

Attachment 2

PLEDGE OF REVENUE AGREEMENT FOR
POSTCLOSURE MAINTENANCE AND/OR CORRECTIVE ACTION
CALIFORNIA STREET LANDFILL

This agreement establishes a Pledge of Revenue to assure that adequate funds are available to carry out the Postclosure Maintenance and/or Corrective Action of the California Street Landfill. This agreement updates the City of Redlands previous Pledge of Revenue for Postclosure Maintenance and Corrective Action for Known or Reasonably Foreseeable Release.

This Agreement shall become effective immediately, and is made and entered into by and between the City of Redlands and the California Integrated Waste Management Board (CIWMB).

WHEREAS, Public Resources Code, sections 43500 through 43610.1 and Title 27, California Code of Regulations (Regulations), Division 2, Subdivision 1, Chapter 6, require operators of solid waste landfills to demonstrate the availability of financial resources to conduct closure and postclosure maintenance and/or corrective action activities; and

WHEREAS, sections 22228 and 22245 of the Regulations specify a Pledge of Revenue as an acceptable mechanism to demonstrate financial responsibility for postclosure maintenance and/or corrective action costs of a solid waste landfill; and

WHEREAS, the City of Redlands operates the California Street Landfill, a solid waste landfill, in conformance with the findings, conditions, prohibitions and requirements contained in Solid Waste Facilities Permit No. 36-AA-0017 issued by, San Bernardino County LEA serving as Local Enforcement Agency for the CIWMB; and

WHEREAS, the City of Redlands is a full service municipal provider and the only permitted hauler of solid waste collection within the incorporated city limits; and

WHEREAS, the City of Redlands owns and operates the California Street Landfill which, is in turn, funded from the collection and disposal fees charged to City residents and businesses; and

WHEREAS, the landfill operation far exceeds the annual cost of post-closure and includes monies for contingency expenses; and

WHEREAS, the City of Redlands generates in excess of \$9,000,000 per year for collection and disposal operations; and

WHEREAS, the City of Redlands is pledging revenues from the collection and disposal fees deposited into the City of Redlands Solid Waste Operating Fund; and

WHEREAS, the City of Redlands has determined that projected net revenues from collection and disposal fees during the thirty (30) year period of postclosure maintenance (and/or during the corrective action period), shall, during each year of this period, be greater than the yearly monitoring and postclosure maintenance costs and/or corrective action costs contained in the most recent Cost Estimate for the California Street Landfill which has been submitted to the CIWMB in accordance with section 21840 of the Regulations.

NOW THEREFORE, the City of Redlands and the CIWMB do agree as follows;

1. The City of Redlands hereby establishes a pledge of revenue to demonstrate financial responsibility for postclosure maintenance and/or corrective action of the California Street Landfill in accordance with sections 22228 and 22245 of the Regulations.
2. The City of Redlands agrees to pledge net revenues from the Solid Waste Fund as described herein.
3. The amount of the pledged revenue shall be equal to \$ 151,817 per year for the 30 year period of

postclosure maintenance, representing the most recent monitoring and postclosure maintenance cost estimate for the California Street Landfill. It is agreed that the amount of this pledge may increase or decrease to match any adjustment to the identified cost estimate, which is mutually agreed to by the City of Redlands and the CIWMB.

4. The amount of the pledged revenue shall be equal to \$ 1,146 per year for the estimated length of the reasonably foreseeable corrective action period, representing the most recent reasonably foreseeable corrective action cost estimate for the California Street Landfill. It is agreed that the amount of this pledge may increase or decrease to match any adjustment to the identified cost estimate, as approved by the CIWMB, LEA and RWQCB, as applicable.

5. If the City of Redlands ceases at any time to retain control of its ability to allocate the pledged revenue as identified herein to pay postclosure maintenance costs and/or corrective action, the City of Redlands shall notify the CIWMB and the local enforcement agency and shall obtain alternate coverage within sixty (60) days after the control of funds lapses, pursuant to section 22245 of the Regulations.

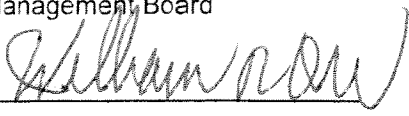
6. In the event that CIWMB, RWQCB or LEA staff determine that the City of Redlands has failed, or is failing, to perform postclosure maintenance and/or corrective actions as required by law, the CIWMB, RWQCB and/or LEA staff shall confer with the City of Redlands and attempt to resolve the alleged violation. If no agreement is reached, the matter shall be presented to the CIWMB which shall give reasonable notice, hold a public hearing, and consider the testimony and documentation submitted by the CIWMB and/or LEA staff, the City of Redlands, and any interested parties, prior to making a determination in the matter. In the event the CIWMB then determines that the City of Redlands has failed, or is failing, to perform postclosure maintenance and/or corrective action as required by law, the CIWMB may direct the Auditor-Controller to pay the Chief Engineer from the pledged revenues sufficient funds to ensure postclosure maintenance and/or corrective action, who then shall be obligated to use such funds for postclosure maintenance and/or corrective action in accordance with the directives of the CIWMB and RWQCB.

IN WITNESS HEREOF, the parties have executed this agreement on the date as set forth below.

By County this 5th day of August, 2008

By CIWMB this _____ day of _____, 2008

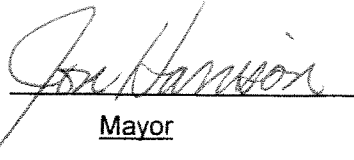
STATE OF CALIFORNIA
California Integrated
Waste Management Board

By: 
Authorized Officer of the CIWMB

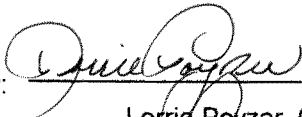
APPROVED AS TO FORM
AND PROCEDURE:

By: 
Authorized Counsel of the CIWMB

CITY OF REDLANDS

By: 
Mayor

ATTEST:

By: 
Lorrie Poyzer, City Clerk

APPROVED AS TO FORM
AND PROCEDURE:

By: 
City Counsel



LINDA S. ADAMS
SECRETARY FOR ENVIRONMENTAL
PROTECTION

CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD



ARNOLD SCHWARZENEGGER
GOVERNOR

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September 5, 2008

Gary Van Dorst, Director
City of Redlands
P. O. Box 3005
Redlands, CA 92373

RECEIVED

SEP 10 2008

Quality of Life Dept.

RE: Approval of Financial Assurance Mechanism for Postclosure Maintenance and Corrective Action Costs of the California Street Landfill, Facility No. 36-AA-0017

Dear Mr. Van Dorst:

California Integrated Waste Management Board (CIWMB) staff reviewed the financial assurance mechanism for California Street Landfill. As a result of this review, CIWMB finds that the Pledge of Revenue Agreement in support of postclosure maintenance and corrective action costs meets the requirements of Title 27, California Code of Regulations, (CCR), Division 2, Subdivision 1, Chapter 6, section 22245, and as such, is approved by CIWMB.

Enclosed are two Pledge of Revenue Agreements with original signatures for your files. If you have any questions regarding this determination, please call Jonalyn Bajurin at (916) 341-6715 or send email to jbajurin@ciwmb.ca.gov.

Sincerely,

William R. Orr, C.E.G., Chief
Cleanup, Closure and Financial Assurances Division

cc: Ms. Leslie Graves, State Water Resources Control Board
Ms. Dixie Lass, California Regional Water Quality Control Board
Mr. Gino Yekta, California Integrated Waste Management Board

