



Legislation Details (With Text)

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Title: Community Development Services, Department of Transportation, recommending the Board approve and authorize the Chair to sign the First Amendment to Timber Reimbursement Agreement 492-O1711 between the County and RJJ Resource Management Corp, extending the term of the Agreement an additional three years to December 31, 2020, and modifying the rate schedule to increase the unit price paid to the County for Ponderosa Pine, Sugar Pine, Jeffrey Pine, and White Fir timber logs, starting with the effective date of the First Amendment and continuing through the extended term.

FUNDING: Revenue resulting from the Timber Reimbursement Agreement will be used to partially offset the County's costs incurred in removing trees that are dead or dying due to bark beetle infestation. Funding for the removal of such trees is provided by California Disaster Assistance Act Funds (75% - State) and General Fund (25% - Local).

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2A - Approved Contract Routing Sheet 12-12-17, 2. 2B - Agreement Amendment I 12-12-17, 3. Executed Agreement 492-O1711, 4. A - Approved CRS 5-9-17, 5. B - Agreement 492-O1711 5-9-17, 6. Executed Agreement 492-O1711

Date	Ver.	Action By	Action	Result
12/12/2017	2	Board of Supervisors	Approved	Pass
5/9/2017	1	Board of Supervisors	Approved	Pass

Community Development Services, Department of Transportation, recommending the Board approve and authorize the Chair to sign the First Amendment to Timber Reimbursement Agreement 492-O1711 between the County and RJJ Resource Management Corp, extending the term of the Agreement an additional three years to December 31, 2020, and modifying the rate schedule to increase the unit price paid to the County for Ponderosa Pine, Sugar Pine, Jeffrey Pine, and White Fir timber logs, starting with the effective date of the First Amendment and continuing through the extended term.

FUNDING: Revenue resulting from the Timber Reimbursement Agreement will be used to partially offset the County's costs incurred in removing trees that are dead or dying due to bark beetle infestation. Funding for the removal of such trees is provided by California Disaster Assistance Act Funds (75% - State) and General Fund (25% - Local).

DEPARTMENT RECOMMENDATION

Community Development Services (CDS), Department of Transportation (Transportation), recommending the Board approve and authorize the Chair to sign the First Amendment (Amendment 1) to Timber Reimbursement Agreement 492-O1711 between the County and RJJ Resource Management Corp (RJJ), extending the term of the Agreement an additional three years to December 31, 2020, and modifying the rate schedule to increase the unit price paid to the County for

Ponderosa Pine, Sugar Pine, Jeffrey Pine, and White Fir timber logs, starting with the effective date of Amendment 1 and continuing through the extended term.

DISCUSSION / BACKGROUND

On May 9, 2017 (Item 27), the Board approved the Timber Reimbursement Agreement 492-O1711 (Agreement) with American TongRen, Inc. (the company name changed to RJJ prior to signing), under which the County is paid for the sale of timber products associated with the County's Tree Mortality Hazard Tree Removal Plan. Removed trees greater than 8" diameter inside bark are being trucked to West Sacramento for sale to RJJ.

County Counsel has determined that the County Purchasing Agent is authorized to make such sales pursuant to County Ordinance 3.12.210 and Board Policy C-17, where the Board finds that the property is not required for public use. This authority is consistent with Government Code Section 25504, which authorizes the Purchasing Agent to dispose of personal property belonging to the County not required for public use, subject to regulations as may be provided by the Board of Supervisors. The County currently has no regulation, ordinance, or policy requiring public auction or notice of sale of surplus property. Government Code Section 24364 expressly provides that the Board may dispose of surplus trees belonging to the County and not required for public use by private or public sale without advertising or competitive bidding.

The Agreement was originally set to expire on December 31, 2017. RJJ has agreed to extend the term an additional three years to December 31, 2020, and has offered to increase the unit price paid to the County for Ponderosa Pine, Sugar Pine, Jeffrey Pine, and White Fir timber logs from \$325/MBF (1000 board feet) to \$375/MBF. Amendment 1 extends the Agreement term the additional three years and includes the unit price increase offered by RJJ, for the period beginning with the effective date of Amendment 1 and continuing through the extended term of the Agreement.

ALTERNATIVES

The Board could choose to not approve Amendment 1. Transportation would make changes as directed and return to the Board at a later date.

OTHER DEPARTMENT / SERVICES INVOLVEMENT

County Counsel and Risk Management have approved Amendment 1.

CAO RECOMMENDATION

It is recommended that the Board approve this item.

FINANCIAL IMPACT

Revenue resulting from Amendment 1 will be used to partially offset the County's costs incurred in removing trees that are dead or dying due to bark beetle infestation. Funding for the removal of these trees is provided by California Disaster Assistance Act Funds and the General Fund.

Revenue received to date from this Agreement is approximately \$27,000.

CLERK OF THE BOARD FOLLOW UP ACTIONS

- 1) Clerk of the Board will obtain the Chair's signature on two (2) original copies of Amendment 1.
- 2) Clerk of the Board will return one (1) signed original copy of Amendment 1 to the CDS Administration and Finance Division, Contracts and Procurement Unit, for further processing.

STRATEGIC PLAN COMPONENT

Infrastructure

CONTACT

Rafael Martinez, Director

Community Development Services, Department of Transportation