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



FROM: Community Health Agency/Department of Environmental Health

SUBMITTAL DATE:
May 14, 2007

SUBJECT: Annual Rate Adjustment to a Portion of the Waste Collection Agreements for Riverside County

RECOMMENDED MOTION:

Introduce and set for Public Hearing (Clerk to advertise) and at the close of the public hearing approve the adjusted rate schedules contained in Attachments 1.1 – 1.5.

BACKGROUND:

Waste Collection Franchise Agreements covering all unincorporated portions of Riverside County were phased in between 1997 and 1999 (see Table 1 – Franchise Area Descriptions). In each of the thirteen 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.

GR:DM

(continued)

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

BY *Debra Cournoyer*
Debra Cournoyer

County Executive Office Signature

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

FORM APPROVED
COUNTY COUNSEL

MAY 17 2007

ROBERT E. BYRD, Auditor-Controller

hA
BY *MICHAEL ALEXANDER*
Deputy

Christina T. Kim

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 3.3% for the twelve (12) month period January through December 2006. For basic residential service this results in increases from \$0.46 to \$0.83, with an average of \$0.58 per month. A new Form 11 will be submitted to cover the remaining Franchise Areas.

RATES SUBMITTED. Attached to this Form 11 are:

1. Table 1: Franchise Area Descriptions.
2. Table 2: Summary of Basic Residential Rate Adjustments.
3. Attachments 1.1 through 1.5. Revised Rates for certain Franchise Areas.
4. Exhibit 1, the methodology used for these adjustments.

ADJUSTMENT DETAILS

1. Non-Disposal Costs have been adjusted:
 - a. Rates for Areas 5, 6, 7, 9, and 13 have been adjusted by 3.3% per the above CPI period.
2. Disposal Costs have been adjusted:
 - a. The disposal costs for these areas are adjusted per the revised disposal fees as approved by the Board for the Department of Waste Management on May 8, 2007.
3. The rates for the balance of the franchise areas will be submitted upon the finalization of additional details and the completion of the reviews.

FISCAL

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

Table 1 – Franchise Area Descriptions

Area	Hauler	Effective Date	Area Description
5	CR&R Inc.	January 1, 1999	Temecula, Lake Elsinore, Ortega Highway
6	CR&R Inc.	January 1, 1999	Lakeview, Mystic Lake, San Jacinto
7	CR&R Inc.	November 1, 1997	Cherry Valley, San Timoteo Canyon
9	CR&R Inc.	November 1, 1997	Cabazon, Whitewater
13	Palo Verde Disposal	November 1, 1997	Palo Verde Valley, Desert Center

Table 2 - Summary of Basic Adjusted Monthly Residential Rates

Area	2006 Approved Rate	2007 Proposed Rate
5	\$ 19.50	\$ 20.14
6	\$ 18.18	\$ 18.78
7	\$ 21.00	\$ 21.70
9	\$ 20.36	\$ 21.04
13	\$ 29.69	\$ 30.67

Franchise Area 5

Tip Fee Increase 3.30%

CPI 3.30%

Tip fee \$32.96

Residential Services*Non-Comprehensive Collection*

Regular
 Senior - 60 gallon
 Senior - 100 gallon
 Hard to Service
 Green Waste

Comprehensive Collection

Regular
 Senior - 60 gallon
 Senior - 100 gallon
 Hard to Service
 Green Waste

Other Residential Services

Bulky Item Collection

Residential clean-up**(\$50.00 minimum per below)**

Labor
 Equipment

Rate Adjustment Schedule for 2007(Exhibit E)**Area 5**

	Current Total	Current Service	Adjustment to Service	Current Landfill	Adjustment to Landfill	Adjusted Total
Regular	\$19.50	\$15.72	\$0.52	\$3.78	\$0.12	\$20.14
Senior - 60 gallon	\$15.09	\$11.31	\$0.37	\$3.78	\$0.12	\$15.59
Senior - 100 gallon	\$17.48	\$13.70	\$0.45	\$3.78	\$0.12	\$18.06
Hard to Service	\$28.31	\$24.53	\$0.81	\$3.78	\$0.12	\$29.24
Green Waste	\$1.83	\$1.83	\$0.06			\$1.89
<i>Comprehensive Collection</i>						
Regular	\$18.87	\$15.09	\$0.50	\$3.78	\$0.12	\$19.49
Senior - 60 gallon	\$15.09	\$11.31	\$0.37	\$3.78	\$0.12	\$15.59
Senior - 100 gallon	\$17.48	\$13.70	\$0.45	\$3.78	\$0.12	\$18.06
Hard to Service	\$28.31	\$24.53	\$0.81	\$3.78	\$0.12	\$29.24
Green Waste	\$1.83	\$1.83	\$0.06			\$1.89
Other Residential Services						
Bulky Item Collection	\$18.98	\$18.98	\$0.63			\$19.61
Residential clean-up						
(\$50.00 minimum per below)						
Labor	\$31.62	\$31.62	\$1.04			\$32.66 per man /per hour
Equipment	\$82.19	\$82.19	\$2.71			\$84.90 per hour

Franchise Area 5
Residential Bins

Rate Adjustment Schedule for 2007(Exhibit E)

bin size (cu. yd.) frequency

1.5	1	\$77.50	\$64.54	\$2.13	\$12.96	\$0.43	\$80.06
	2	\$155.01	\$129.10	\$4.26	\$25.91	\$0.85	\$160.13
2	1	\$82.68	\$65.41	\$2.16	\$17.27	\$0.57	\$85.41
	2	\$165.36	\$130.81	\$4.32	\$34.55	\$1.14	\$170.82
3	1	\$91.78	\$65.87	\$2.17	\$25.91	\$0.85	\$94.81
	2	\$175.99	\$124.17	\$4.10	\$51.82	\$1.71	\$181.80
4	1	\$99.62	\$65.07	\$2.15	\$34.55	\$1.14	\$102.91
	2	\$199.25	\$130.15	\$4.30	\$69.10	\$2.28	\$205.83

Franchise Area 5 Rate Adjustment Schedule for 2007(Exhibit E)

bin size (cu. yd.) frequency (Both Comprehensive and Non-comprehensive)

1.5	1	\$80.07	\$67.11	\$2.21	\$12.96	\$0.43	\$82.71
	2	\$160.13	\$134.22	\$4.43	\$25.91	\$0.85	\$165.41
	3	\$240.19	\$201.33	\$6.64	\$38.86	\$1.28	\$248.12
	4	\$320.27	\$268.45	\$8.86	\$51.82	\$1.71	\$330.84
	5	\$400.33	\$335.55	\$11.07	\$64.78	\$2.14	\$413.54
	6	\$480.40	\$402.67	\$13.29	\$77.73	\$2.57	\$496.25
2	1	\$88.24	\$70.97	\$2.34	\$17.27	\$0.57	\$91.15
	2	\$176.48	\$141.93	\$4.68	\$34.55	\$1.14	\$182.30
	3	\$264.73	\$212.91	\$7.03	\$51.82	\$1.71	\$273.47
	4	\$352.97	\$283.87	\$9.37	\$69.10	\$2.28	\$364.62
	5	\$441.21	\$354.84	\$11.71	\$86.37	\$2.85	\$455.77
	6	\$529.45	\$425.80	\$14.05	\$103.65	\$3.42	\$546.92
3	1	\$108.86	\$82.95	\$2.74	\$25.91	\$0.85	\$112.45
	2	\$217.72	\$165.90	\$5.47	\$51.82	\$1.71	\$224.90
	3	\$326.57	\$248.84	\$8.21	\$77.73	\$2.57	\$337.35
	4	\$435.42	\$331.77	\$10.95	\$103.65	\$3.42	\$449.79
	5	\$544.28	\$414.73	\$13.69	\$129.55	\$4.28	\$562.24
	6	\$653.13	\$497.66	\$16.42	\$155.47	\$5.13	\$674.68
4	1	\$122.38	\$87.83	\$2.90	\$34.55	\$1.14	\$126.42
	2	\$244.78	\$175.68	\$5.80	\$69.10	\$2.28	\$252.86
	3	\$367.16	\$263.51	\$8.70	\$103.65	\$3.42	\$379.28
	4	\$489.55	\$351.36	\$11.59	\$138.19	\$4.56	\$505.71
	5	\$611.93	\$439.19	\$14.49	\$172.74	\$5.70	\$632.12
	6	\$734.34	\$527.05	\$17.39	\$207.29	\$6.84	\$758.57
6	1	\$186.94	\$135.12	\$4.46	\$51.82	\$1.71	\$193.11
	2	\$331.50	\$227.85	\$7.52	\$103.65	\$3.42	\$342.44
	3	\$476.05	\$320.58	\$10.58	\$155.47	\$5.13	\$491.76
	4	\$620.61	\$413.32	\$13.64	\$207.29	\$6.84	\$641.09
	5	\$765.17	\$506.06	\$16.70	\$259.11	\$8.55	\$790.42
	6	\$909.74	\$598.80	\$19.76	\$310.94	\$10.26	\$939.76

C o m m e r c i a l B i n s

Roll-offs.

10 cubic yard	\$508.83	\$189.68	\$6.26	\$319.15	\$10.53	\$525.62
40 cubic yard	\$381.17	\$189.68	\$6.26	\$191.49	\$6.32	\$393.75
Regular Roll-off account	\$170.70	\$170.70	\$5.63			\$176.33 plus disposal

Temporary bin service

3 cubic yards	\$100.03	\$94.05	\$3.10	\$5.98	\$0.20	\$103.33 per load - for seven days
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Franchise Area 6

Rate Adjustment Schedule for 2007 (Exhibit E)

Tip Fee Increase 3.30%

CPI 3.30%

Area 6

Tip fee \$32.96

Residential Services

Non-Comprehensive Collection

	Current Total	Current Service	Adjustment to Service	Current Landfill	Adjustment to Landfill	Adjusted Total
Regular	\$18.18	\$13.93	\$0.46	\$4.26	\$0.14	\$18.78
Senior	\$16.49	\$12.23	\$0.40	\$4.26	\$0.14	\$17.03
Hard to Service	\$20.92	\$16.67	\$0.55	\$4.26	\$0.14	\$21.62
Green Waste	\$1.20	\$0.95	\$0.03	\$0.25		\$1.23
Other Residential Services						
Bulky Item Collection	\$18.29	\$18.29	\$0.60			\$18.89

Residential clean-up

(\$50.00 minimum per below)

Labor	\$30.49	\$30.49	\$1.01			\$31.49 per man /per hour
Equipment	\$79.26	\$79.26	\$2.62			\$81.88 per hour

Commercial Bins

(Both Comprehensive and Non-comprehensive)

bin size (cu. yd.) frequency

2	1	\$77.92	\$60.64	\$2.00	\$17.27	\$0.57	\$80.49
Each Additional Day		\$51.33	\$34.06	\$1.12	\$17.27	\$0.57	\$53.02
Each Additional Container		\$77.92	\$60.64	\$2.00	\$17.27	\$0.57	\$80.49
3	1	\$92.76	\$66.86	\$2.21	\$25.91	\$0.85	\$95.82
Each Additional Day		\$72.92	\$47.01	\$1.55	\$25.91	\$0.85	\$75.32
Each Additional Container		\$89.11	\$63.20	\$2.09	\$25.91	\$0.85	\$92.05
4	1	\$118.64	\$84.10	\$2.78	\$34.55	\$1.14	\$122.56
Each Additional Day		\$90.95	\$56.40	\$1.86	\$34.55	\$1.14	\$93.95
Each Additional Container		\$118.64	\$84.09	\$2.78	\$34.55	\$1.14	\$122.56

Roll-offs.

30 Cu. Yd	\$230.38	\$230.38	\$7.60	\$237.98	per pull plus disposal
40 Cu. Yd	\$263.24	\$263.24	\$8.69	\$271.93	per pull plus disposal
50 Cu. Yd	\$344.73	\$344.73	\$11.38	\$356.11	per pull plus disposal

Unscheduled Extra Bin Dumps

	\$47.29	\$41.31	\$1.36	\$5.98	\$0.20	\$48.85
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Temporary bin service

	\$58.06	\$52.18	\$1.72	\$5.88	\$0.19	\$59.97
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Franchise Area 7

Rate Adjustment Schedule for 2007 (Exhibit E)

Tip Fee Increase 3.30%

CPI 3.30%

Area 7

Tip fee \$32.96

Residential Services

Non- Comprehensive Collection

	Current Total	Current Service	Adjustment to Service	Current Landfill	Adjustment to Landfill	Adjusted Total
Regular	\$21.00	\$16.93	\$0.56	\$4.07	\$0.13	\$21.70
Senior	\$18.83	\$14.76	\$0.49	\$4.07	\$0.13	\$19.45
<i>Hard to Service - Recycling Area</i>						
Regular	\$22.60	\$18.53	\$0.61	\$4.07	\$0.13	\$23.35
Senior	\$20.23	\$16.16	\$0.53	\$4.07	\$0.13	\$20.90
<i>Hard to Service - Non- Recycling Area</i>						
Regular	\$20.62	\$16.55	\$0.55	\$4.07	\$0.13	\$21.30
Senior	\$18.57	\$14.50	\$0.48	\$4.07	\$0.13	\$19.18

Excess amount (can equivalents)

30 Gallon	\$1.77	\$1.77	\$0.06			\$1.82
60 Gallon	\$3.53	\$3.53	\$0.12			\$3.65
90 Gallon	\$5.29	\$5.29	\$0.17			\$5.46
Extra Cart	\$5.18	\$5.18	\$0.17			\$5.35
Green Waste	\$3.02	\$3.02	\$0.10			\$3.12

Wasted trip

Bulky Item Collection	\$5.00					\$5.00
Residential clean-up	\$18.72	\$18.72	\$0.62			\$19.33
	\$99.80	\$99.80	\$3.29			\$103.09 per hour

Area 7

CPI 3.30%

	Current Total	Current Service	Adjustment to Service	Current Landfill	Adjustment to Landfill	Adjusted Total
Tip fee \$32.96						
Comprehensive Collection						
Regular	\$19.53	\$15.46	\$0.51	\$4.07	\$0.13	\$20.18
Senior	\$17.48	\$13.41	\$0.44	\$4.07	\$0.13	\$18.06
<i>Hard to Service - Recycling Area</i>						
Regular	\$21.00	\$16.93	\$0.56	\$4.07	\$0.13	\$21.70
Senior	\$18.83	\$14.76	\$0.49	\$4.07	\$0.13	\$19.45
<i>Hard to Service - Non- Recycling Area</i>						
Regular	\$18.44	\$14.37	\$0.47	\$4.07	\$0.13	\$19.05
Senior	\$16.65	\$12.57	\$0.41	\$4.07	\$0.13	\$17.20
<i>Special Pick-up (other than regular day)</i>						
Regular	\$10.04	\$5.97	\$0.20	\$4.07	\$0.13	\$10.37
Hard to service	\$18.15	\$14.08	\$0.46	\$4.07	\$0.13	\$18.75

CPI 3.30%

Area 7

Tip fee \$32.96
bin size (cu. yd.) frequency

Commercial Services

	Current Total	Current Service	Adjustment to Service	Current Landfill	Adjustment to Landfill	Adjusted Total
1.5						
1	\$71.91	\$59.51	\$1.96	\$12.40	\$0.41	\$74.28
2	\$138.15	\$113.36	\$3.74	\$24.79	\$0.82	\$142.71
3	\$204.38	\$167.19	\$5.52	\$37.19	\$1.23	\$211.13
4	\$270.62	\$221.03	\$7.29	\$49.59	\$1.64	\$279.55
5	\$336.86	\$274.87	\$9.07	\$61.99	\$2.05	\$347.97
Additional Container	\$71.91	\$59.51	\$1.96	\$12.40	\$0.41	\$74.28
2						
1	\$86.53	\$70.00	\$2.31	\$16.53	\$0.55	\$89.38
2	\$162.59	\$129.53	\$4.27	\$33.06	\$1.09	\$167.96
3	\$238.67	\$189.08	\$6.24	\$49.59	\$1.64	\$246.54
4	\$314.74	\$248.62	\$8.20	\$66.12	\$2.18	\$325.13
5	\$390.81	\$308.16	\$10.17	\$82.65	\$2.73	\$403.71
Additional Container	\$86.53	\$70.00	\$2.31	\$16.53	\$0.55	\$89.38
3						
1	\$109.27	\$84.48	\$2.79	\$24.79	\$0.82	\$112.87
2	\$203.89	\$154.30	\$5.09	\$49.59	\$1.64	\$210.62
3	\$298.53	\$224.15	\$7.40	\$74.38	\$2.45	\$308.38
4	\$393.16	\$293.98	\$9.70	\$99.18	\$3.27	\$406.13
5	\$487.79	\$363.82	\$12.01	\$123.97	\$4.09	\$503.88
Additional Container	\$109.26	\$84.47	\$2.79	\$24.79	\$0.82	\$112.87

Additional Pick-ups

1.5	On Route	\$25.24	\$22.37	\$0.74	\$2.86	\$0.09	\$26.07
2	On Route	\$29.14	\$25.32	\$0.84	\$3.82	\$0.13	\$30.10
3	On Route	\$31.89	\$26.17	\$0.86	\$5.73	\$0.19	\$32.95
1.5	Special	\$37.01	\$34.15	\$1.13	\$2.86	\$0.09	\$38.24
2	Special	\$41.58	\$37.76	\$1.25	\$3.82	\$0.13	\$42.95
3	Special	\$41.73	\$36.00	\$1.19	\$5.73	\$0.19	\$43.10

Area 7

CPI 3.30%

Tip fee \$32.96

Commercial Bins - Hard to Service

	Current Total	Current Service	Adjustment to Service	Current Landfill	Adjustment to Landfill	Adjusted Total	
1.5	1	\$155.39	\$142.99	\$4.72	\$12.40	\$0.41	\$160.52
	2	\$312.50	\$287.71	\$9.49	\$24.79	\$0.82	\$322.81
	3	\$465.79	\$428.60	\$14.14	\$37.19	\$1.23	\$481.16
	4	\$619.08	\$569.49	\$18.79	\$49.59	\$1.64	\$639.51
	5	\$772.36	\$710.37	\$23.44	\$61.99	\$2.05	\$797.85
Additional Container		\$155.39	\$142.99	\$4.72	\$12.40	\$0.41	\$160.52
2	1	\$169.86	\$153.33	\$5.06	\$16.53	\$0.55	\$175.47
	2	\$336.49	\$303.43	\$10.01	\$33.06	\$1.09	\$347.59
	3	\$499.30	\$449.71	\$14.84	\$49.59	\$1.64	\$515.78
	4	\$662.12	\$596.00	\$19.67	\$66.12	\$2.18	\$683.97
	5	\$824.93	\$742.28	\$24.50	\$82.65	\$2.73	\$852.16
Additional Container		\$169.86	\$153.33	\$5.06	\$16.53	\$0.55	\$175.47
3	1	\$194.56	\$169.77	\$5.60	\$24.79	\$0.82	\$200.98
	2	\$380.46	\$330.87	\$10.92	\$49.59	\$1.64	\$393.02
	3	\$562.15	\$487.77	\$16.10	\$74.38	\$2.45	\$580.70
	4	\$743.82	\$644.64	\$21.27	\$99.18	\$3.27	\$768.37
	5	\$925.50	\$801.53	\$26.45	\$123.97	\$4.09	\$956.05
Additional Container		\$194.56	\$169.77	\$5.60	\$24.79	\$0.82	\$200.98

Area 7

CPI 3.30%

	Current Total	Current Service	Adjustment to Service	Current Landfill	Adjustment to Landfill	Adjusted Total	
Tip fee \$32.96							
Commercial Service - Compacted waste (Added to above bin rates)							
Compression							
2 : 1	\$2.14			\$2.14	\$0.07	\$2.21	Per monthly cu yard capacity
3 : 1	\$4.29			\$4.29	\$0.14	\$4.43	Per monthly cu yard capacity
Roll-offs.							
15	\$457.31	\$157.31	\$5.19	Deposit \$300.00		\$462.51	per pull plus disposal
30	\$372.55	\$192.55	\$6.35	\$180.00		\$378.91	per pull plus disposal
36	\$402.13	\$222.13	\$7.33	\$180.00		\$409.46	per pull plus disposal
Demurage	\$9.62	\$9.62	\$0.32			\$9.94	Each day over 7
Stand-by time	\$27.77	\$27.77	\$0.92			\$28.68	
Request to move	\$27.77	\$27.77	\$0.92			\$28.68	
Sorting Fee (remove trash from yard waste or metal roll-off)	\$27.77	\$27.77	\$0.92			\$28.68	first 1/2 hour
Temporary bin service	\$55.53	\$55.53	\$1.83			\$57.36	each add'l hour
3 Cu. Yd							
One week - one empty	\$53.48	\$47.49	\$1.57	\$5.99	\$0.20	\$55.25	bin exchange
Front Loader Pick-up, placed on route 1.5 cu. Yd (for concrete, sod, dirt etc)	\$132.42	\$106.50	\$3.51	\$25.92	\$0.86	\$136.79	
One week - one empty	\$52.92	\$52.92	\$1.75			\$54.67	
Each additional pick-up	\$52.92	\$52.92	\$1.75			\$54.67	
Steam-clean Bin	\$26.47	\$26.47	\$0.87			\$27.34	
Moving bin to different location	\$24.06	\$24.06	\$0.79			\$24.85	
Locking Lids	\$26.47	\$26.47	\$0.87			\$27.34	per month
Wasted trip (based on distance)	\$5.88	\$5.88	\$0.19			\$6.08	per wasted trip
	\$17.64	\$17.64	\$0.58			\$18.22	per wasted trip

Franchise Area 9

Rate Adjustment Schedule for 2007 (Exhibit E)

Tip Fee Increase 3.30%

CPI 3.30%

Area 9

Tip fee \$32.96

Residential Services

Non- Comprehensive Collection

Regular

Senior

Hard to Service - Non- Recycling Area

Regular

Senior

Disabled

Walk in service

Drive-in service

Exceeds rate (Over 3 cans or Bags)

Per 32 gallon can or equivalent in Bags

Bindled branches 2x4 - per bundle

Bulky Item Collection

Residential clean-up

Special Pick-up other then regular day

Regular

Hard to service

Wasted Trip

	Current Total	Current Service	Adjustment to Service	Current Landfill	Adjustment to Landfill	Adjusted Total
Regular	\$20.36	\$16.11	\$0.53	\$4.26	\$0.14	\$21.04
Senior	\$18.12	\$13.94	\$0.46	\$4.18	\$0.14	\$18.72
Regular	\$19.08	\$14.83	\$0.49	\$4.26	\$0.14	\$19.71
Senior	\$17.10	\$12.84	\$0.42	\$4.26	\$0.14	\$17.66
Disabled						
Walk in service	\$19.34	\$15.08	\$0.50	\$4.26	\$0.14	\$19.98
Drive-in service	\$20.62	\$16.36	\$0.54	\$4.26	\$0.14	\$21.30
Exceeds rate (Over 3 cans or Bags)	\$0.94	\$0.94	\$0.03			\$0.97
Per 32 gallon can or equivalent in Bags	\$0.62	\$0.62	\$0.02			\$0.64
Bindled branches 2x4 - per bundle	\$18.71	\$18.71	\$0.62			\$19.33
Bulky Item Collection	\$99.80	\$99.80	\$3.29			\$103.09 per hour
Residential clean-up						
Special Pick-up other then regular day	\$9.98	\$9.98	\$0.33			\$10.31
Regular	\$18.71	\$18.71	\$0.62			\$19.33
Hard to service	\$5.00	\$5.00				\$5.00
Wasted Trip						

Comprehensive Collection

Regular	\$17.16	\$12.91	\$0.43	\$4.26	\$0.14	\$17.73
Senior	\$15.49	\$11.24	\$0.37	\$4.26	\$0.14	\$16.01
<i>Hard to Service - Non- Recycling Area</i>						
Regular	\$17.80	\$13.55	\$0.45	\$4.26	\$0.14	\$18.39
Senior	\$15.88	\$11.62	\$0.38	\$4.26	\$0.14	\$16.40
Disabled	\$0.00					
Walk in service	\$18.76	\$14.51	\$0.48	\$4.26	\$0.14	\$19.38
Drive-in service	\$20.04	\$15.79	\$0.52	\$4.26	\$0.14	\$20.70

Commercial Services

bin size (cu. yd.)	frequency						
1.5	1	\$65.10	\$52.14	\$1.72	\$12.96	\$0.43	\$67.25
	2	\$130.20	\$104.29	\$3.44	\$25.91	\$0.85	\$134.49
	3	\$195.30	\$156.43	\$5.16	\$38.86	\$1.28	\$201.74
	4	\$260.40	\$208.57	\$6.88	\$51.82	\$1.71	\$268.99
	5	\$325.49	\$260.71	\$8.60	\$64.78	\$2.14	\$336.24
<i>Additional Container</i>							
3	1	\$100.35	\$74.44	\$2.46	\$25.91	\$0.85	\$103.66
	2	\$181.29	\$129.46	\$4.27	\$51.82	\$1.71	\$187.27
	3	\$262.22	\$184.50	\$6.09	\$77.73	\$2.57	\$270.88
	4	\$343.16	\$239.52	\$7.90	\$103.65	\$3.42	\$354.49
	5	\$424.10	\$294.55	\$9.72	\$129.55	\$4.28	\$438.10
<i>Additional Container</i>							
4	1	\$131.34	\$96.79	\$3.19	\$34.55	\$1.14	\$135.68
	2	\$234.50	\$165.40	\$5.46	\$69.10	\$2.28	\$242.24
	3	\$337.65	\$234.01	\$7.72	\$103.65	\$3.42	\$348.80
	4	\$440.81	\$302.62	\$9.99	\$138.19	\$4.56	\$455.36
	5	\$543.97	\$371.22	\$12.25	\$172.74	\$5.70	\$561.92
<i>Additional Container</i>							
		\$131.34	\$96.79	\$3.19	\$34.55	\$1.14	\$135.68

Additional Pick-ups

1.5 cu yd	On Route	\$25.44	\$22.45	\$0.74	\$2.99	\$0.10	\$26.28
3 cu yd	On Route	\$41.08	\$35.10	\$1.16	\$5.98	\$0.20	\$42.44
3 (compacted)	On Route	\$33.71	\$24.73	\$0.82	\$8.98	\$0.30	\$34.82
4 cu yd	On Route	\$33.81	\$21.84	\$0.72	\$11.97	\$0.39	\$34.93
1.5 cu yd	Special	\$36.69	\$21.73	\$0.72	\$14.96	\$0.49	\$37.90
3 cu yd	Special	\$41.89	\$38.90	\$1.28	\$2.99	\$0.10	\$43.28
3 (compacted)	Special	\$46.77	\$40.79	\$1.35	\$5.98	\$0.20	\$48.32
4 cu yd	Special	\$44.40	\$32.44	\$1.07	\$11.97	\$0.39	\$45.87

Commercial Service - Compacted waste

(Added to above bin rates)

Compression

2 :1	\$2.14
3 :1	\$4.29

\$2.21 Per monthly cu yard capacity
\$4.43 Per monthly cu yard capacity

Roll-offs.

15	\$457.31	\$157.31	\$5.19	Deposit	\$300.00	\$462.50	per pull plus disposal
30	\$509.90	\$209.90	\$6.93		\$300.00	\$516.83	per pull plus disposal
36	\$535.52	\$235.52	\$7.77		\$300.00	\$543.29	per pull plus disposal
Demurage	\$9.98	\$9.98	\$0.33			\$10.31	Each day over 7
Stand-by time	\$29.40	\$29.40	\$0.97			\$30.37	
Request to move	\$29.40	\$29.40	\$0.97			\$30.37	
Sorting Fee (remove trash from yard waste or metal roll-off)	\$29.40	\$29.40	\$0.97			\$30.37	first 1/2 hour
	\$58.79	\$58.79	\$1.94			\$60.74	each add'l hour

Temporary bin service

3 Cu. Yd

One week - one empty	\$53.04	\$50.05	\$1.65	\$2.99	\$0.10	\$54.79	Total 1 empty
Each additional pick-up	\$40.57	\$37.57	\$1.24	\$2.99	\$0.10	\$41.90	
Front Loader Pick-up, placed on route	\$152.52	\$126.62	\$4.18	\$25.91	\$0.85	\$157.56	
1.5 cu. Yd (for concrete, sod, dirt stc)							
One week - one empty	\$53.64	\$53.64	\$1.77			\$55.41	
Each additional pick-up	\$49.90	\$49.90	\$1.65			\$51.54	
Steam-clean Bin	\$27.44	\$27.44	\$0.91			\$28.35	
Moving bin to different location	\$24.95	\$24.95	\$0.82			\$25.77	
Locking Lids	\$27.44	\$27.44	\$0.91			\$28.35	per month
Wasted trip	\$6.10	\$6.10	\$0.20			\$6.30	per wasted trip

Franchise Area 13

**Rate Adjustment Schedule for 2007
(Exhibit E)**

Tip Fee Increase 3.30%

CPI 3.30%

Area 13

	Current Total	Current Service	Adjustment to Service	Current Landfill	Adjustment to Landfill	Adjusted Total
Residential Services						
Tip fee	\$32.96					
Regular	\$29.69	\$25.28	\$0.83	\$4.41	\$0.15	\$30.67
Senior	\$26.96	\$22.55	\$0.74	\$4.41	\$0.15	\$27.85
Hard to Service						
Regular	\$31.59	\$27.18	\$0.90	\$4.41	\$0.15	\$32.63
Senior	\$29.11	\$24.70	\$0.81	\$4.41	\$0.15	\$30.07
Comprehensive Services						
Regular	\$28.06	\$23.65	\$0.78	\$4.41	\$0.15	\$28.99
Senior	\$25.72	\$21.31	\$0.70	\$4.41	\$0.15	\$26.57
Hard to Service						
Regular	\$30.22	\$25.81	\$0.85	\$4.41	\$0.15	\$31.22
Senior	\$27.87	\$23.46	\$0.77	\$4.41	\$0.15	\$28.79
Desert Center (See below)						
Regular	\$17.34	\$12.93	\$0.30	\$4.41	\$0.15	\$17.78
Ripley/ Mesa Comprehensive						
Regular	\$19.79	\$15.38	\$0.51	\$4.41	\$0.15	\$20.44

Note: All residential Rates for the Desert Center area are established by separate agreement with the County in the document entitled Agreement for Remote Area Residential Allowance - Desert Center, Executed on **April 10, 2001**.

Deposit per Cart	\$11.70	\$11.70	\$0.27			\$11.97
Additional cart (per month)	\$4.16	\$4.16	\$0.10			\$4.26
Desert Center Add'l Cart	\$3.79	\$3.79	\$0.09			\$3.88

Commercial Services: Blythe

bin size (cu. yd.) frequency

1.5	1	\$62.71	\$49.75	\$1.64	\$12.96	\$0.43	\$64.78
	2	\$113.55	\$87.64	\$2.89	\$25.91	\$0.85	\$117.30
	3	\$164.38	\$125.52	\$4.14	\$38.86	\$1.28	\$169.80
	4	\$215.23	\$163.41	\$5.39	\$51.82	\$1.71	\$222.33
	5	\$266.07	\$201.29	\$6.64	\$64.78	\$2.14	\$274.85
2	1	\$83.61	\$66.34	\$2.19	\$17.27	\$0.57	\$86.37
	2	\$137.50	\$102.95	\$3.40	\$34.55	\$1.14	\$142.04
	3	\$192.67	\$140.85	\$4.65	\$51.82	\$1.71	\$199.03
	4	\$247.83	\$178.73	\$5.90	\$69.10	\$2.28	\$256.01
	5	\$303.00	\$216.63	\$7.15	\$86.37	\$2.85	\$313.00
3	1	\$106.13	\$80.22	\$2.65	\$25.91	\$0.85	\$109.63
	2	\$177.50	\$125.68	\$4.15	\$51.82	\$1.71	\$183.36
	3	\$248.89	\$171.16	\$5.65	\$77.73	\$2.57	\$257.10
	4	\$306.39	\$202.74	\$6.69	\$103.65	\$3.42	\$316.50
	5	\$389.13	\$259.58	\$8.57	\$129.55	\$4.28	\$401.97
4	1	\$136.55	\$102.00	\$3.37	\$34.55	\$1.14	\$141.06
	2	\$231.73	\$162.63	\$5.37	\$69.10	\$2.28	\$239.38
	3	\$326.91	\$223.26	\$7.37	\$103.65	\$3.42	\$337.70
	4	\$422.09	\$283.90	\$9.37	\$138.19	\$4.56	\$436.02
	5	\$517.26	\$344.52	\$11.37	\$172.74	\$5.70	\$534.33

Rate Adjustment Schedule for 2007
(Exhibit E)

Commercial Services Ripley

bin size (cu. yd.)	frequency	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5	1	2	3	4	5														
1.5	1	\$65.33	\$52.37	\$1.73	\$12.96	\$0.43	\$67.49	2	\$113.94	\$88.03	\$2.91	\$25.91	\$0.85	\$117.70	3	\$162.24	\$123.38	\$4.07	\$38.86	\$1.28	\$167.59	4	\$210.56	\$158.74	\$5.24	\$51.82	\$1.71	\$217.51	5	\$258.89	\$194.11	\$6.41	\$64.78	\$2.14	\$267.43
	1	\$85.60	\$68.33	\$2.25	\$17.27	\$0.57	\$88.42	2	\$136.96	\$102.41	\$3.38	\$34.55	\$1.14	\$141.48	3	\$188.34	\$136.52	\$4.51	\$51.82	\$1.71	\$194.56	4	\$239.71	\$170.61	\$5.63	\$69.10	\$2.28	\$247.62	5	\$291.09	\$204.72	\$6.76	\$86.37	\$2.85	\$300.70
	1	\$117.97	\$92.06	\$3.04	\$25.91	\$0.85	\$121.86	2	\$197.56	\$145.74	\$4.81	\$51.82	\$1.71	\$204.08	3	\$270.20	\$192.47	\$6.35	\$77.73	\$2.57	\$279.12	4	\$330.22	\$226.57	\$7.48	\$103.65	\$3.42	\$341.12	5	\$389.61	\$260.06	\$8.58	\$129.55	\$4.28	\$402.47
	1	\$140.28	\$105.73	\$3.49	\$34.55	\$1.14	\$144.91	2	\$218.42	\$149.32	\$4.93	\$69.10	\$2.28	\$225.63	3	\$296.55	\$192.90	\$6.37	\$103.65	\$3.42	\$306.34	4	\$374.69	\$236.50	\$7.80	\$138.19	\$4.56	\$387.05	5	\$452.82	\$280.08	\$9.24	\$172.74	\$5.70	\$467.76
	1	\$173.46	\$121.64	\$4.01	\$51.82	\$1.71	\$179.18	2	\$265.09	\$161.44	\$5.33	\$103.65	\$3.42	\$273.84	3	\$356.72	\$201.25	\$6.64	\$155.47	\$5.13	\$368.49	4	\$448.36	\$241.07	\$7.96	\$207.29	\$6.84	\$463.16	5	\$540.00	\$280.89	\$9.27	\$259.11	\$8.55	\$557.82
2	1	\$85.60	\$68.33	\$2.25	\$17.27	\$0.57	\$88.42	2	\$136.96	\$102.41	\$3.38	\$34.55	\$1.14	\$141.48	3	\$188.34	\$136.52	\$4.51	\$51.82	\$1.71	\$194.56	4	\$239.71	\$170.61	\$5.63	\$69.10	\$2.28	\$247.62	5	\$291.09	\$204.72	\$6.76	\$86.37	\$2.85	\$300.70
	1	\$117.97	\$92.06	\$3.04	\$25.91	\$0.85	\$121.86	2	\$197.56	\$145.74	\$4.81	\$51.82	\$1.71	\$204.08	3	\$270.20	\$192.47	\$6.35	\$77.73	\$2.57	\$279.12	4	\$330.22	\$226.57	\$7.48	\$103.65	\$3.42	\$341.12	5	\$389.61	\$260.06	\$8.58	\$129.55	\$4.28	\$402.47
	1	\$140.28	\$105.73	\$3.49	\$34.55	\$1.14	\$144.91	2	\$218.42	\$149.32	\$4.93	\$69.10	\$2.28	\$225.63	3	\$296.55	\$192.90	\$6.37	\$103.65	\$3.42	\$306.34	4	\$374.69	\$236.50	\$7.80	\$138.19	\$4.56	\$387.05	5	\$452.82	\$280.08	\$9.24	\$172.74	\$5.70	\$467.76
	1	\$173.46	\$121.64	\$4.01	\$51.82	\$1.71	\$179.18	2	\$265.09	\$161.44	\$5.33	\$103.65	\$3.42	\$273.84	3	\$356.72	\$201.25	\$6.64	\$155.47	\$5.13	\$368.49	4	\$448.36	\$241.07	\$7.96	\$207.29	\$6.84	\$463.16	5	\$540.00	\$280.89	\$9.27	\$259.11	\$8.55	\$557.82
	1	\$85.60	\$68.33	\$2.25	\$17.27	\$0.57	\$88.42	2	\$136.96	\$102.41	\$3.38	\$34.55	\$1.14	\$141.48	3	\$188.34	\$136.52	\$4.51	\$51.82	\$1.71	\$194.56	4	\$239.71	\$170.61	\$5.63	\$69.10	\$2.28	\$247.62	5	\$291.09	\$204.72	\$6.76	\$86.37	\$2.85	\$300.70
3	1	\$117.97	\$92.06	\$3.04	\$25.91	\$0.85	\$121.86	2	\$197.56	\$145.74	\$4.81	\$51.82	\$1.71	\$204.08	3	\$270.20	\$192.47	\$6.35	\$77.73	\$2.57	\$279.12	4	\$330.22	\$226.57	\$7.48	\$103.65	\$3.42	\$341.12	5	\$389.61	\$260.06	\$8.58	\$129.55	\$4.28	\$402.47
	1	\$140.28	\$105.73	\$3.49	\$34.55	\$1.14	\$144.91	2	\$218.42	\$149.32	\$4.93	\$69.10	\$2.28	\$225.63	3	\$296.55	\$192.90	\$6.37	\$103.65	\$3.42	\$306.34	4	\$374.69	\$236.50	\$7.80	\$138.19	\$4.56	\$387.05	5	\$452.82	\$280.08	\$9.24	\$172.74	\$5.70	\$467.76
	1	\$173.46	\$121.64	\$4.01	\$51.82	\$1.71	\$179.18	2	\$265.09	\$161.44	\$5.33	\$103.65	\$3.42	\$273.84	3	\$356.72	\$201.25	\$6.64	\$155.47	\$5.13	\$368.49	4	\$448.36	\$241.07	\$7.96	\$207.29	\$6.84	\$463.16	5	\$540.00	\$280.89	\$9.27	\$259.11	\$8.55	\$557.82
	1	\$85.60	\$68.33	\$2.25	\$17.27	\$0.57	\$88.42	2	\$136.96	\$102.41	\$3.38	\$34.55	\$1.14	\$141.48	3	\$188.34	\$136.52	\$4.51	\$51.82	\$1.71	\$194.56	4	\$239.71	\$170.61	\$5.63	\$69.10	\$2.28	\$247.62	5	\$291.09	\$204.72	\$6.76	\$86.37	\$2.85	\$300.70
	1	\$117.97	\$92.06	\$3.04	\$25.91	\$0.85	\$121.86	2	\$197.56	\$145.74	\$4.81	\$51.82	\$1.71	\$204.08	3	\$270.20	\$192.47	\$6.35	\$77.73	\$2.57	\$279.12	4	\$330.22	\$226.57	\$7.48	\$103.65	\$3.42	\$341.12	5	\$389.61	\$260.06	\$8.58	\$129.55	\$4.28	\$402.47
4	1	\$140.28	\$105.73	\$3.49	\$34.55	\$1.14	\$144.91	2	\$218.42	\$149.32	\$4.93	\$69.10	\$2.28	\$225.63	3	\$296.55	\$192.90	\$6.37	\$103.65	\$3.42	\$306.34	4	\$374.69	\$236.50	\$7.80	\$138.19	\$4.56	\$387.05	5	\$452.82	\$280.08	\$9.24	\$172.74	\$5.70	\$467.76
	1	\$173.46	\$121.64	\$4.01	\$51.82	\$1.71	\$179.18	2	\$265.09	\$161.44	\$5.33	\$103.65	\$3.42	\$273.84	3	\$356.72	\$201.25	\$6.64	\$155.47	\$5.13	\$368.49	4	\$448.36	\$241.07	\$7.96	\$207.29	\$6.84	\$463.16	5	\$540.00	\$280.89	\$9.27	\$259.11	\$8.55	\$557.82
	1	\$85.60	\$68.33	\$2.25	\$17.27	\$0.57	\$88.42	2	\$136.96	\$102.41	\$3.38	\$34.55	\$1.14	\$141.48	3	\$188.34	\$136.52	\$4.51	\$51.82	\$1.71	\$194.56	4	\$239.71	\$170.61	\$5.63	\$69.10	\$2.28	\$247.62	5	\$291.09	\$204.72	\$6.76	\$86.37	\$2.85	\$300.70
	1	\$117.97	\$92.06	\$3.04	\$25.91	\$0.85	\$121.86	2	\$197.56	\$145.74	\$4.81	\$51.82	\$1.71	\$204.08	3	\$270.20	\$192.47	\$6.35	\$77.73	\$2.57	\$279.12	4	\$330.22	\$226.57	\$7.48	\$103.65	\$3.42	\$341.12	5	\$389.61	\$260.06	\$8.58	\$129.55	\$4.28	\$402.47
	1	\$140.28	\$105.73	\$3.49	\$34.55	\$1.14	\$144.91	2	\$218.42	\$149.32	\$4.93	\$69.10	\$2.28	\$225.63	3	\$296.55	\$192.90	\$6.37	\$103.65	\$3.42	\$306.34	4	\$374.69	\$236.50	\$7.80	\$138.19	\$4.56	\$387.05	5	\$452.82	\$280.08	\$9.24	\$172.74	\$5.70	\$467.76
6	1	\$173.46	\$121.64	\$4.01	\$51.82	\$1.71	\$179.18	2	\$265.09	\$161.44	\$5.33	\$103.65	\$3.42	\$273.84	3	\$356.72	\$201.25	\$6.64	\$155.47	\$5.13	\$368.49	4	\$448.36	\$241.07	\$7.96	\$207.29	\$6.84	\$463.16	5	\$540.00	\$280.89	\$9.27	\$259.11	\$8.55	\$557.82

Desert Center: Regular (see note below)

bin size (cu. yd.)	frequency								
1.5	1	\$62.71	\$49.75	\$1.64	\$12.96	\$0.43	\$64.78		
2	1	\$83.61	\$66.34	\$2.19	\$17.27	\$0.57	\$86.37		
3	1	\$106.13	\$80.22	\$2.65	\$25.91	\$0.85	\$109.63		
4	1	\$136.55	\$102.00	\$3.37	\$34.55	\$1.14	\$141.06		

Note: All commercial Rates for the Desert Center area (regular) shall match the Blythe Area rates including annual adjustments after July 1 2002. These rates shall be subject to renegotiation if the Eagle Mountain Landfill begins operations.

Desert Center: State Agencies

bin size (cu. yd.)	frequency								
3	1	\$176.61	\$150.70	\$4.97	\$25.91	\$0.85	\$182.44		
4	1	\$208.72	\$174.17	\$5.75	\$34.55	\$1.14	\$215.61		
Comprehensive									
3	1	\$170.41	\$144.50	\$4.77	\$25.91	\$0.85	\$176.03		
4	1	\$201.77	\$167.22	\$5.52	\$34.55	\$1.14	\$208.43		

Commercial Bin	Delivery	\$12.47	\$12.47	\$0.41					\$12.88
Roll Off Service	Delivery	\$98.54	\$98.54	\$3.25					\$101.79
	10 yd	\$329.32	\$329.32	\$10.87					\$340.19 Plus landfill
	30 yd	\$329.32	\$329.32	\$10.87					\$340.19 Plus landfill
	40 yd	\$329.32	\$329.32	\$10.87					\$340.19 Plus landfill

**COUNTY OF RIVERSIDE COMMUNITY HEALTH AGENCY
DEPARTMENT OF ENVIRONMENTAL HEALTH**

Exhibit 1
Page 1

REFUSE RATE ADJUSTMENT METHODOLOGY

FOR REFUSE COLLECTION IN THE UNINCORPORATED AREAS OF RIVERSIDE COUNTY AS APPROVED BY THE BOARD OF SUPERVISORS AND TO BE USED TO CALCULATE NEW RATES ASSOCIATED WITH FRANCHISES

**SECTION 1. (FROM EXHIBIT F: RATE ADJUSTMENT MECHANISM FROM CONTRACTS)
All Rate adjustments must receive approval by the Board of Supervisors following public hearings.**

1. ANNUAL RATE ADJUSTMENT

The Schedule of Approved Rates provided in **Exhibit E (of contract)** shall be adjusted annually following public hearings and according to the following methodology. The rate shall be adjusted annually each July 1st with the first such adjustment occurring July 1, 1999 (July 1, 1998 for Franchises awarded in 1997). Said adjustment shall be no greater than the change in the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles/Anaheim/Riverside Metropolitan Area, (1982 - 84 = 100), as published by the United States Department of Labor, Bureau of Labor Statistics. For those residential curbside accounts for which a reduce rate is provided pursuant to Exhibit E of this Franchise Agreement the above adjustment factor may be increased by an additional three percentage points until such time as those rates have equaled the regular curbside residential rates for each type of service. Said change shall be measured for the twelve (12) month period January through December **[note: this period is March through February for those contracts awarded in 1997]**. In calculating the rate changes, the change in the CPI shall not be applied to the portions of the rate attributable to pass through items, including but not limited to disposal fees, Green Waste diversion tip fees, Franchise Fees, Illegal Dumping Retrieval Fees, and other local, state, and federal fees. County direction of the Franchisee to use a different System Facility for more than seven (7) consecutive days but no more than thirty (30) consecutive days at a time that involves a change in round trip time or distance will also be considered at the time of the annual rate adjustments. Any adjustments made in this latter instance will only impact the rate for a one-year period in order to recover any additional costs incurred by Franchisee during the previous year. Any adjustments made in this latter instance will only pass through items shall be adjusted based upon the actual expenses or costs related to that item; revisions to the disposal fee portion of the rate shall be based on disposal costs and the appropriate tonnage amounts as determined through the disposal tonnage tracking requirements.

2. PERIODIC RATE ADJUSTMENT MECHANISM

The Department reserves the right to review the Franchisee's rates every three years from the effective date of this Agreement if the Franchisee's rates exceed the then average rates for comparable services in comparable jurisdictions, as determined by the Department in its reasonable discretion. In the event that the Department makes such a determination the Franchisee's rates may be adjusted to any level at or above the average rates in the comparable jurisdictions.

3. EXTRAORDINARY RATE REVIEW

A. The Director or Franchisee may initiate a special rate review by the Department should an extraordinary event or circumstance arise which has a significant impact on the economic operation of the Franchisee or the rates charged to customer as follows:

1. An event or circumstance (including changes in law) occurs which is beyond the control of Franchisee or County.
2. Changes to operations mandated by the County or proposed by Franchisee and approved by the County.
3. Any change in disposal/Green Waste tip fees.
4. The County directs Franchisee to use a different System Facility for more than thirty (30) days that involves a change in round trip time or distance.
5. The County modifies the franchise fee.
6. Significant changes in the level of delinquent accounts in Comprehensive Collection Areas.
7. Significant increases in the number of customer accounts due to development or growth.
8. Other circumstances at the discretion of the Director or the Board of Supervisors.

B. Should Franchisee request a special rate review only those costs related to the circumstance(s) which warrant consideration of a special rate review, as specified above, will be reviewed and considered.

C. Franchisee must submit its request for a special review of service rates, and all appropriate cost and operational information at least three months prior to the proposed effective date of any rate adjustment.

SECTION 2. APPLICATION OF METHODOLOGY

IMPLEMENTATION

The Franchise Contracts awarded by Riverside County established rates in each franchise area for each service provided. The following process is conducted to derive the appropriate adjustment factors within adequate time to incorporate the revised rates into the rate schedules when an adjustment is required.

Each rate, both residential and commercial, is broken down into a LANDFILL GATE FEE COMPONENT and a SERVICE COMPONENT. The Landfill Gate Fee Component is a pass through cost for the amount the franchisee is assessed at the landfill for the refuse disposed, and varies in direct proportion to any adjustment to the landfill gate fees. The Service Component represents the balance of the published rate after the tipping is removed; this figure represents the amount of the rate charged which is available to pay for all other costs experienced by the franchisee (such as payroll, vehicle maintenance, fuel, insurance, overhead, etc.), plus profits.

THE LANDFILL GATE FEE COMPONENT

The Landfill Gate Fee Component is modified to reflect any changes in the county gate fees charged at the landfill sites. The Landfill Gate Fee Component is based on the annual tonnage for the type of service specified multiplied by the "per ton" cost at the landfill and divided by 12 to give a monthly amount. (For commercial services, tonnage is based on the size of the container and the frequency of collection. For residential services it is based on averages specific for each franchise area, as determined by previous rate studies.)

For the initial contract amounts, certain values used for rate regulation under the previously used permit system were applied. For **residential accounts**, the average annual waste generation per customer was based on the analysis conducted by Price Waterhouse in 1990, which ranged from a low of .95 tons per household per year to a high of 2.4 tons per household per year, depending on franchise area. For **commercial (bin) accounts**, a conversion of 16 cubic yards of uncompacted waste = 1 ton was used. Under the exclusivity of the franchise system now in place these assumptions will be refined to more accurately reflect the specific area, based on data from both the franchisee and the Department of Waste Management

THE SERVICE COMPONENT

The Service Component is adjusted by the Consumer Price Index for All Urban Consumers (CPI-U) for the Los Angeles/Anahcim/Riverside Metropolitan Area, (1982 - 84 = 100). Franchise contracts awarded in 1997 use the February value, while those contracts awarded in 1998 use the December value. For those rates reduced below the initial contract rate due to rate guarantees provided by the franchise, an additional 3% increase to the service portion will be applied until those rates match the initial contract rate.

NEW RATES

Once the above processes are completed, the adjusted Landfill Gate Fee Component, and Service Component are recombined to obtain the adjusted rate. Any additional fees authorized for inclusion in the rates would also be added at this point.