

FORM APPROVED COUNTY COUNSEL  
 BY: GREGORY P. PRIAMOS DATE: 5/1/15

Departmental Concurrence

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

825



**FROM:** Department of Environmental Health

**SUBMITTAL DATE:**  
 April 29, 2015

**SUBJECT:** Annual Rate Adjustment for Waste Management Inc. in Riverside County

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Conduct a public hearing on the Annual Rate Adjustment to the Waste Collection Agreement affecting Waste Management Inc.; and
2. Upon the close of the Public Hearing, adopt Resolution No. 2015-121 Adjusting Waste Hauler Fees for Waste Management Inc.

**BACKGROUND:**

**Summary**

Waste Collection Franchise Agreements covering most unincorporated portions of Riverside County were phased-in between 1997 and 1998.

SVS:JW

*Steve Van Stockum*

Steve Van Stockum  
 Director

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

**SOURCE OF FUNDS:** N/A

**Budget Adjustment:** No  
**For Fiscal Year:** 15/16

**C.E.O. RECOMMENDATION:**

APPROVE

BY: *Steven C. Horn*  
 Steven C. Horn

County Executive Office Signature

**MINUTES OF THE BOARD OF SUPERVISORS**

- A-30
- 4/5 Vote
- Positions Added
- Change Order

Prev. Agn. Ref.: 4/28/15, 9.2

District: 1 & 3

Agenda Number:

9-3

**BACKGROUND:**

**Summary (continued)**

In each of the existing twelve Franchise Agreements there is a provision for an adjustment of the rates the customers are charged implemented annually in July.

This adjustment occurs in two separate areas. First, there is a "pass through" for any changes to landfill rates or charges including the Alternative Daily Cover (ADC) surcharge or transfer station fees. Second, there is a cost of living increase, based on Consumer Price Index for All Urban Consumers (CPI), for the remainder of the franchise rates. There will also be the continued adjustment of fees charged in Desert Center due to the reduction of the County subsidy. All non-disposal costs are adjusted by the CPI for the Los Angeles/Anaheim/Orange County, California, as published by the United States Department of Labor, Bureau of Labor Statistics. The proposed rates were adjusted as delineated in the franchise agreement using a CPI of 0.7% for the twelve (12) month period January 2014 through December 2014.

The proposed rate adjustments are a 0.7% increase for Franchise Areas (1,3,4 and 8), based on the CPI, as described above. The detailed rate sheets will be provided to the Clerk of the Board upon completion of the final calculations no later than July 31, 2015.

On April 28, 2015, the Board of Supervisors deferred approving the CPI for all franchise areas serviced by Waste Management Inc. until certain customer services issues were remedied. Waste Management Inc. has assured the Department of Environmental Health that the billing inconsistencies have been properly addressed for "hard to service" waste collection areas. Waste Management Inc. stated that they will provide a revised map showing actual "hard to service" waste collection areas as well as other written proof that the problems have been appropriately remedied, at the public hearing.

**Impact on Residents and Businesses**

The approval of the proposed 0.7% increase would raise the typical residential rate in the Waste Management Inc franchise areas approximately \$0.20 per month.

**SUPPLEMENTAL:**

**Additional Fiscal Information**

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

2 **RESOLUTION NO. 2015-121**

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

4 **WASTE HAULER FEES FOR FRANCHISE AREAS 1,3,4 AND 8**

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

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

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

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

17 WHEREAS, the County of Riverside has entered into Waste Hauler Franchise Agreements with 1  
18 waste hauler to cover Franchise Areas 1, 3, 4 and 8; and

19 WHEREAS, each Waste Collection Franchise Agreement serviced by Waste Management Inc.,  
20 covering Franchise Areas 1,3,4 and 8, contains a provision for an annual adjustment of the rates  
21 customers are charged based on the consumer price index ("CPI");

22 WHEREAS, the Board of Supervisors acknowledges the need for the CPI increase of the hauler  
23 fees to meet the needs of cost of living increase;

24 BE IT RESOLVED AND ORDERED that the Board of Supervisors of the County of Riverside,  
25 State of California, in regular session assembled on \_\_\_\_\_, finds that the waste hauler fees in  
26 Franchise Areas 1,3,4 and 8 shall receive an increase, based on the CPI of 0.7% to the service component  
27 of their fees for fiscal year 2015-2016;

FORM APPROVED BY COUNTY COUNSEL  
BY: *[Signature]*  
DATE: *[Signature]*

1 BE IT FURTHER RESOLVED AND ORDERED that a copy of the increased waste rates  
2 specifying the new rate for each service area pursuant to this Resolution be received and filed to the Clerk  
3 of the Board of Supervisors no later than July 31, 2015.

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## BOYDD, April

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**From:** Harper-Ihem, Kecia  
**Sent:** Wednesday, May 06, 2015 4:29 PM  
**To:** Watkins, John  
**Subject:** RE: S556 Minolt15050411150.pdf

**Importance:** High

Will do. Please note that it will still be listed on the agenda for May 12, 2015 with the notation that the item is to be continued to June 2, 2015.

Kecia

Kecia Harper-Ihem  
Clerk of the Board  
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"The footprints you leave today can help others find their path tomorrow."  
-Anonymous

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-----Original Message-----

**From:** Watkins, John [<mailto:JWatkins@rivcocha.org>]  
**Sent:** Wednesday, May 06, 2015 4:23 PM  
**To:** Harper-Ihem, Kecia; Horn, Steven  
**Subject:** S556 Minolt15050411150.pdf

After additional discussion with the Board Office and the hauler. The Department requests continuance of this item to June 2, 2015

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