

AMADOR COUNTY BOARD OF SUPERVISORS
COUNTY ADMINISTRATION CENTER
BOARD OF SUPERVISORS CHAMBERS
810 Court Street
Jackson, CA 95642

CONSENT AGENDA ADDENDA

DATE: Tuesday, October 22, 2024
TIME: 9:00 AM
LOCATION: COUNTY ADMINISTRATION CENTER
BOARD OF SUPERVISORS CHAMBERS
810 Court Street
Jackson, CA 95642

REGULAR SESSION **9:00 A.M.**

APPROVAL OF ITEMS ON THE CONSENT AGENDA: Items listed on the consent agenda (#8) are considered routine and may be enacted by one motion. Any item may be removed for discussion and possible action, and made a part of the regular agenda at the request of a Board member(s).

1.CONSENT AGENDA: Items listed on the consent agenda are considered routine and may be enacted by one motion. Any item may be removed for discussion and possible action, and made a part of the regular agenda at the request of a Board member(s).

- 1.a. Amador County Airport: Approval a Hangar Ground Lease (#155) Agreement with the Estate of David Tilden Richards.
Suggested Action: Approval
[Draft 1 year Ground Lease 10.17.24 .pdf](#)
[Memo Lease Agreement \(Richards\).pdf](#)
- 1.b. General Services Administration: Approval of the Chairman's signature on the Deed Restriction for Fiddletown Park.
Suggested Action: Approval
[Deed.Restriction.Memo.docx](#)
[18-03-007_DeedRestriction 6.28.24.pdf](#)
- 1.c. ACES Waste Services 2025 Proposed Rate Adjustment/Fuel Surcharge Request.
Suggested Action: 1. Approve 2025 Transfer Station Rate Adjustments.
2. Approve the 2025 Solid Waste rate increase for Rate Zones 1-4 in accordance with the Proposition 218 provisions adopted during the Public Hearing on September 13, 2022 and direct staff to mail notices to affected customers/property owners with a postmark no later than October 31, 2024.
[2025 Proposed Rate Adjustment.pdf](#)

Board of Supervisors Agenda Item Report

Submitting Department: Board of Supervisors

Meeting Date: October 22, 2024

SUBJECT

Amador County Airport: Approval a Hangar Ground Lease (#155) Agreement with the Estate of David Tilden Richards.

Recommendation:

Approval

4/5 vote required:

No

Distribution Instructions:

General Services, Airport Manager

ATTACHMENTS

- Draft 1 year Ground Lease 10.17.24 .pdf
- Memo Lease Agreement (Richards).pdf

HANGAR GROUND LEASE

THIS LEASE ("Lease") is made and entered into as of _____, 2024, by and between the County of Amador, a political subdivision of the State of California ("County"), and the Estate of David Tilden Richards, ("Lessee").

RECITALS

A. County is the owner of certain real property located at Westover Field (the "Airport"), in Amador County, California, including but not limited to the premises (the "Premises") described on Exhibit A and depicted on Exhibit B.

B. Lessee desires to lease the Premises from County for the purposes of utilizing a previously constructed and privately owned hangar located on the Premises for storage of aircraft owned by Lessee.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements herein contained, it is mutually agreed as follows:

1. Lease of Premises. County hereby leases to Lessee, and Lessee hires from County, the Premises described on attached Exhibit A and depicted on Exhibit B.

2. Term of Lease and Commencement Date.

(a) Term. The term of this Lease (the "Term") shall be for a period of one (1) year at 12:01 a.m. on the Commencement Date, which shall be November 1, 2024. At the end of the initial Term of this Lease, the parties may negotiate a new Lease upon such terms, including adjustment in rent, as may be mutually agreed upon by the parties, it being understood that neither party is under any binding obligation other than to enter into good faith negotiations with the other respecting such possible extension.

(b) Ownership; Any improvements placed upon the Premises by Lessee shall remain the property of Lessee throughout the term of this Lease. Lessee at its expense shall remove all such improvements that can reasonably be removed from the Premises on or before ninety (90) days following expiration of the Term or earlier termination of this Lease for any reason, leaving the Premises in good and clean condition. If Lessee fails to remove such improvements within this ninety (90) day period, all such improvements shall become the sole property of County.

If termination is not by reason of default of Lessee, Lessee shall have the right to remove any and all personal property not permanently affixed to the hangar or the Premises; provided, however that upon removal, Lessee, at Lessee's own expense, shall repair any damage resulting therefrom and leave the Premises in a clean and neat condition.

(c) Right of Purchase In Conjunction with Assignment of Lease. If at any time during the Term Lessee receives and wishes to accept an offer to purchase the hangar constructed or installed on the Premises in conjunction with an assignment of this Lease, Lessee shall notify County in writing of the price and terms upon which Lessee is willing to sell. If County, within ten (10) days after receipt of the notice from Lessee, indicates in writing its agreement to purchase the hangar for the purchase price and on the terms specified, Lessee shall sell and convey the hangar to County for such price and on such terms. If County does not indicate in writing its agreement to purchase the hangar within that time period, or fails to complete the purchase within an additional twenty (20) days after indicating its agreement to buy the hangar, Lessee shall be free to sell the hangar, for the price and upon the terms given to County, to any other entity. Lessee may not subsequently offer or sell the hangar for a lower price or on more favorable terms without again complying with the procedure set forth above. If County completes the purchase of the hangar, this Lease shall terminate as of the date of completion of the purchase. This paragraph shall not apply to a transfer between Lessee and any relative of Lessee (by blood or marriage), nor to a transfer by Lessee to a corporation in which Lessee owns a controlling interest, or to a partnership or limited liability company in which Lessee owns a controlling interest. If County does not purchase the hangar, Lessee at its option may proceed with seeking assignment of this Lease as set forth in paragraph 25 below.

(d) Right of Purchase in Conjunction with Removal of Hangar. If for any reason Lessee should elect to remove the hangar from the Premises, County shall have the first right to purchase the hangar from Lessee. The purchase price shall be fair market value as determined by a qualified appraiser mutually acceptable to both Lessee and County or, if agreement cannot be reached, by a qualified appraiser appointed by a judge of the Superior Court. Cost of any appraisal will be shared equally by County and Lessee. If County, within ten (10) days after receipt of the appraiser's opinion of fair market value, indicates in writing its agreement to purchase the hangar for the purchase price so determined, Lessee shall sell and convey the hangar to County for such price. If County does not indicate in writing its agreement to purchase the hangar within that time period, or fails to complete the purchase within an additional twenty (20) days after indicating its agreement to buy the hangar, Lessee shall be free to sell the hangar or remove it from the Premises. If County completes the purchase, this Lease shall terminate as of the date of completion of the purchase. If County does not purchase the hangar and Lessee removes the hangar from the Premises, this Lease shall terminate as of the date of removal of the hangar.

(e) Month to Month Tenancy. Upon expiration of the Term or earlier termination of this Lease, County may at its option elect not to require Lessee to remove the improvements from the Premises as set forth in paragraph 2(b) above. In such case, Lessee shall have the right and first option to continue to rent the Premises for a month-to-month tenancy at the then current rental rates for County owned hangars at the Airport.. Such month-to-month tenancy shall be on the same terms and conditions as set forth in this Lease, except for Term and rental amounts. No such month-to-month tenancy shall exceed six (6) months without the approval of County's Board of Supervisors.

3. Rental.

(a) Monthly Rent. Lessee shall pay to County for the use of the Premises the sum of Seventy-Four One hundred thirty-seven dollars and 80/100 cents (\$137.80) per month (the "Monthly Rent"). The initial Monthly Rent is due immediately upon the effective date of this Lease, and subsequently the Monthly Rent(s), adjusted as provided in this Agreement, and shall be due each month on or before the first of the month.

(b) Adjustment of Monthly Rent. The Monthly Rent shall be adjusted upward annually by \$0.02372 per square foot on July 1, 2025.

(c) Late Charges. Lessee acknowledges that late payment of rent by Lessee to County will cause County to incur costs not contemplated by this Lease, the exact amount of such costs being extremely difficult and impracticable to fix. Such costs include, without limitation, processing and accounting charges, and late charges that may be imposed on County by the terms of any encumbrance and note secured by any encumbrance covering the Premises. Therefore, if the Monthly Rent is not received by 5:00 p.m. on the fifth (5th) day of the month, Lessee shall pay to County the additional sum of five percent (5%) of the overdue rent as a late charge. The parties agree that this late charge represents a fair and reasonable estimate of the costs that County will incur by reason of late payment by Lessee. Acceptance of any late charge shall not constitute a waiver of Lessee's default with respect to the overdue amount, nor prevent County from exercising any other rights and remedies available to County. If Lessee fails to pay its Monthly Rent within ten (10) days after the first (1st) of the month, Lessee shall be in default of this Lease.

4. Compliance with Laws. With respect to the use of the Premises, Lessee shall comply with all applicable statutes, ordinances, rules, or regulations now or hereinafter adopted by any federal or state governmental entity, and with all ordinances, regulations, policies, and guidelines now in effect or hereafter adopted by the County or any of its boards or commissions.

5. Use of Premises.

(a) Personal Use of Lessee. Lessee shall use the Premises for (i) storage of one or more manned aircraft owned by Lessee, (ii) maintenance and repair of such manned aircraft, and (iii) construction of a manned aircraft for Lessee's personal use, and for no other purpose without the prior written consent of County. Lessee may not use Premises for storage of household items, recreational vehicle, motor vehicles including boats or non-aviation goods, or for equipment storage for purposes other than construction of improvements on the Premises or operation of the hangar and the manned aircraft stored within the hangar. Lessee shall not prevent or hinder movement of aircraft, vehicles, or pedestrians along taxiways or other areas of common use.

(b) Storage of Other Aircraft. If Lessee desires to rent the hangar for storage of a manned aircraft other than his own, Lessee will advise the Airport Manager of his intentions prior to arriving at an agreement with any second party. Lessee shall comply with Subleasing provisions outlined in paragraph 24.

6. Maintenance and Repairs.

(a) Maintenance and Repair Obligations of County and Lessee. Lessee agrees, at Lessee's sole expense, to maintain all improvements on the Premises as well as the apron leading from the Premises to the taxiway in a good state of repair at all times, normal wear and tear excepted. County shall maintain and repair the public use area outside of the Premises.

(b) Repair by County upon Default of Lessee. If Lessee fails to maintain the improvements on the Premises in good order, condition and repair, County shall give Lessee notice to perform such acts as are reasonably required to so maintain the improvements on the Premises. If Lessee fails to make such maintenance and repairs within thirty (30) days of receipt of said notice, or, if the repairs and maintenance cannot be completed within (30) days, fails to commence the repairs and maintenance within thirty (30) days and thereafter diligently pursues the maintenance or repair to completion, County shall have the right (but not the obligation) to cause such maintenance or repair to be done at Lessee's expense. Lessee shall immediately upon demand from County pay the entire cost thereof, including ten percent (10%) for overhead, which shall be deemed to be additional rent under this Lease. Amounts unpaid shall earn interest at ten percent (10%) per annum from the date of demand until paid. County shall have no liability to Lessee for any damage, inconvenience or interference with the use of the Premises by Lessee as a result of County's performance of such maintenance or repair.

7. Damage or Destruction. In the event of damage or destruction to the improvements, Lessee shall use the proceeds of fire and casualty insurance on the improvements and fixtures to rebuild the improvements within a reasonable time, but in no event longer than 270 days following the event causing the damage or destruction. If Lessee does not rebuild the improvements within that time, Lessee shall pay to County an amount equal to the insurance proceeds (except for proceeds for loss of Lessee's personal property, which shall be paid to Lessee), and this Lease shall automatically terminate and be of no further force and effect.

8. Hazardous Materials. As used in this Lease, the term "Hazardous Materials" shall mean any substance or material which has been determined by any state, federal or local governmental agency to be capable of posing risk of injury to health, safety, and property, including petroleum and petroleum products, and including but not limited to all those materials and substances designated as hazardous or toxic presently or in the future by the U.S. Environmental Protection Agency, the California Water Quality Control Board, the U.S. Department of Labor, the California Department of Industrial Relations, the California Department of Health Services, the California Health and Welfare Agency in connection with the Safe Water and Toxic Enforcement Act of 1986, the U.S. Department of Transportation, the U.S. Department of Agriculture, the U.S. Consumer Product Safety Commission, the U.S. Department of Health, Education and Welfare, the U.S. Food and Drug Administration, or any other governmental agency now or hereafter authorized to regulate materials and substances defined as "Toxic Materials" in section 66680 through 66685 of Title 22 of The California Code of Regulations, Division 4, Chapter 30, as the same may be amended from time to time.

(a) Lessee's Obligations. Lessee shall abide and be bound by all of the following requirements:

1. Lessee shall comply with all federal, state and local laws,

requirements, policies now or hereinafter in effect relating to Hazardous Materials and environmental conditions on, under, or about the Airport, including, but not limited to solid and groundwater conditions, and shall not contaminate the Airport or the subsurface with any Hazardous Material.

2. Lessee shall restrict the use of Hazardous Materials on the Premises to those kinds of materials that would be normally expected in conducting the activities permitted under this Lease in a safe and prudent manner. Storage or disposal of any Hazardous Materials on the Leased Premises is strictly prohibited.

3. Lessee shall be solely and fully responsible and liable in the event Lessee causes or permits Hazardous Materials to be released at the Airport, or to enter the County's sewerage or storm drainage system, soil, air, groundwater, or any improvements. Lessee shall be solely and fully responsible for the reporting of Hazardous Materials releases to the appropriate public agencies, when such releases are caused by or result from Lessee's activities on the Airport. Lessee shall immediately notify County of any release of Hazardous materials, whether or not the release is in quantities that would otherwise be reportable to a public agency.

9. Signs. Lessee shall not erect or maintain, or allow to be erected or maintained, any billboards, signs or other advertising upon the outside of any improvements on the Premises without County's prior written consent, and in strict compliance with all applicable County ordinances and regulations pertaining to signs. . For Sale and/or For Rent Signs during the time it takes to sell or rent the improvement are exempt from this requirement. These signs are not to exceed 576 square inches (24" x 24").

10. Utilities. Lessee shall pay for all utility service to the Premises.

11. Indemnity and Insurance.

(a) Indemnification by Lessee. Lessee shall indemnify, defend (upon request of County) and hold harmless County and County's agents, board members, elected and appointed officials and officers, employees, volunteers and authorized representatives from any and all losses, liabilities, charges, damages, claims, liens, causes of action, awards, judgments, costs, and expenses (including, but not limited to, reasonable attorney's fees of County Counsel and counsel retained by County, expert fees, costs and staff time, and investigation costs) of whatever kind or nature (collectively "Claims"), that arise out of or are in any way connected with Lessee's construction, use or occupancy of the Premises, or Lessee's use of the Airport or ownership or use of aircraft or hangar operations, or occurring on the Premises during the term of this Lease or any time of occupancy of the Premises by Lessee, including without limitation any Claim based upon nuisance or inverse condemnation, unless such Claim arises out of the sole negligence or willful misconduct of County or its agents or employees.

(b) Aircraft/Airport Liability Insurance. Lessee agrees to provide and keep in force during the term of this Lease a policy of Aircraft/Airport Liability Insurance that provides coverage for owners and operators of aircraft against liability for injury to other people or damage to the property of others arising out of the construction, ownership or use of aircraft,

and for claims arising out of hangar operations at an airport, with limits according to the number of seats in the aircraft kept on the Premises by Lessee as follows:

<u>No. of Seats</u>	<u>Amount of Coverage</u>
All aircraft	\$100,000.00 property damage/destruction; \$100,000/person for injury or death; with a total maximum of \$1,000,000 per accident

The policy or policies shall be endorsed to name the county of Amador, its officers, employees, and volunteers as additionally insured under the policy as respects this Lease.

County may from time to time increase the amount of insurance coverage to be provided by Lessee; provided, however, that such increased insurance shall not exceed insurance required by similar facilities within the general geographic region of the Airport.

Lessee's insurance coverage shall be primary insurance as respects County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by County, its officers, officials, employees or volunteers shall be in excess of Lessee's insurance and shall not contribute with it.

(c) Fire and Extended Coverage Insurance. Lessee shall maintain in full force and effect a policy of fire and extended coverage insurance on the improvements and fixtures installed by Lessee on the Premises, in an amount equal to the replacement cost of such improvements as determined by the GSA Director, with a Loss Payable Clause favoring County, Lessee's lender, if any, and Lessee As Their Interests May Appear (ATIMA). All insurance proceeds shall be applied to the rebuilding of the improvements on the Premises within a reasonable time, but in no event to exceed six (6) months from the date of receipt of such proceeds. In the event that the improvements are not rebuilt within such time, Lessee shall pay to County an amount equal to such proceeds less an allowance for loss of Lessee's personal property.

(d) Cancellation Provisions. The insurance policy or policies so provided shall contain a provision that such policy may not be cancelled or materially changed except after thirty (30) days' written notice to be given to County. Copies of these policies or certificates evidencing the same shall be provided by Lessee to County upon County's request.

(e) Certificates of Insurance. A certificate of insurance for Aircraft/Airport Liability Insurance must be on file with the County of Amador, Airport, 12200-B Airport Road, Jackson, CA 95642 within ten (10) days after the Commencement Date. A certificate of insurance for Fire and Extended Coverage Insurance must be on file with the County of Amador, Airport within ten (10) days after the earlier of (i) completion of construction of the improvements referred to in paragraph 4 above, or (ii) use of the improvements for the purposes allowed under paragraph 5 above.

(f) Adjustment of Licensee's Insurance Coverage. County retains the right at any time to review the coverage, form and amount of insurance required of Licensee hereunder. Following such review, County may require Licensee to obtain insurance reasonably sufficient in

coverage, form and amount to provide adequate protection, in County's judgment, against the kind and extent of risk which may exist at the time such a change in insurance is required.

12. Right to Enter (Inspection of Premises and Improvements). The parties agree that it is a material term of this Lease that County shall have the right by its officers, employees, agents, and contractors to enter into and upon the Premises at any and all reasonable times (an in emergencies at all times) to make any inspection the GSA Director in his or her sole discretion may deem expedient or desirable for the proper enforcement of the covenants, conditions, restrictions, limitations, and provisions of this Lease, or any other matter relevant to this Lease; to maintain the Premises, to do repair, maintenance, alteration, clean-up, or removal under the conditions set forth herein, or to post notices of non-responsibility for improvements, alterations, or repairs, if and when County shall desire to do so.

County shall provide five (5) calendar days' notice, under most circumstances, prior to any inspection or entry. No advanced notice is required under exigent or emergency circumstances. Upon the time set for inspection, the parties agree that County may use all reasonable means to effect entry into any structure, or onto any portion of the Premises, and that furthermore, any damage or cost to repair arising by virtue of such entry shall be borne by Lessee and not County should Lessee fail to appear and cooperate in arranging entry and inspection as requested.

If, as a result of any inspection, the GSA Director deems any repair, maintenance, alteration, clean-up, or removal is required under the terms of this Lease to be done by Lessee (collectively "Repairs"), the GSA Director may demand by written notice that Lessee make such Repairs forthwith. If Lessee fails, refuses, or neglects to commence and complete the Repairs with reasonable diligence, then County may (but shall have no obligation to) reenter the Premises and cause such Repairs to be done, and Lessee agrees to pay County on demand for the cost thereof.

13. National Emergency. County reserves the right during time of war or national emergency to lease any part or all of the airport landing area to the United States Government for military or civil use. If any such lease is executed the provisions of this Lease shall be suspended insofar as they are inconsistent with the provisions of the lease to the United States Government. Lessee shall, however, be entitled to all compensation which is available by reason of the lease of the leased Premises to the United States Government.

14. Right to Amend. In the event that the Federal Aviation Administration requires modifications or changes to this Lease as a condition precedent to the granting of funds for the improvement of the Airport or lands and improvements, Lessee agrees to consent to such amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions, or requirements of this Lease as may be reasonably required to obtain such funds; provided, however that in no event will Lessee be required to agree to an increase in the rentals provided for in this Lease or to a change in the use to which Lessee has put the Premises or to a change that would substantially affect the rights of any mortgagee, beneficiary, payee or trustee.

15. Default.

(a) Events of Default. The occurrence of any of the following shall constitute a material default and breach of this Lease by Lessee:

(1) Failure by Lessee to pay the Monthly Rent at the time fixed for payment, or any other monetary sums required to be paid under this Lease, where such failure continues for ten (10) days after written notice by County to Lessee.

(2) Abandonment of vacation of the Premises by Lessee.

(3) Failure by Lessee to observe and perform any of Lessee's obligations under this Lease, where such failure continues for thirty (30) days after written notice thereof by County to Lessee; provided, however, that if the nature of the default is such that the same cannot reasonably be cured within the thirty (30) day period, then Lessee shall not be deemed to be in default if Lessee shall within such period commence such cure and thereafter diligently prosecute the same to completion. The written notice provided under paragraph 4(c) or 6(b) above shall serve as the written notice provided by this paragraph 12(a)(3).

(4) The making by Lessee of any general assignment or general arrangement for the benefit of creditors; the filing by or against Lessee of a petition to have Lessee adjudged a bankrupt or of a petition for reorganization or arrangement under any law relating to bankruptcy (unless, in the case of a petition filed against Lessee, the same is dismissed within sixty (60) days); the appointment of a trustee or receiver to take possession of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease, where possession is not restored to Lessee within thirty (30) days; or the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in the lease, where such seizure is not discharged within thirty (30) days.

(b) Notice of Default to Lender; Lender's Right to Cure Defaults. If the leasehold estate of Lessee is encumbered by a leasehold mortgage, and Lessee or Lessee's lender has notified County in writing of the name and address of the mortgagee, County shall give the holder of such mortgage written notice of any default of Lessee hereunder, simultaneously with the giving of such notice to Lessee, and the holder of any such mortgage shall have the right, within the period Lessee has to cure the default and for an additional period of thirty (30) days thereafter in the case of defaults other than nonpayment of rent and five (5) days thereafter in the case of nonpayment of rent, to cure the default or defaults in the manner set forth above.

(c) County's Rights in Event of Default. In the event of Lessee's default that remains uncured after any applicable notice or grace period, County shall have the following rights, in addition to all rights it may otherwise have by law:

(1) The right to terminate this Lease and Lessee's rights hereunder, to reenter the Premises and take possession thereof and remove all persons and property therefrom and Lessee shall have no further claim thereon or hereunder; or

(2) The right, without declaring this Lease ended, to reenter the Premises and occupy the whole or any part thereof for the account of Lessee, and to collect rent

that is due and any other rent that may thereafter become payable. If County reenters the Premises under the provisions of this subparagraph, County shall not be deemed to have terminated this Lease or the liability of Lessee to pay rent accruing thereafter; or

(3) The right, even though County may have reentered the Premises, to thereafter terminate this Lease and all of the rights of the Lessee in and to the Premises.

16. Estoppel Certificates. Lessee and County shall, at any time and from time to time during the term hereof and upon not less than ten (10) days' prior written request by the other party, execute, acknowledge, and deliver to the other a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been any modifications, that the same is in full force and effect as modified and stating the modifications), and the date to which the rent and other charges have been paid in advance, it being intended that any such statement delivered pursuant to this paragraph may be relied upon by any prospective purchaser, encumbrancer, or assignee of the Premises. If there are any claimed defaults by the other party, they shall be so noted in such estoppel certificate.

17. Notices. Wherever this Lease provides for notices, communications or demands between the parties, or by County or Lessee to any leasehold mortgagee, or wherever the law requires or gives the right of serving a notice, the same shall be served by registered or certified mail, addressed as follows:

County: County of Amador
C/O Director of General Services
12200-B Airport Road
Jackson, CA 95642

Lessee: Loren Lemons
2 Vista Ct.
Sutter Creek, CA 95685

and addressed to any leasehold mortgagees as directed at the address specified in a leasehold mortgage or at such other address as may be specified by a leasehold mortgagee in writing by notice addressed to County and Lessee in the manner prescribed by this section; provided, however, that County, Lessee and any mortgagee may at any time by written notice to the other change the place of receiving notice or require that such notices be sent by facsimile, telegram or other conveniently available means of transmitting writings.

18. Partnership Disclaimer. Lessee, by virtue of this Lease, has no authority to bind or incur any obligation on behalf of County. It is understood by both Lessee and County that nothing in this Lease is intended or shall be construed as creating or establishing the relationship of copartners between the parties hereto, or as constituting Lessee as an agent or representative of County for any purpose whatsoever.

19. Taxes. Lessee is advised that the execution of this Lease may subject it to a possessory tax or other property taxes imposed by the County of Amador or other taxing authorities. During the term of this Lease, Lessee hereby agrees to pay or cause to be paid, prior

to delinquency, any taxes, including but not limited to possessory interest taxes and any assessments levied or assessed on the Premises and existing in the Premises on any real or personal property situated in, on or about the Premises, or in, or about any building or improvements thereon.

20. Nondiscrimination.

(a) No Discrimination by Lessee. Lessee, in the operations to be conducted pursuant to the provisions of this Lease and otherwise in the use of the Airport, shall not discriminate or permit discriminating practices on the grounds of race, creed, color, national origin, or sex against any person or group of persons in any manner prohibited by Part 15 of the Federal Aviation Regulations or any amendments thereto.

(b) Compliance with Regulations. Lessee agrees to undertake an affirmative action program as required by 14 CFR part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Lessee assures that it shall require that its covered suborganizations provide assurance to County that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

21. Administrator for County. The GSA Director is authorized to administer this Lease on behalf of County. All covenants and obligations to be performed by Lessee under this Lease shall be performed to the satisfaction of the GSA Director. Notwithstanding the foregoing, the parties acknowledge that no County staff person or County officer other than the Board of Supervisors have the power to amend the terms and conditions of this Lease. Any change not so authorized in advance in writing by the Board of Supervisors shall be null and void.

22. Venue. If either Lessee or County initiates an action to enforce or construe the terms hereof or to declare the rights of the parties hereunder (including actions on any bonds or surety agreement), the parties agree that the venue thereof shall be in Amador County, California.

23. Agreements with United States; Change in Use of Airport. This Lease shall be subordinate to the provisions of any existing or future agreement (a "Federal Agreement") between County and the United States relative to the use, operation, or maintenance of the Airport, the execution of which has been or may now or hereafter be required as a condition precedent to the expenditure of Federal funds for the development of the Airport. Lessee hereby agrees that, to the extent that any such Federal Agreement shall affect Lessee and its use of the Premises and the Airport, Lessee shall act in compliance therewith. If the Airport ceases to exist or function as such, this Lease shall terminate as of the date of closure of the Airport or cessation of airport activities. In that event, Lessee shall have the right to remove any hangars or improvements constructed on the Premises by Lessee.

24. Assignment of Lease or Sublease.

(a) County's Consent Required. Except as otherwise expressly permitted in this Lease, Lessee shall not assign, transfer, mortgage, pledge, hypothecate or encumber this Lease or any interest herein, and shall not sublet the Premises or any part thereof for a period of more than one year (including month-to-month or similar short-term subleases that extend for more than one year), without the prior written consent of County. Any attempt to do so without such consent being first had and obtained shall be wholly void and shall constitute a breach of this Lease.

For subleases of one year or less Lessee shall provide notice to the GSA Director as provided in subsection (c) below, but shall not be required to obtain the prior written consent of County to the sublease unless occupancy by the subtenant (through extension of the sublease or otherwise) extends beyond a period of one year.

(b) Information to be Provided in case of Assignment. Any request to assign this Lease shall be addressed to the GSA Director and shall be accompanied by the following in writing: the name and legal composition of the proposed assignee, and such reasonable financial information as County may request concerning the proposed assignee.

(c) Information to be Provided in case of Sublease. Any notification or request to sublet any portion of the Premises shall be addressed to the GSA Director and shall be accompanied by the following in writing: the name and legal composition of the proposed assignee, and make and registration number(s) of aircraft.

(d) Reasonable Consent. County shall not unreasonably withhold its consent to any proposed sublease or assignment.

(f) No Release of Lessee. No consent by County to any assignment or subletting by Lessee shall relieve Lessee of any obligation to be performed by Lessee under this Lease, whether occurring before or after such consent, assignment or subletting. The consent by County to any assignment or subletting shall not relieve Lessee from the obligation to obtain County's express written consent to any other assignment or subletting. The acceptance of rent by County from any other person shall not be deemed to be a waiver by County of any provision of this Lease or to be a consent to any assignment, subletting or other transfer. Consent to one assignment, subletting or other transfer shall not be deemed to constitute consent to any subsequent assignment, subletting or other transfer.

(g) Binding on Successors. The terms and provisions of this Lease shall extend to and be binding upon and inure to the benefit of the permitted heirs, executors, administrators, successors and assigns of the parties hereto.

25. General Provisions.

(a) Contract Execution. Each individual executing this Agreement on behalf of Lessee represents that he or she is fully authorized to execute and deliver this Lease. If Lessee is a corporation, Lessee shall, within thirty (30) days after execution of this Lease, deliver to

County a certified copy of a resolution of the Board of Directors of the corporation authorizing or ratifying the execution of this Lease.

(b) Construed Pursuant to California Law. The parties hereto agree that the provisions of this Agreement shall be construed pursuant to the laws of the State of California.

(c) Incorporation of Agreements and Amendments. This Lease contains all agreements of the parties with respect to any matter mentioned herein. No other agreement or understanding pertaining to any such matter shall be effective, unless in writing signed by the party to be charged. This Lease may be modified only in a writing signed by both parties.

(d) Severability. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

(e) Time of Essence. Time is hereby expressly declared to be the essence of this Lease and of each and every provision thereof, and each such provision is hereby made and declared to be a material, necessary, and essential part of this Lease.

(f) No Waiver. No waiver of any representation, warranty, covenant, term or condition of this Lease shall be deemed to imply or constitute a further waiver of the same or any other representation, warranty, covenant, term or condition of this Lease. Further, a waiver of any breach shall not be deemed to be a waiver of any subsequent breach. The subsequent acceptance of rent or any other monetary amount hereunder by County shall not be deemed to be a waiver of any preceding breach of Lessee of any term, covenant, or condition of this Lease, other than the failure of Lessee to pay the particular rental or other monetary amount so accepted, regardless of County's knowledge of such preceding breach at the time of acceptance of such rent.

(g) Joint and Several Liability. If more than one Lessee is named herein, the obligations of each Lessee shall be joint and several.

(h) Survival. All representations and warranties of Lessee shall survive termination of this Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written.

COUNTY:

LESSEE:

BY: _____
Chairman, Board of Supervisors

BY: _____
Loren Lemons, Administrator of the Estate
of David Tilden Richards

APPROVED AS TO FORM:
OFFICE OF THE COUNTY COUNSEL
COUNTY OF AMADOR

ATTEST:
JENNIFER BURNS, CLERK OF THE
BOARD OF SUPERVISORS

BY: _____
Gregory Gillott
County Counsel

BY: _____

Exhibit A

Lessee to occupy one (1) fifty feet by fifty feet (50' x 50') Hangar Space #155 (2,500 sq. ft.) as depicted on the Airport Layout Plan.

AMADOR COUNTY AIRPORT

MAIL: 12200-B Airport Road, Jackson, CA 95642

LOCATION: 12380 Airport Road, Martell, CA

PHONE: (209) 2232376 FAX: (209) 223-0749 E-MAIL: dsheppard@amadorgov.org



SUMMARY MEMORANDUM

TO: Board of Supervisors

FROM: David Sheppard, Airport Manager *DS*

DATE: October 17, 2024

SUBJECT: Hangar Ground Lease #155 (Estate of David Tilden Richards)

Background: As previously discussed with the Board on multiple occasions, we have been actively engaged in negotiations with fourteen (14) tenants regarding ground leases. During the most recent meeting with the Board of Supervisors, staff received clear direction to propose a Twenty (20) year ground lease. This proposal includes a five-year transition period from the current rate to a new rate of \$0.15 per square foot per month.

Additionally, the Board directed staff to incorporate the reversionary clause that was initially included in the ground leases established in 2003.

The subject lease is for one of these tenants. However, there currently is a lease for this hangar, but it is expiring on October 31, 2024. As Mr. Richards passed away this past spring, staff has been working with the estate to negotiate a short-term solution until the probate of the estate is completed. This solution is a one (1) year lease with a new nineteen (19) year lease to be executed at the conclusion of probate.

Subject or Key Issue: Approval of hangar ground lease with Estate of David Tilden Richards.

Analysis: Approval of this ground lease will fulfill the requirements set forth by the FAA, while also offering significant benefits to both the County and the tenant. The agreement ensures a clear understanding between the parties and includes protections for taxpayers.

The established ground lease rate introduces a consistent and current rate adjustment, which will contribute to a predictable income stream for future budgeting purposes.

Alternatives: 1) Decide not to approve this Lease and continue negotiations with this tenant; 2) Continue to rent the ground for this hangar at the current rate with annual CPI increases; 3) Require the tenants to remove the current hangar.

Fiscal or Staffing Impacts: Staff time

4/5ths vote: N/A

Recommendation(s): 1) Approve the Ground Lease Agreement with the Estate of David Tilden Richards.

Attachments: Hangar Ground Lease with the Estate of David Tilden Richards.

Cc: Jon Hopkins, GSA Director
file

Board of Supervisors Agenda Item Report

Submitting Department: Board of Supervisors

Meeting Date: October 22, 2024

SUBJECT

General Services Administration: Approval of the Chairman's signature on the Deed Restriction for Fiddletown Park.

Recommendation:

Approval

4/5 vote required:

No

Distribution Instructions:

Karen Warburton, GSA Senior Administrative Analyst

ATTACHMENTS

- [Deed.Restriction.Memo.docx](#)
- [18-03-007_DeedRestriction 6.28.24.pdf](#)

GENERAL SERVICES ADMINISTRATION

MAIL: 12200-B Airport Road, Jackson, CA 95642

LOCATION: 12200-B Airport Road, Martell, CA

PHONE: (209) 223-6733 FAX: (209) 223-0749 E-MAIL: kwarburton@amadorgov.org



SUMMARY MEMORANDUM

TO: Board of Supervisors

FROM: Karen Warburton, GSA Senior Administrative Analyst *KW*

DATE: October 22, 2024

SUBJECT: Deed Restriction

Background: The 2018 Parks and Water Bond Act, approved by Proposition 68, provides funds for local park rehabilitation and improvement grants to local governments on a per capita basis. Amador County has been awarded the "Per Capita" grant from the California Department of Parks and Recreation (DPR). Two projects have been approved for grant funding, one at Fiddletown Park and one at Pioneer Park, totaling \$400,000. Design work is underway.

Subject or Key Issue: The County was initially assigned a specific contact within DPR to guide the process. After receiving the grant award contract, that contact was reassigned. The new contact now requires the County to submit a "Deed Restriction" for Fiddletown Park before any project reimbursements can be issued. Mr. Chuck Iley, the Chief Administrative Officer, is the authorized signatory for this.

This requirement does not apply to Pioneer Park because the property is leased to the County by the Bureau of Land Management.

Analysis: By signing the Deed Restriction, Amador County agrees to the following:

- The agreement will remain in effect until July 30, 2048.
- The Deed Restriction is irrevocable once signed.
- The property will be valued for tax purposes based on its restricted recreational use, and the restriction may continue even if the property is sold.
- DPR or authorized personnel can enter the property to ensure the restrictions are followed.
- Any violation of the Deed Restriction allows DPR to enforce its terms.
- If any part of the restriction is deemed invalid, the rest will still apply.

Alternatives: Do not approve the signing of the Deed Restriction. This would result in the loss of the grant funds allocated for the Fiddletown Park sports courts project.

Fiscal or Staffing Impacts: None. **4/5ths vote:** N/A

Attachments: Deed Restriction

Recommendation(s): Approve the signing of the Deed Restriction.

cc: Chuck Iley, CAO
Jon Hopkins, GSA Director
file

RECORDING REQUESTED BY:
California Department of Parks and Recreation
Office of Grants and Local Services

WHEN RECORDED MAIL TO:
Office of Grants and Local Services
PO Box 942896
Sacramento, CA 94296-0001
Attn: Parker Stewart

SPACE ABOVE THIS LINE RESERVED FOR RECORDER'S USE

DEED RESTRICTION

- I. WHEREAS, County of Amador
(hereinafter referred to as "Owner(s)" is/are recorded owner(s) of the real property described in Exhibit A, attached and incorporated herein by reference (hereinafter referred to as the "Property"); and
- II. WHEREAS, the California Department of Parks and Recreation (hereinafter referred to as "DPR") is a public agency created and existing under the authority of section 5001 of the California Public Resources Code (hereinafter referred to as the "PRC"). And
- III. WHEREAS, Owner(s) (or Grantee) applied to DPR for grant funds available pursuant to the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All of 2018 Parks Bond Act, 2018 Parks Bond Act Per Capita Program to Renovate sports courts and walking paths at Fiddletown Park. on the Property; and
- IV. WHEREAS, on July 1, 2020, DPR's Office of Grants and Local Services conditionally approved Grant 18-03-007, (hereinafter referred to as "Grant") to Renovate sports courts and walking paths at Fiddletown Park. on the Property, subject to, among other conditions, recordation of this Deed Restriction on the Property; and
- V. WHEREAS, but for the imposition of the Deed Restriction condition of the Grant, the Grant would not be consistent with the public purposes of the 2018 Parks Bond Act, 2018 Parks Bond

Act Per Capita Program and the funds that are the subject of the Grant could therefore not have been granted; and

VI. WHEREAS, Owner(s) has/ve elected to comply with the Deed Restriction of the Grant, so as to enable Owner(s), to receive the Grant funds and perform the work described in the Grant;

NOW, THEREFORE, in consideration of the issuance of the Grant funds by DPR, the undersigned Owner(s) for himself/herself/themselves and for his/her/their heirs, assigns, and successors-in-interest, hereby irrevocably covenant(s) with DPR that the condition of the grant (set forth at paragraph(s) 1 through 5 and in Exhibit B hereto) shall at all times on and after the date on which this Deed Restriction is recorded constitute for all purposes covenants, conditions and restrictions on the use and enjoyment of the Property that are hereby attached to the deed to the Property as fully effective components thereof.

1. DURATION. (a) This Deed Restriction shall remain in full force and effect and shall bind Owner(s) and all his/her/their assigns or successors-in-interest for the period running from July 1, 2018 through June 30, 2048.

2. TAXES AND ASSESSMENTS. It is intended that this Deed Restriction is irrevocable and shall constitute an enforceable restriction within the meaning of a) Article XIII, section 8, of the California Constitution; and b) section 402.1 of the California Revenue and Taxation Code or successor statute. Furthermore, this Deed Restriction shall be deemed to constitute a servitude upon and burden to the Property within the meaning of section 3712(d) of the California Revenue and Taxation Code, or successor statute, which survives a sale of tax-deeded property.

3. RIGHT OF ENTRY. DPR or its agent or employees may enter onto the Property at times reasonably acceptable to Owner(s) to ascertain whether the use restrictions set forth above are being observed.

4. REMEDIES. Any act, conveyance, contract, or authorization by Owner(s) whether written or oral which uses or would cause to be used or would permit use of the Property contrary to the terms of this Deed Restriction will be deemed a violation and a breach hereof. DPR may pursue any and

all available legal and/or equitable remedies to enforce the terms and conditions of this Deed Restriction up to and including a lien sale of the property. In the event of a breach, any forbearance on the part of DPR to enforce the terms and provisions hereof shall not be deemed a waiver of enforcement rights regarding any subsequent breach.

5. SEVERABILITY. If any provision of these restrictions is held to be invalid, or for any reason becomes unenforceable, no other provision shall be affected or impaired.

Dated: _____, 20 ____

Owner(s) Name(s): _____ County of Amador _____

Signed: _____

Signed: _____

PRINT/TYPE NAME & TITLE OF ABOVE
(GRANTEE'S AUTHORIZED REPRESENTATIVE)

PRINT/TYPE NAME & TITLE OF ABOVE
(ADDITIONAL SIGNATURE, AS REQUIRED)

****NOTARY ACKNOWLEDGEMENT ON THE NEXT PAGE****

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of _____

On _____ before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)

Exhibit A
(Legal Description)

Lot 10 in block 4, of the Townsite of Fiddletown, according to the Official Map thereof, filed for Record in the Office of the County Recorder of Amador County.

Exhibit BState of California - Natural Resources Agency
DEPARTMENT OF PARKS AND RECREATION**GRANT CONTRACT**
2018 Parks Bond Act
Per Capita Grant ProgramGRANTEE County of AmadorTHE PROJECT PERFORMANCE PERIOD is from July 01, 2018 through June 30, 2028CONTRACT PERFORMANCE PERIOD is from July 01, 2018 through June 30, 2048

The GRANTEE agrees to the terms and conditions of this Contract, and the State of California, acting through its Director of the Department of Parks and Recreation, pursuant to the State of California, agrees to fund the total State grant amount indicated below.

The GRANTEE agrees to complete the GRANT SCOPE(s) as defined in the GRANT SCOPE/Cost Estimate Form or acquisition documentation for the application(s) filed with the State of California.

The General and Special Provisions attached are made a part of and incorporated into the Contract.

County of Amador

By 
3CDBE907DB9E481
(Signature of Authorized Representative)

Title Executive DirectorDate 12/12/2023STATE OF CALIFORNIA
DEPARTMENT OF PARKS AND RECREATION

By 
7009862G771F404
Date 12/12/2023

CERTIFICATION OF FUNDING
(For State Use Only)

CONTRACT NO C9801065	AMENDMENT NO	FISCAL SUPPLIER I.D. 0000015123			PROJECT NO.
AMOUNT ENCUMBERED BY THIS DOCUMENT \$400,000.00		FUND. Drought, Water, Cln Air, Cstl Protc, Outdoor Fund			
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT		ITEM 3790-101-6088	CHAPTER 29	STATUTE 18	FISCAL YEAR 2022/23
TOTAL AMOUNT ENCUMBERED TO DATE \$ \$400,000.00		Reporting Structured. 37900091	Account/Alt Account. 5432000-5432000000	ACTIVITY CODE 69806	PROJECT / WORK PHASE

I. RECITALS

This CONTRACT is entered into between the California Department of Parks and Recreation (hereinafter referred to as "GRANTOR," "DEPARTMENT" or "STATE") and County of Amador (hereinafter referred to as "GRANTEE").

The DEPARTMENT hereby grants to GRANTEE a sum (also referred to as "GRANT MONIES") not to exceed \$400,000, subject to the terms and conditions of this AGREEMENT and the 2018/19 California State Budget, Chapter 29, statutes of 2018, Item number – 3790-101-6088 (appropriation chapter and budget item number hereinafter referred to as "PER CAPITA GRANT"). These funds shall be used for completion of the GRANT SCOPE(S).

The Grant Performance Period is from July 01, 2018 to June 30, 2028.

II. GENERAL PROVISIONS

A. Definitions

As used in this CONTRACT, the following words shall have the following meanings:

1. The term "ACT" means the California Drought, Water, Parks Climate, Coastal Protection, and Outdoor Access for All Act of 2018, as referred to in section I of this CONTRACT.
2. The term "APPLICATION" means the individual project APPLICATION packet for a project pursuant to the enabling legislation and/or grant program process guide requirements.
3. The term "DEPARTMENT" or "STATE" means the California Department of Parks and Recreation.
4. The term "DEVELOPMENT" means capital improvements to real property by means of, but not limited to, construction, expansion, and/or renovation, of permanent or fixed features of the property.
5. The term "GRANTEE" means the party described as the GRANTEE in Section I of this CONTRACT.
6. The term "GRANT SCOPE" means the items listed in the GRANT SCOPE/Cost Estimate Form or acquisition documentation found in each of the APPLICATIONS submitted pursuant to this grant.
7. The term "PROCEDURAL GUIDE" means the document identified as the "Procedural Guide for California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 Per Capita Program." The

PROCEDURAL GUIDE provides the procedures and policies controlling the administration of the grant.

B. Project Execution

1. Subject to the availability of GRANT MONIES, the STATE hereby grants to the GRANTEE a sum of money not to exceed the amount stated in Section I of this CONTRACT, in consideration of, and on condition that, the sum be expended in carrying out the purposes as set forth in the scope described in the enabling legislation and referenced in the APPLICATION, Section I of this CONTRACT, and under the terms and conditions set forth in this CONTRACT.

The GRANTEE shall assume any obligation to furnish any additional funds that may be necessary to complete the GRANT SCOPE(S).

The GRANTEE agrees to submit any change or alteration from the original GRANT SCOPE(S) in writing to the STATE for prior approval. This applies to any and all changes that occur after STATE has approved the APPLICATION. Changes in the GRANT SCOPE(S) must be approved in writing by the STATE.

2. The GRANTEE shall complete the GRANT SCOPE(S) in accordance with the time of the Performance Period set forth in Section I of this CONTRACT, and under the terms and conditions of this CONTRACT.
3. The GRANTEE shall comply with the California Environmental Quality Act (Public Resources Code, Section 21000, et seq., Title 14, California Code of Regulations, Section 15000 et seq.).
4. The GRANTEE shall comply with all applicable current laws and regulations affecting DEVELOPMENT projects, including, but not limited to, legal requirements for construction contracts, building codes, health and safety codes, and laws and codes pertaining to individuals with disabilities, including but not limited to the Americans With Disabilities Act of 1990 (42 U.S.C. §12101 et seq.) and the California Unruh Act (California Civil Code §51 et seq.).

C. Project Costs

1. GRANTEE agrees to abide by the PROCEDURAL GUIDE.
2. GRANTEE acknowledges that STATE may make reasonable changes to its procedures as set forth in the PROCEDURAL GUIDE. If STATE makes any changes to its procedures and guidelines, STATE agrees to notify GRANTEE within a reasonable time.

D. Project Administration

1. If GRANT MONIES are advanced for DEVELOPMENT projects, the advanced funds shall be placed in an interest bearing account until expended. Interest earned on the advanced funds shall be used on the project as approved by the STATE. If grant monies are advanced and not expended, the unused portion of the

grant and any interest earned shall be returned to the STATE within 60 days after project completion or end of the Grant Performance Period, whichever is earlier.

2. The GRANTEE shall submit written project status reports within 30 calendar days after the STATE has made such a request. In any event, the GRANTEE shall provide the STATE a report showing total final project expenditures within 60 days of project completion or the end of the grant performance period, whichever is earlier. The Grant Performance Period is identified in Section I of this CONTRACT.
3. The GRANTEE shall make property or facilities acquired and/or developed pursuant to this contract available for inspection upon request by the STATE.

E. Project Termination

1. Project Termination refers to the non-completion of a GRANT SCOPE. Any grant funds that have not been expended by the GRANTEE shall revert to the STATE.
2. The GRANTEE may unilaterally rescind this CONTRACT at any time prior to the commencement of the project. The commencement of the project means the date of the letter notifying GRANTEE of the award or when the funds are appropriated, whichever is later. After project commencement, this CONTRACT may be rescinded, modified or amended only by mutual agreement in writing between the GRANTEE and the STATE, unless the provisions of this CONTRACT provide that mutual agreement is not required.
3. Failure by the GRANTEE to comply with the terms of the (a) PROCEDURAL GUIDE, (b) any legislation applicable to the ACT, (c) this CONTRACT as well as any other grant contracts, specified or general, that GRANTEE has entered into with STATE, may be cause for suspension of all obligations of the STATE unless the STATE determines that such failure was due to no fault of the GRANTEE. In such case, STATE may reimburse GRANTEE for eligible costs properly incurred in performance of this CONTRACT despite non-performance of the GRANTEE. To qualify for such reimbursement, GRANTEE agrees to mitigate its losses to the best of its ability.
4. Any breach of any term, provision, obligation or requirement of this CONTRACT by the GRANTEE shall be a default of this CONTRACT. In the case of any default by GRANTEE, STATE shall be entitled to all remedies available under law and equity, including but not limited to: a) Specific Performance; b) Return of all GRANT MONIES; c) Payment to the STATE of the fair market value of the project property or the actual sales price, whichever is higher; and d) Payment to the STATE of the costs of enforcement of this CONTRACT, including but not limited to court and arbitration costs, fees, expenses of litigation, and reasonable attorney fees.
5. The GRANTEE and the STATE agree that if the GRANT SCOPE includes DEVELOPMENT, final payment may not be made until the work described in the GRANT SCOPE is complete and the GRANT PROJECT is open to the public.

F. Budget Contingency Clause

If funding for any fiscal year is reduced or deleted by the budget act for purposes of this program, the STATE shall have the option to either cancel this contract with no liability occurring to the STATE, or offer a CONTRACT amendment to GRANTEE to reflect the reduced grant amount. This Paragraph shall not require the mutual agreement as addressed in Paragraph E, provision 2, of this CONTRACT.

G. Hold Harmless

1. The GRANTEE shall waive all claims and recourse against the STATE including the right to contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to this CONTRACT except claims arising from the concurrent or sole negligence of the STATE, its officers, agents, and employees.
2. The GRANTEE shall indemnify, hold harmless and defend the STATE, its officers, agents and employees against any and all claims, demands, damages, costs, expenses or liability costs arising out of the ACQUISITION, DEVELOPMENT, construction, operation or maintenance of the property described as the project which claims, demands or causes of action arise under California Government Code Section 895.2 or otherwise except for liability arising out of the concurrent or sole negligence of the STATE, its officers, agents, or employees.
3. The GRANTEE agrees that in the event the STATE is named as codefendant under the provisions of California Government Code Section 895 et seq., the GRANTEE shall notify the STATE of such fact and shall represent the STATE in the legal action unless the STATE undertakes to represent itself as codefendant in such legal action in which event the GRANTEE agrees to pay the STATE's litigation costs, expenses, and reasonable attorney fees.
4. The GRANTEE and the STATE agree that in the event of judgment entered against the STATE and the GRANTEE because of the concurrent negligence of the STATE and the GRANTEE, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither party shall request a jury apportionment.
5. The GRANTEE shall indemnify, hold harmless and defend the STATE, its officers, agents and employees against any and all claims, demands, costs, expenses or liability costs arising out of legal actions pursuant to items to which the GRANTEE has certified. The GRANTEE acknowledges that it is solely responsible for compliance with items to which it has certified.

H. Financial Records

1. The GRANTEE shall maintain satisfactory financial accounts, documents, including loan documents, and all other records for the project and to make them available to the STATE for auditing at reasonable times. The GRANTEE also agrees to retain such financial accounts, documents and records for five years following project

termination or issuance of final payment, whichever is later.

2. The GRANTEE shall keep such records as the STATE shall prescribe, including records which fully disclose (a) the disposition of the proceeds of STATE funding assistance, (b) the total cost of the project in connection with such assistance that is given or used, (c) the amount and nature of that portion of the project cost supplied by other sources, and (d) any other such records that will facilitate an effective audit.
3. The GRANTEE agrees that the STATE shall have the right to inspect and make copies of any books, records or reports pertaining to this contract or matters related thereto during regular office hours. The GRANTEE shall maintain and make available for inspection by the STATE accurate records of all of its costs, disbursements and receipts with respect to its activities under this contract. Such accounts, documents, and records shall be retained by the GRANTEE for at least five years following project termination or issuance of final payment, whichever is later.
4. The GRANTEE shall use a generally accepted accounting system.

I. Use of Facilities

1. The GRANTEE agrees that the GRANTEE shall operate and maintain the property acquired or developed with the GRANT MONIES, for the duration of the Contract Performance Period.
2. The GRANTEE agrees that, during the Contract Performance Period, the GRANTEE shall use the property acquired or developed with GRANT MONIES under this contract only for the purposes of this grant and no other use, sale, or other disposition or change of the use of the property to one not consistent with its purpose shall be permitted except as authorized by the STATE and the property shall be replaced with property of equivalent value and usefulness as determined by the STATE.
3. The property acquired or developed may be transferred to another entity if the successor entity assumes the obligations imposed under this CONTRACT and with the approval of STATE.
4. Any real Property (including any portion of it or any interest in it) may not be used as security for any debt or mitigation, without the written approval of the STATE provided that such approval shall not be unreasonably withheld as long as the purposes for which the Grant was awarded are maintained. Any such permission that is granted does not make the STATE a guarantor or a surety for any debt or mitigation, nor does it waive the STATE'S rights to enforce performance under the Grant CONTRACT.

5. All real property, or rights thereto, acquired with GRANT MONIES shall be subject to an appropriate form of restrictive title, rights, or covenants approved by the STATE. If the project property is taken by use of eminent domain, GRANTEE shall reimburse STATE an amount at least equal to the amount of GRANT MONIES received from STATE or the pro-rated full market value of the real property, including improvements, at the time of sale, whichever is higher.
6. If eminent domain proceedings are initiated against GRANTEE, GRANTEE shall notify STATE within 10 days of receiving the complaint.

J. Nondiscrimination

1. The GRANTEE shall not discriminate against any person on the basis of sex, race, color, national origin, age, religion, ancestry, sexual orientation, or disability in the use of any property or facility developed pursuant to this contract.
2. The GRANTEE shall not discriminate against any person on the basis of residence except to the extent that reasonable differences in admission or other fees may be maintained on the basis of residence and pursuant to law.
3. All facilities shall be open to members of the public generally, except as noted under the special provisions of this project contract or under provisions of the enabling legislation and/or grant program.

K. Severability

If any provision of this CONTRACT or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of the CONTRACT which can be given effect without the invalid provision or application, and to this end the provisions of this CONTRACT are severable.

L. Liability

1. STATE assumes no responsibility for assuring the safety or standards of construction, site improvements or programs related to the GRANT SCOPE. The STATE'S rights under this CONTRACT to review, inspect and approve the GRANT SCOPE and any final plans of implementation shall not give rise to any warranty or representation that the GRANT SCOPE and any plans or improvements are free from hazards or defects.
2. GRANTEE will secure adequate liability insurance, performance bond, and/or other security necessary to protect the GRANTEE'S and STATE'S interest against poor workmanship, fraud, or other potential loss associated with completion of the grant project.

M. Assignability

Without the written consent of the STATE, the GRANTEE'S interest in and responsibilities under this CONTRACT shall not be assignable by the GRANTEE either in whole or in part.

N. Use of Grant Monies

GRANTEE shall not use any grant funds (including any portion thereof) for the purpose of making any leverage loan, pledge, promissory note or similar financial device or transaction, without: 1) the prior written approval of the STATE; and 2) any financial or legal interests created by any such leverage loan, pledge, promissory note or similar financial device or transaction in the project property shall be completely subordinated to this CONTRACT through a Subordination Agreement provided and approved by the STATE, signed by all parties involved in the transaction, and recorded in the County Records against the fee title of the project property.

O. Section Headings

The headings and captions of the various sections of this CONTRACT have been inserted only for the purpose of convenience and are not a part of this CONTRACT and shall not be deemed in any manner to modify, explain, or restrict any of the provisions of this CONTRACT.

P. Waiver

Any failure by a party to enforce its rights under this CONTRACT, in the event of a breach, shall *not* be construed as a waiver of said rights; and the waiver of any breach under this CONTRACT shall *not* be construed as a waiver of any subsequent breach.

III. Special Provisions

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. This Executive order extends to recipients of any State *Grants (Grantee)*. *Grantees include those who have contracted or will contract to receive State grants funds. Accordingly, should the State determine that a Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide the Grantee advance written notice of such termination, allowing the Grantee at least 30 calendar days to provide a written response. Termination of any contract found to be in violation of this Executive Order shall be at the sole discretion of the State.*

County of Amador

GRANTEE

By: 
3CDBE907DB9E481

Signature of Authorized Representative

Title: County Administrative Officer

Date: 12/12/2023

STATE OF CALIFORNIA
DEPARTMENT OF PARKS AND RECREATION

By: 
7009862C771E404

Date: 12/12/2023

Board of Supervisors Agenda Item Report

Submitting Department: Board of Supervisors

Meeting Date: October 22, 2024

SUBJECT

ACES Waste Services 2025 Proposed Rate Adjustment/Fuel Surcharge Request.

Recommendation:

1. Approve 2025 Transfer Station Rate Adjustments.
2. Approve the 2025 Solid Waste rate increase for Rate Zones 1-4 in accordance with the Proposition 218 provisions adopted during the Public Hearing on September 13, 2022 and direct staff to mail notices to affected customers/property owners with a postmark no later than October 31, 2024.

4/5 vote required:

No

Distribution Instructions:

Jeff Gardner, Waste Management

ATTACHMENTS

- [2025 Proposed Rate Adjustment.pdf](#)



AMADOR COUNTY COMMUNITY DEVELOPMENT AGENCY
WASTE MANAGEMENT & RECYCLING

PHONE: (209) 223-6429

FAX: (209) 223-6395

WEBSITE: www.amadorgov.org

EMAIL: PublicWorks@amadorgov.org

COUNTY ADMINISTRATION CENTER ♦ 810 COURT STREET ♦ JACKSON, CA 95642-2132

MEMORANDUM

TO: Board of Supervisors
FROM: Jeff Gardner, Director of Solid Waste
DATE: October 22, 2024
SUBJECT: 2025 Proposed Rate Adjustment/Fuel Surcharge Request

BACKGROUND:

ACES Waste Services, Inc. entered into a new franchise agreement with Amador County effective June 23, 2020, with a term of fifteen (15) years. As provided in the Agreement, the Company has requested a Detailed Rate Review for purposes of setting rates effective January 1, 2025, per Section 12.5 of the Agreement following the procedures as set forth in Attachment G to the Agreement. Under the terms of the Agreement the Company's target profit level was reduced from an 87.5% operating ratio to a 90% operating ratio, which equates to a target profit level of 11.1% on allowable expenses.

Concurrent with the new Agreement, the County and the Company also entered into a new operating contract for the County's Buena Vista Transfer Station, also referred to as the Western Amador Recycling Facility (WARF). The term of that Contract is also for fifteen (15) years, in alignment with the term of the Agreement.

The Western Area Recycling Facility (WARF) and Pine Grove Transfer Station (PGTS) are subject to the same rate setting calculations as the Rate Service Areas. Any rate increases at these facilities and for additional services requested by residential and commercial customers must be approved by the Board of Supervisors prior to their effective date.

2025 INDEX ADJUSTMENT:

Staff engaged R3 Consulting Group Inc. (R3) to work on the Annual Rate Adjustment application. The final report of the indexed adjustment for ACES Waste Services, Inc. (**Report included in Attachment A**).

The report consists of the following:

1. Objectives
2. Background
3. Overview of Requested Rate Adjustments
4. Findings

The attached report from William Schoen of R3 Consulting Group Inc. outlines the indexed rate adjustment for 2025. The report lists the overall recommended rate adjustments for the WARF, PGTS, and requested services by Franchise Area (Rate Zone).

The WARF, PGTS, and area-specific adjustments are as follows:

	Calculated Annual Rate Adjustment
Franchise Area 1	2.98%
Franchise Area 2	2.67%
Franchise Area 3 & 4	1.64%
Pine Grove Transfer Station (PGTS)	4.12%
Buena Vista Transfer Station (WARF)	5.36%

The attached report from William Schoen of R3 Consulting Group Inc. outlines the indexed Special Rate Review Adjustment (Fuel Surcharge) for 2023 is to be removed in the upcoming rate year. The rate adjustments above incorporate that reduction. There is no fuel surcharge included for the 2025 rate year.

The new rate schedules and schedules for requested services by rate area are *included as attachment B* to this report. In accordance with the new transfer station agreement, these rates will become effective on January 1, 2025. The rate increases by service area will become effective on January 1, 2025. These increases fall within the annual range anticipated in the five year Proposition 218 authorization passed in the September 13, 2022 Public Hearing.

RECOMMENDED ACTION:

1. Approve 2025 Transfer Station Rate Adjustments.
2. Approve the 2025 Solid Waste rate increase for Rate Zones 1-4 in accordance with the Proposition 218 provisions adopted in the Public Hearing on September 13, 2022 and direct staff to mail notices to affected customers/property owners with a postmark no later than October 31, 2024.

Attachments:

Attachment A: R3 Consulting Group Inc. – Rate Year 2025 Indexed Rate Adjustment

Attachment B: Calculated 01/01/25 solid waste rates for the unincorporated areas of Amador County
Rate Areas No.1-No.4 and two Transfer Stations

Attachment C: Proposition 218 Hearing Notice dated: September 13, 2022 (Prior Year)

Attachment D: Schedule of rate adjustments: 2003-2024

Attachment E: Schedule of comparable rates with other rural counties

Attachment A



ACES Waste Services Detailed Rate Review

DRFAT FINAL REPORT

**Review of ACES Waste Services' 2025
Detailed Rate Adjustment Application**



SUBMITTED TO:

Amador County

October 17, 2024

DRAFT

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1 Introduction

ACES Waste Services, Inc. (ACES or Company) entered into a new franchise agreement (Agreement) with Amador County (County) effective June 23, 2020, with a term of fifteen (15) years. Concurrent with the new Agreement, the County and the Company also entered into a new operating contract (Contract) for the County's Buena Vista Transfer Station, also referred to as the Western Amador Recycling Facility (WARF). The term of that Contract is also for fifteen (15) years, in alignment with the term of the Agreement.

Under the terms of the Agreement, rates are adjusted annually on January 1st based on the established Refuse Rate Index (RRI). In lieu of the annual RRI adjustment, the County or the Company may request a detailed rate review no more frequently than once every three (3) Calendar Years following the procedures set forth in Attachment G to the Agreement (Attachment 1). A detailed rate review was last conducted for purpose of setting the rates for 2022. The Company requested that a detailed rate review also be performed for purposes of setting the rates effective January 1, 2025

2 Objectives

To review the Company's Rate Year 2025 Rate Adjustment Request (Rate Application) and recommend appropriate adjustments for purposes of setting the rates for the following six (6) County operations.

- Franchise Area 1;
- Franchise Area 2;
- Franchise Area 3;
- Franchise Area 4;
- Pine Grove Transfer Station; and
- Buena Vista Transfer Station (WARF).

Attachment 2 provides a map of the County showing the boundaries of the four (4) franchise areas.

3 Methodology / Approach

Our review of the Company's Rate Application included, but was not limited to the following:

1. Tying the Company's rate application to its Financial Statement;
2. Analyzing line item revenue and expense variances for 2023 compared to 2020;
3. Reviewing the allocation of expenses among franchised and non-franchised operations;
4. Reviewing handling of non-allowable expenses and related party transaction;

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5. Reviewing depreciation and interest schedules; and
6. Calculating the required rate adjustments for each of the 6 operations, accounting for any appropriate revenue and expense adjustments.

4 Review of Rate Application

4.1 Proposed and Recommended Rate Adjustments

4.1.1 Proposed Rate Adjustment

The Company's Rate Application is based on the audited expenses for the calendar year 2023, which ties to ACES' 2023 financial statement. As presented, the Application calculates an overall rate increase of 5.33%, with that overall increase distributed among the six County operations as shown in Table 1.

Table 1

	Rate Zone 1	Rate Zone 2	Rate Zone 3	Rate Zone 4	PG Transfer Station	BV Transfer Station	Overall
Rate Revenue	\$ 1,634,829	\$ 710,029	\$ 4,076,228	\$ 171,815	\$ 1,657,027	\$ 4,173,776	\$12,423,704
Shortfall	\$ 75,049	\$ 29,209	\$ 109,505	\$ (2,022)	\$ 105,288	\$ 344,650	\$ 661,680
Rate Adjustment	4.59%	4.11%	2.69%	-1.18%	6.35%	8.26%	5.33%

Rate Zones 3 & 4 Blended Rate Adjustment = 2.53%

4.1.2 Recommended Rate Adjustment

Based on our review we are recommending the following adjustments totaling \$232,360, with the associated rate impact shown in Table 2 below:

1. Decreased shareholder compensation by \$120,653 to account for the removal of one (1) compensated shareholder position due to the death of a shareholder.
2. Reduced Advertising & Sponsorships by \$12,000 to remove various costs that are not "necessarily incurred" in the performance of the franchised services.¹
3. Reduce Business Promotion expense by \$3,744 to reflect an agreed ratepayer borne portion of those costs.
4. Reduced Dues and Subscriptions by \$5,229 to reflect an agreed ratepayer borne portion of those costs.
5. Reduced Meals and Entertainment by \$2,920 to reflect an agreed ratepayer borne portion of those costs.
6. Reduced Conferences and Conventions expense by \$5,830 to reflect an agreed upon ratepayer borne portion of those costs.

¹ Such not "necessarily incurred" costs are not inappropriate but should not be borne by the ratepayers.

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7. Reduced Travel expense by **\$7,087** to reflect an agreed upon ratepayer borne portion of those costs.
8. Reduced Profit by **\$17,496** to account for the above adjustments.
9. Eliminated Disposal Cost increase of **\$57,401** due to new contract with Republic Services for solid waste disposal at its Forward Landfill at same rate as prior contract with Kiefer Landfill.

Table 2

	Rate Zone 1	Rate Zone 2	Rate Zone 3	Rate Zone 4	PG Transfer Station	BV Transfer Station	Overall
Rate Revenue	\$ 1,634,829	\$ 710,029	\$ 4,076,228	\$ 171,815	\$ 1,657,027	\$ 4,173,776	\$12,423,704
Shortfall	\$ 48,695	\$ 18,952	\$ 71,051	\$ (1,312)	\$ 68,314	\$ 223,621	\$ 429,321
Rate Adjustment	2.98%	2.67%	1.74%	-0.76%	4.12%	5.36%	3.46%

Rate Zones 3 & 4 Blended Rate Adjustment = 1.64%

4.2 Variance Analysis

When considering ACES rate adjustment request it is helpful to compare 2023 financial statement results, which form the basis for ACES 2025 rate adjustment calculation, to 2020 results to understand what changes have occurred since the prior detailed rate review. Table 3 provides a comparison of ACES financial results for 2020 vs. 2023. As shown, expenses outpaced revenues by 4% (37% to 33%).

Table 3

	Jan - Dec 20	Jan - Dec 23	23 vs 20	
Total Revenue	6,674,306	8,891,262	2,216,957	33%
Total 61000 · PAYROLL EXPENSE	2,758,993	3,608,768	849,775	31%
Total 62000 · DISPOSAL	1,514,039	2,210,904	696,865	46%
Total 63500 · TAXES	26,399	38,591	12,192	46%
Total 64000 · INSURANCE	799,103	948,869	149,766	19%
Total 65000 · ADMIN/OVERHEAD	666,954	847,638	180,684	27%
Total 66000 · OPERATIONS	837,000	1,219,822	382,822	46%
Total 67000 · DEPRECIATION/AMOF	630,179	995,535	365,356	58%
Total Expense	7,658,024	10,472,332	2,814,308	37%

One of the factors impacting 2023 revenues as compared to 2020 is the decrease in tonnages received at the transfer stations. Table 4 provides a comparison of 2020 to 2023 tonnages for the two transfers stations. As shown, overall tonnages decreased by 8%, with Pine Grove decreasing by 16%, while WARF tonnages decreased by 5%. There was a corresponding negative impact on transfer station revenues.

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Table 4

	Tons		Variance - 2023 vs. 2020	
	2023	2020	#	%
Pine Grove	8,424	9,976	(1,552)	-16%
WARF	30,219	31,859	(1,640)	-5%
TOTAL	38,644	41,835	(3,191)	-8%

4.3 Allocations

All employees are non-union and all labor and equipment are shared between franchised and non-franchised Areas with routes serving multiple franchised and non-franchised Areas on the same day in some cases. No labor or equipment is dedicated to any specific service area. As such related expenses need to be allocated among the different service areas ACES services and the two transfer stations.

ACES tracks expenses for the following ten (10) cost centers:

1. Residential collection
2. Commercial collection
3. Debris box collection
4. Other Refuse
5. Mechanics/shop
6. Pine Grove Transfer Station
7. Buena Vista Transfer Station
8. Administration
9. Company Shareholder compensation
10. E-Z Cleanup²

Costs specific to Pine Grove Transfer Station, Buena Vista Transfer Station, and E-Z Cleanup do not need to be further allocated. While some costs associated with the other Cost Centers are directly assigned, the majority of those expenses need to be allocated to each of the County's four (4) Franchise Areas, and non-County operations. Those allocations are made using the following allocation factors that are updated for each detailed rate review:

1. Residential collection
2. Commercial collection
3. Debris box collection
4. Other Refuse
5. Total Refuse

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² E-Z Cleanup is a Junk removal and clean-up service.

- 6. Shop Allocation
- 7. Administration / Shareholder Allocation.

Table 5 provides a comparison of the allocation factors ACES used to allocate expenses to the County’s franchise versus its non-franchised operations for 2023 versus 2020. As shown, with the exception of the “Debris Allocation” factor, a lower allocation percentage was used for all allocating expenses to the County’s franchise than was used in 2020.

Table 5³

	2023	2020
RESIDENTIAL ALLOCATION	58.19%	60.81%
COMMERCIAL ALLOCATION	55.83%	60.94%
DEBRIS ALLOCATION	64.06%	53.94%
OTHER REFUSE ALLOCATION	67.50%	68.75%
TOTAL REFUSE ALLOCATION	60.22%	61.39%
SHOP ALLOCATION	64.81%	65.73%
ADMIN + SHAREHOLDER ALLOCATION	67.79%	70.69%

4.4 Related Party Transactions

4.4.1 Rental Property

The Company rents property from Miami Amador, LLC (owned by the same stockholders of the Company). The space is a 16 acre parcel that surrounds the Pine Grove Transfer Station. ACES reported that the space was acquired to provide a buffer around the site and was approved by the County. The surrounding space is also used for equipment storage. During 2023 the total payment was \$24,000 (\$2,000/month), which is the same payment included in the 2020 financial statements (i.e., there has been no increase to that related party rental charge).

4.4.2 Legal Services

While not a related party transaction, the Company utilizes the son of one of its stockholders for legal services. Amounts paid to this party totaled \$21,042 for legal services rendered during the 2023 calendar year. ACES reported that the costs were for the normal course of business, such as employee inquires, workplace safety, contract review etc. The cost in 2023 ranged between \$295 and \$315 per hour.

4.5 Depreciation and Interest Schedules

ACES added \$1.5 million in new depreciated costs in 2023 with the vast majority of that associated with Trucks & Vehicles. Those acquisitions do not appear to be unreasonable, nor do the other new costs.

³ “Other Refuse” is associated with employees who have shared duties between residential, commercial, transfer station, etc. (assistant GM and supervisors). Their expenses are allocated out to each area instead of directly coded to a specific operation.

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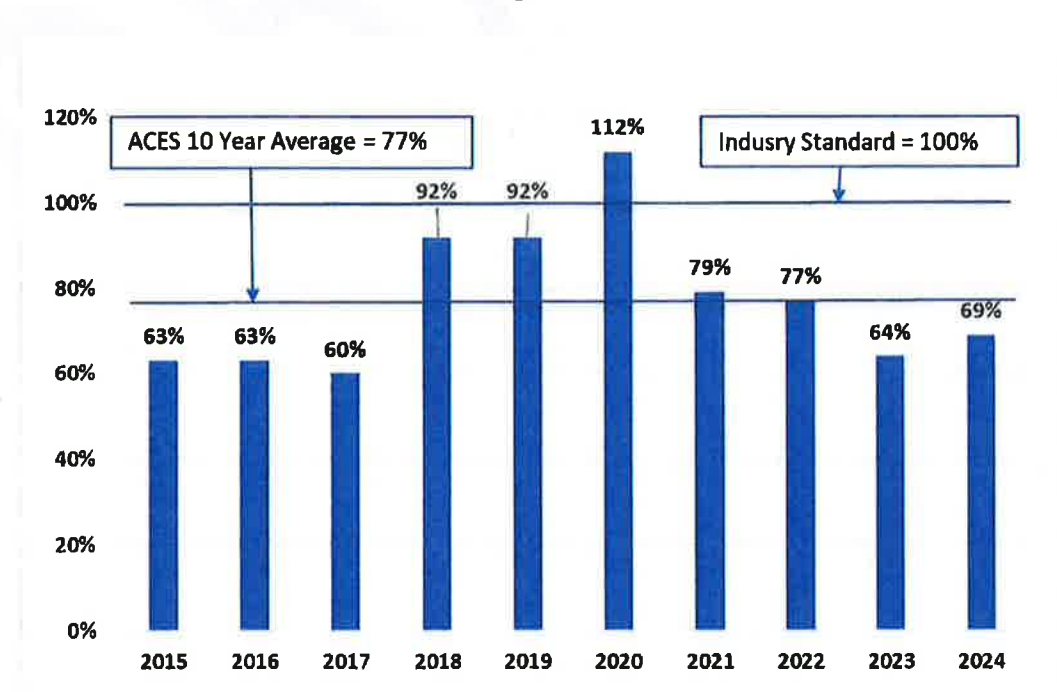
5 Safety Record

The consideration of "Safety First" is central to effective operations, and the County's detailed rate reviews have historically reviewed ACES safety record. While not universal, a company's safety record is often a good indication of the overall effectiveness of its management and operations. One way of assessing the safety record of a company is by reviewing its experience modification factor. This factor measures how safe a company is in terms of worker accidents and injuries, placing an emphasis on the number (frequency) of claims and, to a lesser extent, the severity of workplace accidents.

If an employer has a better safety record (experience) than is expected for the typical employer in the same industry with similar payroll, the employer receives an insurance premium credit. On the other hand, if the employer's safety experience is worse than the typical employer, it receives an insurance premium debit. The ability of the employer to directly affect its premium in this manner serves as an incentive to control or eliminate workplace injuries.⁴

Figure 1 below provides the Company's historical experience modification factors for the past ten (10) years - 2015 through 2024, with the Industry Standard set at 100%. The lower the number the better the safety record. With the exception of 2020, the Company's experience modification factor was better (lower) than the industry standard. Averaging well below (77%) the industry standard of 100% over the past 10 years.

Figure 1



⁴ The Compensation Insurance Rating Board (CIRB) develops experience modification factors for employers who have workers' compensation annual premiums of \$5,000 or more. An experience modification factor adjusts an employer's premium to reflect the difference between the employer's loss experience and the average experience that is expected for its classification(s) and size.

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Appendix A

Rate Adjustment Guidelines

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ATTACHMENT G

DETAILED RATE REVIEW METHODOLOGY

General

In the event that either **County** or **Contractor** requests a Detailed Rate Review, as provided for in Section 12.5, the Detailed Rate Review shall be based on evidence or data presented by **County** or **Contractor** contained within the audited financial statements for the preceding complete Calendar Year for the required franchise services. The Party that requests the Detailed Rate Review shall be responsible for both its and the other Party's reasonable associated costs required to conduct the Detailed Rate Review.

Overview of Detailed Rate Application Process

The Detailed Rate Review process is as follows:

1. Identify the reason(s) for the Detailed Rate Review request;
2. Establish the actual financial results for the prior Calendar Year, which shall consist of all franchised revenues and expenses as reported in **Contractor's** audited financial statement. It is expected that any revenues and/or expenses attributed to non-franchised services shall be clearly reported in the audited financial statement along with the basis used to assign or allocate such revenues and expenses;
3. Make any appropriate adjustments to the actual costs to account for established non-allowable costs and/or to exclude or reduce any costs that were not reasonably and necessarily incurred in the performance of the services provided in accordance with the Agreement;
4. Calculate the rate adjustment required to achieve a revenue that will, in turn, result in a 90% (ninety percent) targeted Operating Ratio.
5. Complete and submit a Detailed Rate Review Application to the other Party.
6. Confer with the other Party to determine whether the requested rate modification is in conformance with the provisions of Section 12.5; and
7. Jointly approve (which approval shall not be unreasonably withheld) and sign the Application and submit the Application to the Board of Supervisors.

Detailed Rate Review Application

In support of a Detailed Rate Review, **County** or **Contractor** shall prepare a Detailed Rate Review Application (hereinafter "Application") that shall be submitted to the other Party no later than June 15th. The Application shall include:

1. The reason(s) for the Application;
2. Line item revenue and expenses for the franchised services as reported in **Contractor's** audited financial statement;
3. Variance analyses of revenues and expenses for the prior five years, along with explanations for significant variances;
4. Calculated revenue requirement based upon the current Operating Ratio;

5. Requested rate adjustment required to achieve a revenue that will, in turn, result in a 90% targeted Operating Ratio, and
6. Signed letter(s) from **Contractor's** management stating that they have reviewed the Application and attest to the accuracy and completeness of the Application.

Operating Ratio

Per Attachment A, the Operating Ratio for this Agreement shall be **90.0%**.

Non-Allowable Expenses

- Fines;
- Liquidated Damages
- Penalties and Violations
- Income Taxes
- Charitable or Political Contributions (including CRRC PAC expenses) (CRRC dues other than PAC expenses are an "Allowable Expense")
- Good Will
- Employee free services in excess of normal weekly garbage service and limited roll-off service (1 debris box/employee/year)
- Related Party charges in excess of that which would otherwise reasonably be charged by an unrelated party
- Long-term rental or lease charges for collection vehicles / equipment which are greater than the cost of acquisition (although normal interest/financing charges and costs borne by the leasing/rental company that would normally be the responsibility of the hauling company if they owned the assets directly. These costs include but are not limited to license fees, property taxes, insurance, repairs and maintenance).
- Costs that are not reasonable or necessarily incurred in the performance of the services provided in accordance with the Franchise Agreement

Pass Through Expenses (not subject to Profit)

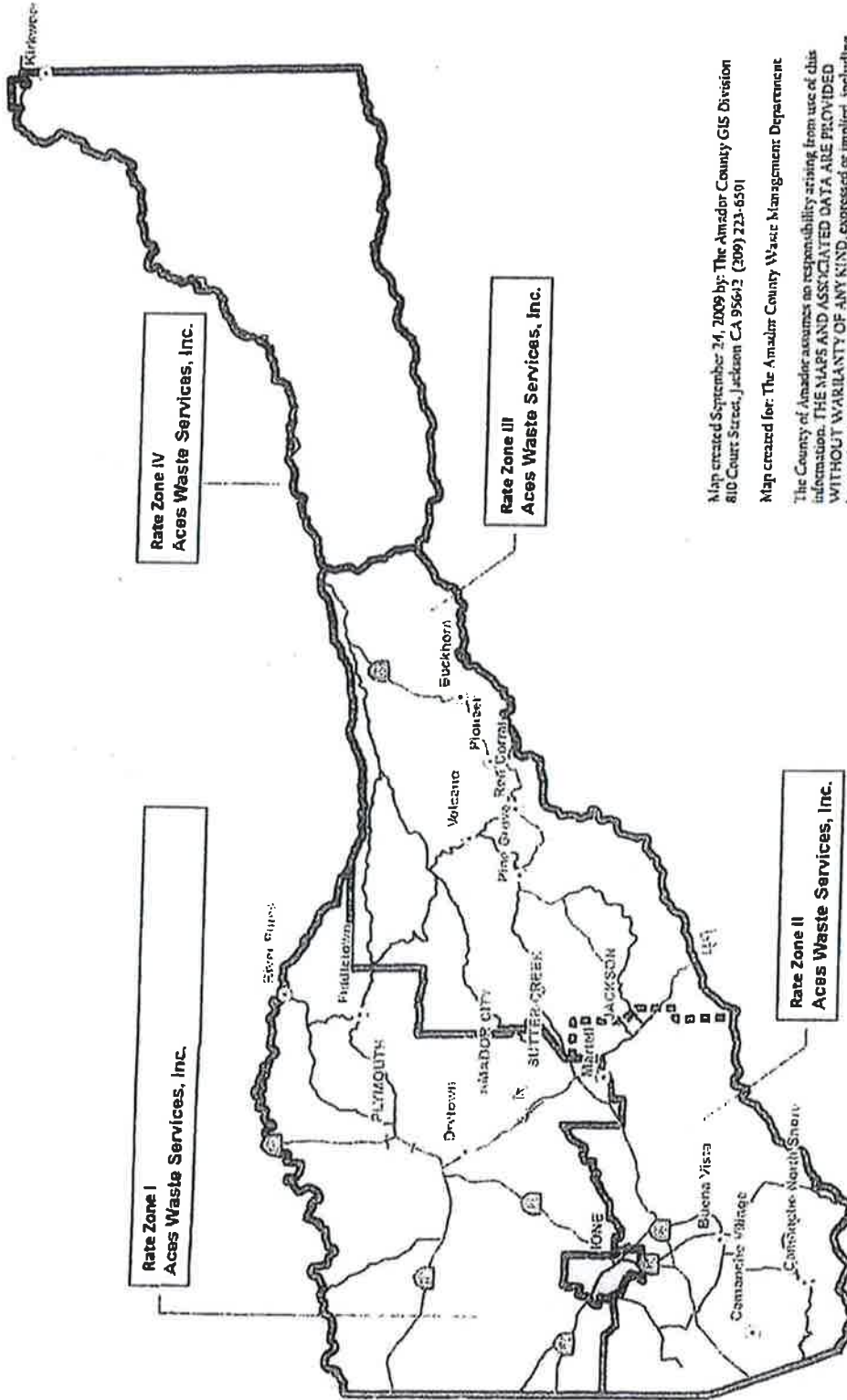
- Third-party Transfer, Processing and Disposal Expenses (Company material transport costs are an "Allowable Expense").
- Host Fees and Franchise Fees
- Regulatory or Other Fees
- Third Party County Rate Review Costs
- Reasonable Franchise related Marketing Expense, Promotional Expense, and Travel Expense are Allowable Expenses.

Appendix B

Franchise Area Map

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Franchise Area and Rate Areas (Zones)



Rate Zone IV
Acos Waste Services, Inc.

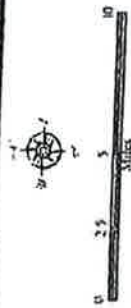
Rate Zone III
Acos Waste Services, Inc.

Rate Zone II
Acos Waste Services, Inc.

Rate Zone I
Acos Waste Services, Inc.

Map created September 24, 2009 by: The Amador County GIS Division
810 Court Street, Jackson CA 95612 (209) 223-6591

Map created for: The Amador County Waste Management Department
The County of Amador assumes no responsibility arising from use of this information. THE MAPS AND ASSOCIATED DATA ARE PROVIDED WITHOUT WARRANTY OF ANY KIND, expressed or implied, including but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Do not make any business decisions based on this data before validating your decision with the appropriate County Office.



Amador County Waste Hauler Rate Zones



Attachment B
Notice of Adopted Rate Increase
County Franchise Rate Areas
No. 1 through No. 4
Buena Vista Transfer Station (WARF)
Pine Grove Transfer Station

NOTICE OF ADOPTED INCREASE IN GARBAGE SERVICE RATES

Dear Property Owner/Customer:

This notice, dated October 31, 2024, explains newly adopted rates for refuse collection in **County Franchise (Rate) Area No. 1**, served by ACES Waste Services, Inc. (ACES). These rates were recommended for adoption at the Amador County Board of Supervisors at the Board Meeting, on October 22, 2024. The rates account for the 2023 Annual Rate Adjustment effective **January 1, 2025**, which is derived by using a waste industry-specific Refuse Rate Adjustment Methodology (RAM). This notice is being sent to provide you with information about the calculation of the new rates. These rate adjustments were reviewed by the County prior to adoption by the Board of Supervisors for residential and commercial refuse collection.

The Amador County Board of Supervisors adopted the Annual Rate Adjustment shown in **Table 1**, effective **January 1, 2025**, which reflects a **2.98%** rate increase. The Fuel Surcharge adopted with the 2023 rate increase has been removed and does not apply to the new adopted rates for 2025. ACES may apply to the Board for a fuel surcharge in the 2025 Rate Year should circumstances warrant it.

The Adopted Annual Rate Adjustment will become effective on **January 1, 2025** and run through **December 31, 2025**.

Why Change Rates?

Annual Rate Adjustment

Refuse collection rates in **Franchise (Rate) Area No. 1** are to be adjusted annually per the RAM methodology specified in the County’s franchise agreement with ACES. That methodology provides for adjustments to ACES cost for labor, fuel, vehicle maintenance, equipment replacement, disposal (changes to Sacramento County’s Kiefer Landfill rate), and other costs. The January 1, 2025 rate increase is driven largely by increases in all categories.

Any questions regarding the information in this notice may be directed to Jeff Gardner, Waste Management and Recycling Department at (209) 223-6429.

Rate Zone 1		Table 1	
Residential Service	Current Monthly Rate	Monthly Adjustment 2.98%	Proposed Rate 01/01/2025
32-Gal Weekly Pick-Up	\$35.38	\$1.05	\$36.44
64-Gal Weekly Pick-Up	\$47.42	\$1.41	\$48.84
96-Gal Weekly Pick-Up	\$59.47	\$1.77	\$61.24
Commercial Service	Current Monthly Rate	Monthly Adjustment 2.98%	Proposed Rate 01/01/2025
1 - Yard Bin Weekly	\$127.29	\$3.79	\$131.08
2 - Yard Bin Weekly	\$234.72	\$6.99	\$241.71
3 - Yard Bin Weekly	\$339.18	\$10.11	\$349.29
4 - Yard Bin Weekly	\$445.97	\$13.29	\$459.26
6 - Yard Bin Weekly	\$668.94	\$19.93	\$688.88
7 - Yard Bin Weekly	\$780.44	\$23.26	\$803.69
On Call Per Yard	\$30.47	\$0.91	\$31.38
Debris Box Haul Charge	\$374.02	\$11.15	\$385.17

All residential rates are for weekly service including Recycling service

NOTICE OF ADOPTED INCREASE IN GARBAGE SERVICE RATES

Dear Property Owner/Customer:

This notice, dated October 31, 2024, explains newly adopted rates for refuse collection in **County Franchise (Rate) Area No. 2**, served by ACES Waste Services, Inc. (ACES). These rates were recommended for adoption at the Amador County Board of Supervisors at the Board Meeting, on October 22, 2024. The rates account for the 2024 Annual Rate Adjustment effective **January 1, 2025**, which is derived by using a waste industry-specific Refuse Rate Adjustment Methodology (RAM). This notice is being sent to provide you with information about the calculation of the new rates. These rate adjustments were reviewed by the County prior to adoption by the Board of Supervisors for residential and commercial refuse collection.

The Amador County Board of Supervisors adopted the Annual Rate Adjustment shown in **Table 1**, effective **January 1, 2025**, which reflects a **2.67%** rate increase. The Fuel Surcharge adopted with the 2023 rate increase has been removed and does not apply to the new adopted rates for 2025. ACES may apply to the Board for a fuel surcharge in the 2025 Rate Year should circumstances warrant it.

The Adopted Annual Rate Adjustment will become effective on **January 1, 2025** and run through **December 31, 2025**.

Why Change Rates?

Annual Rate Adjustment

Refuse collection rates in **Franchise (Rate) Area No. 2** are to be adjusted annually per the RAM methodology specified in the County's franchise agreement with ACES. That methodology provides for adjustments to ACES cost for labor, fuel, vehicle maintenance, equipment replacement, disposal (changes to Sacramento County's Kiefer Landfill rate), and other costs. The January 1, 2025 rate increase is driven largely by increases in all categories

Any questions regarding the information in this notice may be directed to Jeff Gardner, Waste Management and Recycling Department at (209) 223-6429.

Rate Zone 2		Table 1	
Residential Service	Current Monthly Rate	Monthly Adjustment 2.67%	Proposed Rate 01/01/2025
32-Gal Weekly Pick-Up	\$33.53	\$0.90	\$34.43
64-Gal Weekly Pick-Up	\$40.89	\$1.09	\$41.98
96-Gal Weekly Pick-Up	\$50.22	\$1.34	\$51.56
Commercial Service	Current Monthly Rate	Monthly Adjustment 2.67%	Proposed Rate 01/01/2025
1 - Yard Bin Weekly	\$139.56	\$3.73	\$143.29
2 - Yard Bin Weekly	\$230.43	\$6.15	\$236.58
3 - Yard Bin Weekly	\$345.84	\$9.23	\$355.07
4 - Yard Bin Weekly	\$460.54	\$12.30	\$472.84
6 - Yard Bin Weekly	\$690.86	\$18.45	\$709.30
7 - Yard Bin Weekly	\$806.11	\$21.52	\$827.63
On Call Per Yard	\$32.21	\$0.86	\$33.07
Debris Box Haul Charge	\$414.56	\$11.07	\$425.63

All residential rates are for weekly service including Recycling service

NOTICE OF ADOPTED INCREASE IN GARBAGE SERVICE RATES

Dear Property Owner/Customer:

This notice, dated October 31, 2024, explains newly adopted rates for refuse collection in **County Franchise (Rate) Area No. 3**, served by ACES Waste Services, Inc. (ACES). These rates were recommended for adoption at the Amador County Board of Supervisors at the Board Meeting, on October 22, 2024. The rates account for the 2024 Annual Rate Adjustment effective **January 1, 2025**, which is derived by using a waste industry-specific Refuse Rate Adjustment Methodology (RAM). This notice is being sent to provide you with information about the calculation of the new rates. These rate adjustments were reviewed by the County prior to adoption by the Board of Supervisors for residential and commercial refuse collection.

The Amador County Board of Supervisors adopted the Annual Rate Adjustment shown in **Table 1**, effective **January 1, 2025**, which reflects a **1.64%** rate increase. The Fuel Surcharge adopted with the 2023 rate increase has been removed and does not apply to the new adopted rates for 2025. ACES may apply to the Board for a fuel surcharge in the 2025 Rate Year should circumstances warrant it.

The Adopted Annual Rate Adjustment will become effective on **January 1, 2025** and run through **December 31, 2025**.

Why Change Rates?

Annual Rate Adjustment

Refuse collection rates in **Franchise (Rate) Area No. 3** are to be adjusted annually per the RAM methodology specified in the County’s franchise agreement with ACES. That methodology provides for adjustments to ACES cost for labor, fuel, vehicle maintenance, equipment replacement, disposal (changes to Sacramento County’s Kiefer Landfill rate), and other costs. The January 1, 2025 rate increase is driven largely by increases in all categories.

Any questions regarding the information in this notice may be directed to Jeff Gardner, Waste Management and Recycling Department at (209) 223-6429.

Rate Zone 3		Table 1	
Residential Service	Current Monthly Rate	Monthly Adjustment 1.64%	Proposed Rate 01/01/2025
32-Gal Weekly Pick-Up	\$45.60	\$0.75	\$46.35
64-Gal Weekly Pick-Up	\$58.62	\$0.96	\$59.59
96-Gal Weekly Pick-Up	\$61.61	\$1.01	\$62.62
Commercial Service	Current Monthly Rate	Monthly Adjustment 1.64%	Proposed Rate 01/01/2025
1 - Yard Bin Weekly	\$178.82	\$2.93	\$181.75
2 - Yard Bin Weekly	\$300.87	\$4.93	\$305.81
3 - Yard Bin Weekly	\$454.10	\$7.45	\$461.55
4 - Yard Bin Weekly	\$601.91	\$9.87	\$611.78
6 - Yard Bin Weekly	\$824.03	\$13.51	\$837.54
7 - Yard Bin Weekly	\$961.65	\$15.77	\$977.42
On Call Per Yard	\$39.61	\$0.65	\$40.26
Debris Box Haul Charge	\$371.15	\$6.09	\$377.23

All residential rates are for weekly service including Recycling service

NOTICE OF ADOPTED INCREASE IN GARBAGE SERVICE RATES

Dear Property Owner/Customer:

This notice, dated October 31, 2024, explains newly adopted rates for refuse collection in **County Franchise (Rate) Area No. 4**, served by ACES Waste Services, Inc. (ACES). These rates were recommended for adoption at the Amador County Board of Supervisors at the Board Meeting, on October 22, 2024. The rates account for the 2024 Annual Rate Adjustment effective **January 1, 2025**, which is derived by using a waste industry-specific Refuse Rate Adjustment Methodology (RAM). This notice is being sent to provide you with information about the calculation of the new rates. These rate adjustments were reviewed by the County prior to adoption by the Board of Supervisors for residential and commercial refuse collection.

The Amador County Board of Supervisors adopted the Annual Rate Adjustment shown in **Table 1**, effective **January 1, 2025**, which reflects a **1.64%** rate increase. The Fuel Surcharge adopted with the 2023 rate increase has been removed and does not apply to the new adopted rates for 2025. ACES may apply to the Board for a fuel surcharge in the 2025 Rate Year should circumstances warrant it.

The Adopted Annual Rate Adjustment will become effective on **January 1, 2025** and run through **December 31, 2025**.

Why Change Rates?

Annual Rate Adjustment

Refuse collection rates in **Franchise (Rate) Area No. 4** are to be adjusted annually per the RAM methodology specified in the County’s franchise agreement with ACES. That methodology provides for adjustments to ACES cost for labor, fuel, vehicle maintenance, equipment replacement, disposal (changes to Sacramento County’s Kiefer Landfill rate), and other costs. The January 1, 2024 rate increase is driven largely by increases in all categories.

Any questions regarding the information in this notice may be directed to Jeff Gardner, Waste Management and Recycling Department at (209) 223-6429.

Rate Zone 4		Table 1	
Commercial Service	Current Monthly Rate	Monthly Adjustment 1.64%	Proposed Rate 01/01/2025
1 - Yard Bin Weekly	\$253.09	\$4.15	\$257.24
2 - Yard Bin Weekly	\$411.79	\$6.75	\$418.54
3 - Yard Bin Weekly	\$577.75	\$9.48	\$587.23
4 - Yard Bin Weekly	\$826.24	\$13.55	\$839.79
6 - Yard Bin Weekly	\$1,318.12	\$21.62	\$1,339.74
7 - Yard Bin Weekly	\$1,504.29	\$24.67	\$1,528.96
On Call Per Yard	\$55.50	\$0.91	\$56.41
Debris Box Haul Charge	\$620.67	\$10.18	\$630.85

All residential rates are for weekly service including Recycling service

PINE GROVE 2025 RATES			
Description	WARF Rate 01/01/2024	Calculated Adjustment 4.12%	Calculated Rate * 01/01/2025
1 CAN	\$13.25	\$0.55	\$13.25
2CAN	\$23.50	\$0.97	\$23.50
3CAN	\$34.50	\$1.42	\$34.50
4CAN	\$38.25	\$1.58	\$38.25
5CAN	\$46.00	\$1.90	\$46.00
6CAN	\$53.50	\$2.20	\$53.50
7CAN	\$60.00	\$2.47	\$60.00
LOOSE YARDS	\$44.50	\$1.83	\$44.50
1.25 YARDS	\$55.50	\$2.29	\$55.50
2.50 YARDS	\$110.75	\$4.56	\$110.75
55 GAL DRUM (EMPTY)	\$20.00	\$0.82	\$20.00
APPLIANCE	\$39.75	\$1.64	\$39.75
CONCRETE	\$29.75	\$1.23	\$29.75
TREATED WOOD WASTE	\$46.25	\$1.91	\$46.25
FURNITURE	\$44.50	\$1.83	\$44.50
DIRT/ROCK	\$77.25	\$3.18	\$77.25
MATTRESS (DIRTY OR GREATER THAN 4)	\$25.75	\$1.06	\$25.75
MRFTONNAGE	\$180.00	\$7.42	\$180.00
REFRIG W/ FREON	\$96.00	\$3.96	\$96.00
TIRES 19 INCH OR SMALLER	\$12.50	\$0.52	\$12.50
TIRES 20 INCH OR LARGER	\$19.25	\$0.79	\$19.25
WOOD WASTE/YARD WASTE	\$25.75	\$1.06	\$25.75
OVER 1/2 YD OF CARDBOARD	\$41.75	\$1.72	\$41.75

** (Rounded to nearest \$.25 cents)*

WARF 2025 RATES			
Description	WARF Rate 01/01/2024	Calculated Adjustment 5.36%	Calculated Rate * 01/01/2025
MINIMUM LOAD - 1 TO 4 CANS	\$13.50	\$0.72	\$13.50
5 TO 7 CANS	\$20.50	\$1.10	\$20.50
LOOSE YARDS	\$29.25	\$1.57	\$29.25
55 GAL DRUM (EM PTY)	\$24.50	\$1.31	\$24.50
APPLIANCE	\$32.00	\$1.72	\$32.00
CONCRETE	\$24.50	\$1.31	\$24.50
TREATED WOOD WASTE	\$49.25	\$2.64	\$49.25
FURNITURE/ BULKY	\$20.50	\$1.10	\$20.50
INERTS/ DIRT/ROCK	\$66.50	\$3.56	\$66.50
MATTRESS - DIRTY OR GREATER THAN 4	\$20.50	\$1.10	\$20.50
MRFTONNAGE	\$149.75	\$8.03	\$149.75
REFRIGERATOR/AIR CONDITIONERS	\$78.75	\$4.22	\$78.75
TIRES 19 INCH OR SMALLER	\$7.25	\$0.39	\$7.25
TIRES 20 INCH OR LARGER	\$14.25	\$0.76	\$14.25
WOOD WASTE/YARD WASTE	\$24.50	\$1.31	\$24.50
OVER 1/2 YD OF CARDBOARD	\$29.25	\$1.57	\$29.25
CLEAN STUMPS UP TO 12 INCHES	\$65.50	\$3.51	\$65.50
SMALL ANIMALS (LESS THAN 100 LBS)	\$25.00	\$1.34	\$25.00
CARPET (ROLLED)	\$97.50	\$5.23	\$97.50

** (Rounded to nearest \$.25 cents)*

Attachment C

Amador County Proposition 218 Hearing Notice

September 23, 2022 (Prior Year)

Setting a Maximum Increase

For Rate Years 2024-2027

**NOTICE OF PUBLIC MEETING CONCERNING
PROPOSED REFUSE COLLECTION RATE INCREASE FOR
ACES WASTE SERVICES FOR FRANCHISE AREAS No. 1, 2, 3, and 4**

Notice of Public Hearing

Notice is hereby given that the County of Amador will conduct a public hearing on **September 13, 2022, at 10:30 a.m.**, or as soon thereafter as may be heard by the Board of Supervisors, in the Board of Supervisors Chambers, at the County Administration Center at 810 Court Street, Jackson, California 95642.

This public hearing will consider adoption of a rate increase for customers of ACES Waste Services, Inc. for Franchise Area No. 1, 2, 3, 4 as follows:

- Franchise Area No. 1 - 6.30%**
- Franchise Area No. 2- 7.79%**
- Franchise Area No. 3-6.30%**
- Franchise Area No. 4-6.30%**

All affected customers will be notified of the proposed increases by mail in keeping with Proposition 218 requirements. If approved, the increase will become effective **January 1, 2023**.

The Amador County Board of Supervisors will also consider setting a maximum increase to the Annual Rate Adjustment of no more than 10% for January 1, 2024 through January 1, 2027.

This public hearing will also consider adoption of a Fuel Surcharge for customers of ACES Waste Services, Inc. for Franchise Area No. 1, 2, 3, 4 as follows:

- Franchise Area No.1-1.92%**
- Franchise Area No. 2-1.57%**
- Franchise Area No. 3-1.34%**
- Franchise Area No. 4-1.34%**

All affected customers will be notified of the proposed increases by mail in keeping with Proposition 218 requirements. If approved, the fuel surcharge will become effective **October 1, 2022**.

The Amador County Board of Supervisors will also consider setting a maximum annual increase to the Fuel Surcharge of no more than \$1.00 for January 1, 2024 through January 1, 2027.

The purpose of the public hearing is to give citizens an opportunity to comment on or protest the proposed rate increase, which is on available for public review on the County website at <http://www.amadorgov.org> and at the Transportation and Public Works Department, 810 Court Street, Jackson, California weekdays between the hours of 8:00 a.m. and 5:00 p.m. If you are unable to attend the public hearing, you may send written comments to: Amador County Board of Supervisors, 810 Court Street, Jackson, California 95642 or telephone (209) 223-6470.

Attachment D

**Amador County schedule of rate adjustments
over time for the past 21 years**

Amador County			
Annual Refuse Rate Adjustments (%)			
Year	Area 1	Area 2	Area 3&4
2003	-	-	-
2004	-	-	-
2005	4.81	4.81	4.81
2006	2.50	2.50	2.50
2007	-	-	14.60
2008	10.48	16.80	11.38
2009	3.91	4.83	7.75
2010	-	1.56	1.80
2011	2.13	(0.29)	(1.40)
2012	(1.93)	7.47	(1.96)
2013	(1.65)	(1.31)	(2.30)
2014	4.02	3.82	4.19
2015	3.95	3.95	3.95
2016	(2.34)	(2.04)	(0.48)
2017	1.90	0.85	3.56
2018	13.66	13.66	13.66
2019	5.88	6.37	6.64
2020	17.40	11.96	13.30
2021	5.12	8.04	6.40
2022	6.30	7.79	6.20
2023	9.68	4.89	8.97
2024	2.98	2.64	1.64
TOTAL	88.80	98.30	105.21
Annual AVG	4.04	4.27	4.78
Annual Average All Areas = 4.36			
Rate decreases			
Proposed			

Attachment E

Amador County Rates with those of other Comparative Rural Counties

Rural County Rate Comparison

County:	Residential Fee:	Commercial Fee:
Amador	\$31.47	\$121.60
Trinity	\$22.69	\$129.19
El Dorado	\$29.08	\$127.07
Tehama	\$24.19	\$119.89
Mono	\$27.79	\$110.47
Lassen	\$26.06	\$119.97
Del Norte	\$31.89	\$176.84

