

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

431



FROM: Waste Management Department
Department of Environmental Health

SUBMITTAL DATE:
March 14, 2008

SUBJECT: Fifth Amendment to Area 8 Franchise Collection Agreement

RECOMMENDED MOTION: Approve the Fifth Amendment to the Area 8 Franchise Collection Agreement with Waste Management of the Inland Empire (WMIE), and authorize the Chairman to execute it on behalf of the Board.

BACKGROUND: The Fifth Amendment of the Area 8 Franchise Collection Agreement changes the payment timing and procedures for disbursements to the provider of the Residential Basic Level Service within Franchise Area 8.

Residential customers in Franchise Area 8 take their solid waste to one of three transfer stations within the designated franchise area. Because the transfer stations are unscaled sites, WMIE, the operator of the three sites, is paid for the Residential Basic Level Service from certain parcel fees collected through the property tax bill process for that express purpose, in accordance with Ordinance No. 769. The Waste Management Department acts on behalf of the County to disburse these parcel fee collections to WMIE. The Department of Environmental Health administers the Area 8 Collection Agreement. (Continued)

FORM APPROVED COUNTY COUNSEL
BY: [Signature] 3/14/08
DATE: _____
JIMMY H. RA

[Signature]
Gary Rod, Director
Department of Environmental Health

[Signature]
Hans W. Kernkamp, General Manager-Chief Engineer
Waste Management Department

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	NA
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	NA
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2007/2008

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 BY: [Signature]
Alex Gann

- Consent
- Policy
- Consent
- Policy

Dep't Recomm.:
Per Exec. Ofc.:

Prev. Agn. Ref.: _____ District: 3 Agenda Number: _____

ATTACHMENTS FILED
WITH THE CLERK OF THE BOARD

12.1

BACKGROUND: (Continued)

The current agreement requires the County to reimburse WMIE 25% of the annual parcel fees billed quarterly upon receipt of an invoice for services rendered. The invoicing process is slow and does not add value to the information gathered. In addition, the parcel fees are not collected ratably throughout the quarters, but rather in bulk corresponding with the semi-annual payment of property taxes, leaving the fund either short of expected monies or with money left over.

The proposed amendment establishes four reimbursement dates per year, which will correspond with the County's systematic review of the funds available from parcel fee collections. These reimbursement dates, on which the funds will be disbursed to WMIE, will be October 31st, January 31st, April 30th, and June 30th. The funds available to be disbursed shall include the basic parcel fee as well as any penalties or interest collected due to late payment of prior year assessments and collected for that express purpose, per Ordinance No. 769. Disbursement shall not include interest income accruing to any daily cash balance in the County's Fund 23000 where these funds are maintained until disbursed.

The amendment is expected to facilitate timely and organized disbursement of the monies. This will help WMIE in their operations as well as normalize the County's disbursement procedure.