## Lompoc City Council Agenda Item

City Council Meeting Date: July 5, 2011

TO: Laurel M. Barcelona, City Administrator

**FROM**: Richard Fernbaugh, Aviation/Transportation Administrate

rfernbaugh@ci.lompoc.ca.us

**SUBJECT**: V & J LEASE AND LICENSE AGREEMENT

## **RECOMMENDATION:**

It is recommended the City Council approve and authorize the Mayor to execute a Lease and License Agreement with V & J Rock Transport, Inc.

## **BACKGROUND AND/OR DISCUSSION:**

In 1989, AB 939 established the current organization, structure and mission of CalRecycle. The purpose was to direct attention to the increasing waste stream and decreasing landfill capacity, and to mandate a reduction of waste being disposed. Jurisdictions were required to meet diversion goals of 25% by 1995 and 50% by the year 2000. A disposal reporting system was established with CalRecycle oversight, facility and program planning was required, and cities and counties began to change the way they had been addressing their waste problems. The City has met all its AB 939 requirements. V & J Rock Transport operates a materials recovery facility and is an important City partner in meeting our mandated AB 939 recycling goals.

Since 1994, V & J has recycled over 450,000 tons of asphalt and concrete and over 675,000 tons of excavation. If V & J Rock were not in Lompoc, then the majority of that material would otherwise be diverted into the City Landfill. Similarly, various City Departments and numerous Public Works projects have utilized V & J for both construction export and for picking up material, thereby saving transportation costs and dump fees for those projects. In addition to those services, V & J assists with the maintenance of a portion of North "V" Street with the Solid Waste Division and provides dust control for that portion of the street. V & J leases approximately 7.44 acres of City owned property located on North "V" Street for material storage. The property is comprised of 3.59 acres from the Wastewater Plant property and 3.85 acres of the Airport property. In addition, V & J uses up to four acres of Airport property to reshape the banks of and mine (excavate and remove) sand and material from the sandbars in the Santa Ynez River. The sandbar mining and bank reshaping also benefits the City because it increases groundwater percolation in the area, improving recharge to the City's groundwater basin.

On August 1, 2001, the City Council formalized a longstanding informal agreement between the City and V & J Trucking by entering into a formal lease agreement for the above described property. The existing lease terminated on June 30, 2011. Staff has developed a new Lease and License Agreement that provides for annual inflation adjustments, increases insurance requirements, and better identifies the property V & J leases. The term of the recommended Lease and License



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Agreement is from July 1, 2011, through June 30, 2016. In addition to the transportation costs saving discussed above, staff estimates the total annual revenue for year one will be \$4,344 to the Wastewater Fund and \$9,878 to the Airport Fund.

Richard Fernbaugh Aviation/Transportation Administrator

**Attachment:** Proposed Lease and License Agreement

APPROVED FOR SUBMITTAL TO THE CITY ADMINISTRATOR:

Larry A. Boon, D.E. Bublio Works Director

Larry A. Bean, P.E., Public Works Director

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

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Laurel M. Barcelona, City Administrator