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Title: Community Development Services, Environmental Management Department, recommending the Board receive a presentation from Waste Connections of California, Inc., dba El Dorado Disposal Service, providing an update regarding the construction of a new Material Recovery Facility located at 4100 Throwita Way, Placerville, CA. (Est. Time: 30 Min.)

FUNDING: Non-General Fund. There is no County funding associated with the construction of the new Material Recovery Facility.

Sponsors:

Indexes:

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Attachments: 1. A - Exhibit D - El Dorado Disposal Letter, 2. B - El Dorado Disposal Presentation

Date	Ver.	Action By	Action	Result
8/14/2018	1	Board of Supervisors	Received and Filed	

Community Development Services, Environmental Management Department, recommending the Board receive a presentation from Waste Connections of California, Inc., dba El Dorado Disposal Service, providing an update regarding the construction of a new Material Recovery Facility located at 4100 Throwita Way, Placerville, CA. (Est. Time: 30 Min.)

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DEPARTMENT RECOMMENDATION

Community Development Services, Environmental Management Department (Environmental Management), recommending the Board receive a presentation from Waste Connections of California, Inc., dba El Dorado Disposal Service (El Dorado Disposal), providing an update regarding the construction of a new Material Recovery Facility (MRF) located at 4100 Throwita Way, Placerville, CA.

DISCUSSION / BACKGROUND

On October 21, 2014 (Item 32), the Board approved a new Franchise Agreement between the County and El Dorado Disposal. The new Franchise Agreement included significant changes compared to the prior Franchise Agreement, such as the addition of contractor-provided carts for all residential collection services in certain areas of the unincorporated portion of the County, the implementation of multiple strategies cited in the County's Solid Waste Management Plan, and the construction of a new modern MRF.

The new Franchise Agreement includes several provisions relevant to the construction of a new MRF including:

1) Section 9, E. "MRF Modernization," Contractor shall provide for a modernized MRF and Transfer

Station;

2) Section 11, A. "Initial Term," The Initial Term of this Agreement shall be effective when fully executed by all parties and shall expire five (5) years following the effective date of this Agreement. This Agreement shall be automatically extended for an additional period of ten (10) years, contingent upon Contractor completing construction of a new state-of-the-art Transfer Station/MRF with a new state-of-the-art Construction & Demolition Debris Sort Line on the site of the existing Transfer Station located at 4100 Throwita Way in accordance with the timeline and the plans specified in Exhibit D and verified by the County; and

3) Exhibit D, August 13, 2014, Letter, "El Dorado Disposal Long Term Hauling Contract and Improvements to Western El Dorado Recovery System's Material Recovery and Transfer Facility" (Attachment A).

The last MRF update was presented to the Board on November 15, 2016 (Item 36), and included a presentation regarding the proposed construction and timeline for the new MRF. Due to unforeseen environmental issues encountered at the site and other project delays, Environmental Management and El Dorado Disposal felt it was appropriate that the Board be updated on the progress made to date regarding the construction of a new MRF.

Based on the delays, El Dorado Disposal will not be able to complete construction of the new MRF within the five year timeframe stipulated in the Franchise Agreement. In addition, the project cost has increased significantly compared to the 2014 estimate of \$8-12 million due to the aforementioned environmental issues associated with the site. As such, Environmental Management will be returning to the Board in October 2018 with a proposed amendment to the Franchise Agreement for the Board's consideration. The proposed amendment will extend the initial term of the Franchise Agreement to allow sufficient time for El Dorado Disposal to complete the construction of the new MRF and will also propose to extend the total term to allow for amortization of the increased total project cost.

ALTERNATIVES

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION

It recommended that the Board receive and file this presentation.

FINANCIAL IMPACT

No County funding is associated with the construction of the new MRF. Additionally, El Dorado Disposal has committed to not passing the cost of this project along to ratepayers.

CLERK OF THE BOARD FOLLOW UP ACTIONS

N/A

STRATEGIC PLAN COMPONENT

Infrastructure

CONTACT

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