (EHTS)

**PROJECT LOCATION:** 70-100 Edom Hill Rd, Cathedral City, CA 92234

**PROJECT DESCRIPTION:** The proposed project will increase operating & transport element rates at the EHTS.

**PUBLIC AGENCY APPROVING PROJECT:** County of Riverside (County)

**PROJECT SPONSOR:** Riverside County  
Department of Waste Resources (RCDWR)

The project is exempt from the provisions of CEQA, specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of categorical exemptions as detailed under State CEQA Guidelines section 15300.2. The project will not cause any impacts to scenic resources, historic resources, or unique sensitive environments. Further, no unusual circumstances or potential cumulative impacts would occur that may reasonably create a direct or reasonably foreseeable indirect physical environmental impact.

### EXEMPT STATUS:

- Ministerial
- Declared Emergency
- Emergency Project
- Statutory Exemption: **Section 15273, Rates, Tolls, Fares and Charges**
- Categorical Exemption
- Other Exemption: **Section 15061(b)(3), General Rule Exemption**

### REASONS FOR EXEMPTION:

#### **Section 15061(b)(3) - General Rule Exemption**

The activity is covered by the general rule that CEQA applies only to projects, which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA.



**This project is exempt under Section 15061(b)(3) because:**

The Project proposes to request an Extraordinary Rate Adjustment (other than CPI) as allowed for under the Master Lease Agreement, to the Operating & Transport Elements. Burrtec contends that for the past three fiscal years, EHTS has been operating at a loss due to increased labor benefits, worker's compensation, equipment, fuel cost increases, and SB1383 compliance. Department staff reviewed documentation verifying Burrtec's current and historical operating costs. Additionally, Department staff reviewed Burrtec's Financial Statements which indicated that the facility is operating at a loss equating to \$4.21/ton. The Operating & Transport Elements are the only components that Burrtec can increase on an annual basis. The Extraordinary Rate Adjustment would increase the Operating Element rate by \$0.52 and the Transport Element rate by \$3.69. Changes in the fee structure would not have an effect on environmental resources.

Based upon the entire record, the Project would not result in the potential for any significant effect on the environment. This determination is an issue of fact and sufficient evidence exists in the record that the activity will not have a significant effect on the environment. As such, the exemption applies and no further evaluation under CEQA is required. See *Muzzy Ranch Co. v. Solano County Airport Land Use Comm'n* (2007) 41 Cal. 4<sup>th</sup> 372.

**Section 15273. Rates, Tolls, Fares, and Charges**

CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purpose of:

- Meeting operating expenses, including employee wage rates and fringe benefits,
- Purchasing or leasing supplies, equipment, or materials,
- Meeting financial reserve needs and requirements,
- Obtaining funds for capital projects, necessary to maintain service within existing service areas, or
- Obtaining funds necessary to maintain such intra-city transfers as are authorized by city charter.

**This project is exempt under Section 15273 because:**

The Project involves the modification and restructuring of fees and approval of rates for the purpose of meeting operating losses due to increased labor benefits, worker's compensation, equipment, fuel cost increases, and SB1383 compliance. As such, due to the administrative nature of the Project, no environmental resources will be affected; therefore, the Project meets the scope and intent of Section 15273, Statutory Exemption.

**FINDINGS:**

- 1) The EHTS represents a public-private partnership between the RCDWR and Burrtec Waste Industries, Inc. (Burrtec). RCDWR, on behalf of Burrtec (Lessee), is presenting to the County Board of Supervisors (BOS) a request for an Extraordinary Rate Adjustment.
- 2) The gate fee at the EHTS is made up of four component parts. The recapture of the capital investment (i.e. the Facility Element) and the City Mitigation Fee are fixed. The Disposal Fee element is based on the long-term hauling contract that Burrtec has with

the County. The Operating & Transport Elements are the only components that Burrtec can increase on an annual basis.

- 3) Based upon the identified exemptions and justifications above, the RCDWR, on behalf of the County, hereby concludes that no physical environmental impacts are anticipated to occur and the Project as proposed is exempt under CEQA. No further environmental analysis is warranted.
- 4) The proposed Project is exempt from CEQA pursuant to Section 15061(b)(3), and statutorily exempt from CEQA pursuant to Section 15273.
- 5) It can be seen with certainty that there is no possibility that this Project would have a direct, indirect, or cumulatively significant effect on the environment; therefore, the activity is exempt under CEQA as previously identified.

If there are any questions regarding the above matter, I can be reached at (951) 486-3200.

**Hans Kernkamp, General Manager - Chief Engineer**  
**Riverside County Waste Management Department**

By:   
\_\_\_\_\_

Katherine Avila

Title: Urban/Regional Planner II

Date: May 13, 2024

DM# 331351

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**Riverside County Board of Supervisors  
Request to Speak**

Submit request to Clerk of Board (right of podium),  
Speakers are entitled to three (3) minutes, subject to  
Board Rules listed on the reverse side of this form.

**SPEAKER'S NAME:** BRAD ANDERSON

**Address:** \_\_\_\_\_  
(only if follow-up mail response requested)

**City:** Redlands **Zip:** \_\_\_\_\_

**Phone #:** \_\_\_\_\_

**Date:** 6/4/24 **Agenda #** 12.1

**PLEASE STATE YOUR POSITION BELOW:**

**Position on "Regular" (non-appealed) Agenda Item:**

\_\_\_\_\_ **Support**     **Oppose**    \_\_\_\_\_ **Neutral**

**Note:** If you are here for an agenda item that is filed  
for "Appeal", please state separately your position on  
the appeal below:

\_\_\_\_\_ **Support**    \_\_\_\_\_ **Oppose**    \_\_\_\_\_ **Neutral**

**I give my 3 minutes to:** \_\_\_\_\_

## **BOARD RULES**

### **Requests to Address Board on "Agenda" Items:**

You may request to be heard on a published agenda item. Requests to be heard must be submitted to the Clerk of the Board before the scheduled meeting time.

### **Requests to Address Board on items that are "NOT" on the Agenda:**

Notwithstanding any other provisions of these rules, member of the public shall have the right to address the Board during the mid-morning "Oral Communications" segment of the published agenda. Said purpose for address must pertain to issues which are under the direct jurisdiction of the Board of Supervisors. YOUR TIME WILL BE LIMITED TO THREE (3) MINUTES.

### **Power Point Presentations/Printed Material:**

Speakers who intend to conduct a formalized Power Point presentation or provide printed material must notify the Clerk of the Board's Office by 12 noon on the Monday preceding the Tuesday Board meeting, insuring that the Clerk's Office has sufficient copies of all printed materials and at least one (1) copy of the Power Point CD. Copies of printed material given to the Clerk (by Monday noon deadline) will be provided to each Supervisor. If you have the need to use the overhead "Elmo" projector at the Board meeting, please insure your material is clear and with proper contrast, notifying the Clerk well ahead of the meeting, of your intent to use the Elmo. **Speakers are prohibited from bringing signs, placards or posters into the hearing room.**

### **Individual Speaker Limits:**

**Individual speakers are limited to a maximum of three (3) minutes.**

Please step up to the podium when the Chairman calls your name and begin speaking immediately. Pull the microphone to your mouth so that the Board, audience, and audio recording system hear you clearly. Once you start speaking, the "green" podium light will light. The "yellow" light will come on when you have one (1) minute remaining. When you have 30 seconds remaining, the "yellow" light will begin flash, indicating you must quickly wrap up your comments. Your time is up when the "red" light flashes. The Chairman adheres to a strict three (3) minutes per speaker. **Note: If you intend to give your time to a "Group/Organized Presentation", please state so clearly at the very bottom of the reverse side of this form.**

### **Group/Organized Presentations:**

Group/organized presentations with more than one (1) speaker will be limited to nine (9) minutes at the Chairman's discretion. The organizer of the presentation will automatically receive the first three (3) minutes, with the remaining six (6) minutes relinquished by other speakers, as requested by them on a completed "Request to Speak" form, and clearly indicated at the front bottom of the form.

### **Addressing the Board & Acknowledgement by Chairman:**

The Chairman will determine what order the speakers will address the Board, and will call on all speakers in pairs. The first speaker should immediately step to the podium and begin addressing the Board. The second speaker should take up a position in one of the chamber aisles in order to quickly step up to the podium after the preceding speaker. This is to afford an efficient and timely Board meeting, giving all attendees the opportunity to make their case. Speakers are prohibited from making personal attacks, and/or using course, crude, profane or vulgar language while speaking to the Board members, staff, the general public and/or meeting participants. Such behavior, at the discretion of the Board Chairman may result in removal from the Board Chambers by Sheriff Deputies.