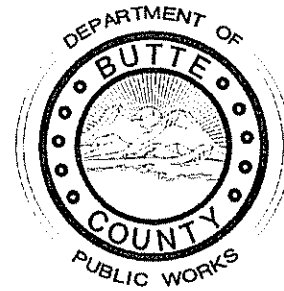



MEMORANDUM

PUBLIC WORKS DEPARTMENT

7 County Center Drive Oroville, CA 95965 Phone 538-7681 Fax 538-7171



TO: Pete Calarco, Assistant Director
FROM: Mike Crump, Director 
SUBJECT: M & T Chico Ranch Mine, Revised Condition – Road Maintenance
DATE: November 20, 2006

Mitigation Measure 4.6-2 needs to be updated to reflect the change in the cost estimate to improve the pavement on River Road between Chico River Road and Oro Ferry Road with a two inch asphalt concrete overlay.

The revised language for this mitigation measure should read as follows:

The project Applicant shall contribute its fair share of the costs to improve the pavement on River Road between Chico River Road and Oro Ferry Road with a two-inch asphalt concrete overlay. The fair share amount shall be based on the increase in ESALs, which is 51%. Butte County Public Works estimates the cost of this improvement to be approximately \$1,200,000. Therefore, the Applicant's fair share cost would be about \$40,000 per year. The Public Works Department has indicated that the fee shall be submitted annually based on the tonnage of material that is hauled from the project site and shall be relative to an inflation index. Based on the information contained in Table 4.6-9, the cost per ton of material hauled from the project site would be approximately \$0.08.

In addition, Public Works is requesting that the following language be added to the project as a condition:

The project applicant shall contribute its fair share of the cost to maintain the asphalt concrete pavement on the following roads over the 30 year life of the project:

- River Road; between Chico River Road and Ord Ferry Road
- Ord Ferry Road; between County Line and Dayton Road
- Durham Dayton Road; between Dayton Road and SR 99
- Dayton Road; between Ord Ferry Road and Chico City Limit
- Hegan Lane; between Dayton Road and Midway
- Chico River Road; between River Road and Chico City Limit

PUBLIC WORKS DEPARTMENT

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Road Maintenance shall include a chip seal surface treatment every 10 years with M & T Chico Ranch Mine project's fair share contribution based on the projected net increase in ESALs as shown in the attached Table A. Based on the information contained in Table A, the cost per ton of material hauled from the project site would be approximately \$0.06 and shall be relative to an inflation index.

During our meeting of November 17, 2006, there seemed to be a general consensus that the mitigation costs should be rolled into a single fee per ton. In that case, the mitigation fee would be made up of \$0.08 per ton for the overlay on River Road plus \$0.01 per ton for the improvements to the Ord Ferry Bridge and the installation of a signal at Midway and Durham Dayton highway, for a total of \$0.09 per ton of material removed from the site.

The amount intended to compensate for the extra maintenance required due to the increased truck traffic, \$0.06 per ton, would be added as a condition to the permit. This amount shall also be adjusted relative to an inflation index.

These fees shall be deposited by the operator into the Butte County Road Fund, and shall be adjusted for inflation based upon the change in the Construction Cost Index for San Francisco, during the month of January of each year. These fees shall cease to be collected should the County impose a countywide tax or fee for road maintenance based upon weight of materials moved over the roads.

To summarize:

Mitigation		
Overlay River Road		\$ 0.08 per ton
Signal & Bridge Work		\$ 0.01 per ton
Condition		
Increased Road Maintenance		<u>\$ 0.06 per ton</u>
	Total	\$ 0.15 per ton

Table A

Total Truck	Route	length	Current				Future				% Diff ESAL	County share	M & T share	M & T Miles
			ADT	% Trucks	ESAL	% on road	ADT	% Trucks	ESAL	ESAL				
	River Road: Ord Ferry to Chico River Road to Oro Ferry	5.3	3089	9.8%	265440	55.00%	70	3159	11.8%	332130	25.1%	79.9%	20.1%	1.1
	Ord Ferry: County Line to Dayton Road	8.0	3150	13.2%	369960	40.00%	51	3201	14.6%	409170	10.6%	90.4%	9.6%	0.8
	Durham Dayton Road: Dayton Road to SR 99 to 99	10.5	1032	12.1%	109120	10.00%	13	1045	13.2%	122860	12.6%	88.8%	11.2%	1.2
	Dayton Rd: Ord ferry to Chico City Limit	4.5	4927	9.5%	402730	30.00%	38	4965	10.2%	444470	10.4%	90.6%	9.4%	0.4
	Hegan Lane: Dayton road to Midway to Midway	3.2	1893	10.9%	179720	20.00%	26	1909	12.1%	207890	15.7%	86.4%	13.6%	0.4
	Chico River Road to Chico	4.2	3793	9.8%	332130	55.00%	70	3863	11.4%	388300	16.9%	85.5%	14.5%	0.6
		35.7												4.5

total road length (miles) 586432
 SY of roadway one chip seal 35.7
 Chip Seal Cost/SY \$2.10
 cost/seal \$1,231,507.20
 3 seals in 30 years \$3,694,521.60
 over all M & T % 12.5%
 M & T cost \$462,473.85
 Cost per ton \$0.06