

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

710



FROM: Community Health Agency/Department of Environmental Health

SUBMITTAL DATE:

December 1, 2006

SUBJECT: Rate Adjustment to the Franchise Area 8 Waste Collection Agreement

RECOMMENDED MOTION:

Introduce and set for Public Hearing (Clerk to advertise) and at the close of the Public Hearing approve the adjusted rate for Commercial Disposal Cards as identified in Table 1.

BACKGROUND:

Franchise Area 8 consists of the mountain and rural communities located between Hemet and Palm Springs and south of the Banning /Beaumont region. It includes the communities of Twin Pines, Idyllwild, Aguanga, Pinyon Pines and the communities in between.

In submitting the annual rate adjustment for solid waste collection under the County Franchises, staff inadvertently omitted the adjustment for the "Disposal Card" available to commercial customers using the Idyllwild Transfer Station. This rate has not been adjusted since its initial approval in August of 1997. The action submitted today corrects this omission, using the same adjustment factors approved by the Board in the June 27, 2006 hearing for the annual waste collection rate adjustments.

DM:GR

Gary Root
Gary Root, Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	N/A
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	N/A
	Annual Net County Cost:	\$ 0	For Fiscal Year:	06/07

SOURCE OF FUNDS:	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION: APPROVE

County Executive Office Signature *Debra Cournoyer*

FORM APPROVED
COUNTY COUNSEL

NOV 28 2006

Departmental Concurrence

BY: *hath* 12/1/06

FISCAL PROCEDURES APPROVED
ROBERT E. BYRD, Auditor-Controller

- Policy
- Policy
- Consent
- Consent
- Dep't Recomm.:
- Per Exec. Ofc.:

5000 DEC -8 11:31

Prev. Agn. Ref, 9.3 of 6/27/2006 District: 3 Agenda Number:

3.7

Waste Collection Franchise agreements covering all unincorporated portions of Riverside County were phased in between 1997 and 1999. In each of the 13 Franchise Agreements there is a provision for an adjustment of the rates the customers are charged for regular services, to be implemented annually in July. The adjustment allows a "pass through" for any changes to landfill or transfer station fees, and a cost of living increase, based on CPI, for the balance of the rate.

All non-disposal costs are adjusted by the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles/Anaheim/Riverside Metropolitan Area, as published by the United States Department of Labor, Bureau of Labor Statistics. The attached rate sheets implement the adjustment methodology using a CPI of 4.5% for the twelve (12) month period January through December 2005.

Waste Management Inc., operating as the Franchisee for Areas 1, 3, 4 and 8 requested and was approved for an increased amount to cover their higher fuel costs in the June 2006 adjustment. Staff calculated the total increase for the franchisee to be 4.94% which includes the fuel component of the CPI and .44% of added fuel costs.

DISPOSAL CARDS

Mandatory Collection for businesses in Franchise Area 8 was established through Riverside County Board Resolution 97-106 on July 1, 1997. In August of that year, the Franchise Agreement was amended to allow businesses to purchase and use a disposal ("punch") card allowing weekly waste delivery to the Idyllwild Transfer Station to comply with their mandatory collection responsibilities. The annual cost for the card was established at \$868.00.

FISCAL

The approval of this change will result in no cost to the County; implementation expenses are borne by the franchisee.

Table 1 –Commercial Disposal Card Fee Adjustment for Franchise Area 8

Current Rate	Current Service	Adjustment to Service (4.94%)	Current Landfill	Adjustment to Landfill (4.5%)	New Total
\$868.00	\$257.00	\$12.68	\$611.00	\$27.51	\$908.19