

**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **APRIL 12, 2011**

From: **JAMES DURFEE / WILL DICKINSON**

Subject: **ELEVENTH AMENDMENT TO THE AGREEMENT WITH TAHOE TRUCKEE
DISPOSAL AND EASTERN REGIONAL LANDFILL INC.**

ACTION REQUESTED / RECOMMENDATION:

Adopt the attached Resolution authorizing the Chairman to sign the attached Eleventh Amendment to the Agreement for Solid Waste Handling Services with Tahoe Truckee Disposal and Eastern Regional Landfill Inc. (Agreement) to increase processing fees paid to the contractor.

BACKGROUND: In July of 2003, the County entered into the Agreement for collection, processing, recycling and disposal of solid waste in the eastern portion of Placer County from the City of Colfax to the Nevada state line. ERL Inc., processes all waste delivered from County Franchise Areas 2 and 3 as well as waste from the Town of Truckee, City of Colfax, Nevada County and parts of the State of Nevada at the Eastern Regional Material Recovery Facility (ERMRF). Residual waste is landfilled at the Lockwood Landfill in Nevada. The Agreement allows for annual cost of living adjustments (COLA) to the processing fees based on annual changes in the Employee Cost Index (ECI) and Producer Price Index (PPI).

Per the Agreement, for Fiscal Year 2011/2012, ERL Inc. is entitled to a \$1.36 per ton (3.52%) COLA increase to the ERMRF processing fees and a \$0.44 per ton (3.0%) increase to disposal fees at the Lockwood Landfill. Rather than raise tipping fees to customers at the ERMRF, staff recommends absorbing the costs in the ERL Budget for 2011/2012. Based on current long term projections, the County can absorb the reduction in tipping fee revenue for FY 2011/12 by reducing contributions to reserves set aside for the purchase of the on-site buildings owned by ERL Inc. at the end of the Agreement term in June 2015.

ENVIRONMENTAL CLEARANCE: The adjustment of the proposed waste processing fees is not a project under CEQA.

FISCAL IMPACT: Tipping fees at the ERMRF are proposed to remain unchanged for FY 2011/12. Redistribution of the tipping fees will decrease revenue to the ERL Budget by approximately \$110,000 for FY 2011/12. Unless savings in other areas are achieved in FY 2011/12, this reduction in revenue will be absorbed by reducing contributions to reserves set aside for the purchase of the on-site buildings owned by ERL Inc. at the end of the Agreement term in June 2015.

JD/WD/WS/KW

ATTACHMENTS: RESOLUTION

AVAILABLE FOR REVIEW: ORIGINAL AGREEMENT AND AMENDMENTS – DEPARTMENT OF FACILITY SERVICES

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**Before the Board of Supervisors
County of Placer, State of California**

In the matter of:

Resol. _____

**A RESOLUTION APPROVING AND AUTHORIZING
EXECUTION OF THE ELEVENTH AMENDMENT TO THE
AGREEMENT WITH TAHOE TRUCKEE DISPOSAL AND
EASTERN REGIONAL LANDFILL INC**

The following RESOLUTION was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____, 2011 by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:

Clerk of said Board

WHEREAS, the County of Placer oversees the Agreement for operation of the Eastern Regional Material Recovery Facility and collection of solid wastes in Franchise Areas 2 and 3; and

WHEREAS, both the County and its Operator have a need to amend waste processing fees in order to more closely approximate the cost of providing service; and

WHEREAS, it is in the County's interest to abide by State and Federal regulations and to insure that its contractors receive a fair and reasonable return from operating their business.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Placer, State of California, that this Board approves and authorizes the attached Eleventh Amendment to Contract No. 11710 with Placer County Eastern Regional Sanitary Landfill, Inc. and Tahoe Truckee Disposal Co., Inc. for the operation of the Eastern Regional Material Recovery Facility and solid waste collection in Franchise Areas 2 and 3. The Amendment specifies processing fee adjustments for FY 2011/12.

ATTACHMENTS: CONTRACT AMENDMENT

ELEVENTH AMENDMENT TO CONTRACT NO. 11710
AGREEMENT FOR SOLID WASTE HANDLING SERVICES

This Eleventh Amendment to the Agreement for Solid Waste Handling Services ("Agreement") between Placer County, California ("County") and Tahoe Truckee Disposal Co., Inc., a California corporation, and Placer County Eastern Regional Sanitary Landfill, Inc., a Nevada corporation (hereinafter collectively referred to as "Contractor") is entered into this _____ day of _____, 2011, and effective as of July 1, 2011.

RECITALS

1. The County and Contractor entered into that certain Agreement for Solid Waste Handling Services dated July 22, 2003, which was amended previously as of April 20, 2004 by the First Amendment, July 13, 2004 by the Second Amendment, January 18, 2005 by the Third Amendment, April 18, 2005 by the Fourth Amendment, April 3, 2006 by the Fifth Amendment, July 24, 2007 by the Sixth Amendment, April 15, 2008 by the Seventh Amendment, April 21, 2009 by the Eighth Amendment, July 21, 2009 by the Ninth Amendment, and May 18, 2010 by the Tenth Amendment.
2. The County and Contractor wish to amend the Processing Fees and Incentive Payments earned by Contractor for providing the services under the Agreement and the License Fees paid to County by Contractor for use of the Premises.
3. The County and Contractor wish to memorialize in this Amendment their agreement regarding the foregoing issues.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Exhibit L10 shall be deleted and the Exhibit L11 attached hereto is substituted therefore. Except as expressly provided in this Eleventh Amendment, the Agreement shall remain unchanged and in full force and effect. After this Eleventh Amendment is duly executed and delivered by County and Contractor, this Eleventh Amendment shall be and constitute an integral part of the Agreement.

IN WITNESS WHEREOF, the County and Contractor have executed this Amendment as of the day and year first above written.

COUNTY: Placer County Department of Facility Services
Attn: Walter Schwall
Environmental Engineering Division
11476 "C" Avenue
Auburn, CA 95603
Phone: 530-886-4942 Fax: 530-886-4999

CONTRACTOR: Tahoe Truckee Disposal Co., Inc.,
& Placer County Eastern Regional
Sanitary Landfill, Inc.,
Attn: David Achiro
PO Box 6479
Tahoe City CA 96145
Phone: 530-583-0148
Fax: 530-583-0804

REMIT TO: Tahoe Truckee Disposal Co., Inc.,
& Placer County Eastern Regional
Sanitary Landfill, Inc.,
Attn: David Achiro
PO Box 6479
Tahoe City CA 96145
Phone: 530-583-0148
Fax: 530-583-0804

County or Consultant may from time to time designate any other address for this purpose by written notice to the other party.

Executed as of the day first above stated:
PLACER COUNTY (County)

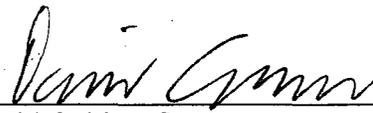
By: _____
Chairman, Board of Supervisors

Date of Board Approval

TAHOE TRUCKEE DISPOSAL CO., INC. & PLACER COUNTY EASTERN REGIONAL
SANITARY LANDFILL, INC. (Contractor)

By: 
Silvano Achiro, President

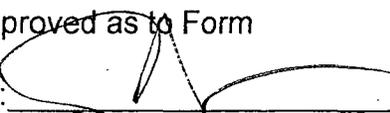
Date: 3-26-11

By: 
David Achiro, Secretary

Date: 3-26-11

Approved as to Form

Approved as to Funds

By: 
County Counsel

By: N/A
County Auditor's Office

**EASTERN REGIONAL MATERIAL RECOVERY FACILITY
CURRENT LICENSE AND PROCESSING FEES AND INCENTIVE PAYMENTS**

Tip Fee Description	Tip Fee
Mixed Waste Processing Fee (per ton)	
First 60,000 Tons per Operating Year	\$40.05
In excess of 60,000 Tons per Operating Year	\$33.08
Source Separated Inert/Wood Waste Processing Fee (per cubic yard)	\$4.84
Appliance Processing Fee (per item)	\$6.97
CFC-Containing Appliance Processing Fee (per item)	\$38.27
Incentive Payment (per ton)	\$17.24
Household Hazardous Waste Collection Event Fee (per event)	\$1,342.07
Monthly License Fee	\$4,874.48

