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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:
March 22, 2011

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

RECOMMENDED MOTION: That the Board of Supervisors:

- 1) Introduce and set for public hearing the adoption of Resolution No. 2011- 051 Adjusting Waste Hauler Fees for All Franchise Areas;
- 2) Authorize the Clerk of the Board to place an advertisement for the public hearing in the appropriate local publications; and
- 3) Upon the close of the Public Hearing, adopt Resolution No. 2011-051 Adjusting 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.

(continued)

Steve Van Stockum
Steve Van Stockum, Director

SVS:JW

FINANCIAL DATA	Current F.Y. Total Cost:	N/A	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	11/12

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

C.E.O. RECOMMENDATION:

APPROVE

Debra Cournoyer
BY: Debra Cournoyer

County Executive Office Signature

FORM APPROVED COUNTY COUNSEL
BY: JIMMY R. YANG 3/22/11
DATE

FISCAL PROCEDURES APPROVED
PAUL ANGULO, CPA, AUDITOR-CONTROLLER
BY: *Russell S. Dominiski*
RUSSELL S. DOMINSKI 3-22-11 Departmental Concurrence

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

BACKGROUND (continued):

The adjustment allows a "pass through" for any changes to landfills including the Alternative Daily Cover (ADC) surcharge or transfer station fees, and a cost of living increase, based on Consumer Price Index for All Urban Consumers (CPI), for the balance of the rate. All non-disposal costs are adjusted by the CPI 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 1.3% for the twelve (12) month period January 2010 through December 2010.

PROPOSED ADJUSTMENT DETAILS

The proposed rate adjustments are as follows:

1. A 1.3% increase for all Franchise Areas (1-13), based on the CPI, as described above;
2. A new rate in the amount of \$25.00 for Franchise Areas 5, 6, 7 and 9 (within portions of the Board of Supervisors' Districts 1, 3 and 5, serviced by CR&R) for the setup of new residential, commercial and rolloff accounts. These services were provided for no charge in the past, provided at a rate that did not cover the cost, or is a new service. The \$25.00 amount would cover the costs of the provided service, including the account's initial setup, the initiation of billing, customer service, and the placement of containers.

SUMMARY

The approval of the proposed 1.3% increase would raise the typical residential rate in the Franchise Areas approximately \$0.01 to \$0.02 per month.

The new charge for the services described above would be assessed when the services are requested by the customer and would not result in an increase for the typical customer.

The detailed rate sheets will be provided to the Clerk of the Board upon completion of the final calculations no later than July 15, 2011.

FISCAL

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

2 **RESOLUTION NO. 2011-051**

3 **A RESOLUTION OF THE COUNTY OF RIVERSIDE ADJUSTING**

4 **WASTE HAULER FEES FOR ALL FRANCHISE AREAS**

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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 5,6,7, and 9, as follows: establish a rate for the setup of new residential, commercial, and rolloff
25 accounts in the amount of \$25.00 to cover the cost of the account's initial setup , the initiation of billing,
26 customer service, and the placement of containers.

27 WHEREAS, the Board of Supervisors acknowledges the need for the CPI increase and the new
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1 service charge to meet the needs of cost of living increase, and added costs of providing new services;

2 BE IT RESOLVED AND ORDERED that the Board of Supervisors of the County of Riverside,
3 State of California, in regular session assembled on _____, finds that the waste hauler fees in
4 Franchise Areas 1-13 shall receive an increase, based on the CPI of 1.3%, to the service component of
5 their fees for fiscal year 2011-2012; and Franchise Areas 5,6,7, and 9 shall establish a rate \$25.00 for new
6 residential, commercial, and rolloff accounts;

7 BE IT FURTHER RESOLVED AND ORDERED that a copy of the increased waste rates
8 specifying the new rate for each service area pursuant to this Resolution be received and filed to the Clerk
9 of the Board of Supervisors no later than July 15, 2011.

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21 FORM APPROVED COUNTY COUNSEL

22 BY: JINNY B. YANG 3/22/11
DATE