

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

335



**FROM:** Community Health Agency/Department of Environmental Health

**SUBMITTAL DATE:**  
May 20, 2008

**SUBJECT:** Annual Rate Adjustment to 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 adopt Resolution No. 2008-240 Establishing Waste Hauler Fees for All Franchise Areas.

**BACKGROUND:**

Waste Collection Franchise Agreements covering all unincorporated portions of Riverside County were phased in between 1997 and 1999. 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.

(continued)

\_\_\_\_\_  
Gary Root, Director

<b>FINANCIAL DATA</b>	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:	08/09

<b>SOURCE OF FUNDS:</b>	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

Prev. Agn. Ref, 7/17/2007

District: all

Agenda Number: 15.1

**3.11**

FORM APPROVED COUNTY COUNSEL  
 DATE 5/16/08  
 BY: JIMMY H. RA...  
 JERRY D. WOOD 5/19/08  
 Departmental Concurrence  
 BY: JERRY D. WOOD  
 ROBERT E. BYRD, AUDITOR-CONTROLLER  
 FISCAL PROCEDURES AFFIDAVIT

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 proposed rates implement the adjustment methodology using a CPI of 4.2% for the twelve (12) month period December 2006 through December 2007. Some of the haulers have requested an additional rate increase to pay for higher fuel costs and some new services have been added.

### **PROPOSED ADJUSTMENT DETAILS**

1. Rates for each Franchise Area have been increased by 4.2% which is the CPI as described above.
2. Franchise Areas 1, 3, 4, & 8, serviced by Waste Management of the Inland Empire, has requested a Fuel Surcharge of 0.8% due to higher fuel costs.
3. Franchise Areas 5, 6, 7 & 9, serviced by CR & R Waste & Recycling Services (CR & R), has requested a Fuel Surcharge of 3.4% due to higher fuel costs. This is the first fuel surcharge that CR & R has requested.
4. Franchise Area 5, serviced by CR & R, Hard to Service rate has been increased by \$5.76 due to heavier weight of waste being disposed in the remote rural area as compared to other service areas.
5. Franchise Area 5, serviced by CR & R, proposes to provide a new service for the collection of manure. The charges are as follows: \$119.00 per 2 yd<sup>3</sup> bin, with a charge of \$114.00 for extra pickups, \$149.00 per 3 yd<sup>3</sup> bin with a charge of \$144.00 for extra pickups.

The Department of Environmental Health has reviewed these proposed rate increases and has determined that the rates are reasonable based on discussions with the Bureau of Labor Statistics (responsible for setting the CPI) and the waste hauling companies.

### **SUMMARY**

The basic residential rate in the Franchise Areas will approximately increase from between \$0.61 and \$1.50.

The detailed rate sheets will be provided to the Clerk of the Board upon completion of the final calculations before July 31, 2008.

### **FISCAL**

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

2 **RESOLUTION NO. 2008-240**

3 **A RESOLUTION OF THE COUNTY OF RIVERSIDE ESTABLISHING WASTE HAULER**

4 **FEES FOR ALL FRANCHISE AREAS**

5  
6 WHEREAS, California Government Code section 25827 authorizes the Board of Supervisors to  
7 prescribe terms and conditions for the collection of solid waste in the unincorporated areas of Riverside  
8 County; and

9 WHEREAS, California Public Resources Code section 40059 authorizes the County of Riverside  
10 to determine all aspects of solid waste handling which are of local concern, including whether the services  
11 are to be provided by nonexclusive franchise, and the charges and fees for such service; and

12 WHEREAS, Riverside County Ordinance 745 has established that a solid waste hauler, duly  
13 permitted or franchised by the County of Riverside pursuant to the provisions of Riverside County  
14 Ordinance No. 657, shall be entitled to payment for services rendered in the amounts as specified in a  
15 Resolution adopted by the Board of Supervisors; and

16 WHEREAS, the Board of Supervisors recognizes the benefits of entering into Waste Hauler  
17 Franchise Agreements for the efficiency of solid waste management; and

18 WHEREAS, the County of Riverside has entered into Waste Hauler Franchise Agreements with 5  
19 waste haulers to cover Franchise Areas 1 through 13; and

20 WHEREAS, each Waste Collection Franchise Agreement covering Franchise Areas 1 through 13,  
21 contains a provision for an annual adjustment of the rates customers are charged based on the consumer  
22 price index ("CPI"); and

23 Whereas additional reasonable charges have been requested by the waste hauler for Franchise  
24 Areas 1, 3, 4 and 8 as follows: additional 0.8% increase to the service component to cover the added cost  
25 of diesel fuel and \$0.88 for an "extra" container to Waste Management of the Inland Empire; and

26 Whereas additional reasonable charges have been requested by the waste hauler for Franchise  
27 Area 5, 6, 7 and 9 as follows: a 3.4% increase to the service component to cover the added cost of diesel  
28 fuel; for Franchise Area 5, a \$5.76 increase to the "hard to service" charge to cover increased weight of

1 disposed waste, and a new service and charge for the collection of manure with the following charges:  
2 \$119.00 per 2 yd<sup>3</sup> bin, with a charge of \$114.00 for extra pickups, \$149.00 per 3 yd<sup>3</sup> bin with a charge of  
3 \$144.00 for extra pickups for CR& R Waste & Recycling Services.

4 WHEREAS, the Board of Supervisors acknowledges the need for the CPI increase of the hauler  
5 fees to meet the needs of cost of living increase, and added costs of providing these new services;

6 BE IT RESOLVED AND ORDERED that the Board of Supervisors of the County of Riverside,  
7 State of California, in regular session assembled on \_\_\_\_\_, find that the waste hauler fees in  
8 Franchise Areas 1-13 shall receive an increase, based on the CPI, of 4.2% per service area for fiscal year  
9 2008-2009; and an additional 0.8% increase to the service component to cover the added cost of diesel  
10 fuel and \$0.88 to the charges for an "extra" container to Waste Management of the Inland Empire  
11 covering Franchise Areas 1, 3, 4 and 8; and a 3.4% increase to the service component to cover the added  
12 cost of diesel fuel for CR &R Waste & Recycling Services in Franchise Areas 5, 6, 7, and 9; increase the  
13 "hard to service" charge by \$5.76, and provide a new service and charge for the collection of manure with  
14 the charges of \$119.00 per 2 yd<sup>3</sup> bin, with a charge of \$114.00 for extra pickups, and \$149.00 per 3 yd<sup>3</sup>  
15 bin with a charge of \$144.00 for extra pickups, for CR& R Waste & Recycling Services in Franchise  
16 Area 5.

17 BE IT FURTHER RESOLVED AND ORDERED that a copy of the increased waste rates  
18 specifying the new rate for each service area pursuant to this Resolution be received and filed to the Clerk  
19 of the Board of Supervisors no later than July 31, 2008.

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26 FORM APPROVED COUNTY COUNSEL  
27 BY: JINNY H. RA 5/6/08  
DATE