

FORM APPROVED COUNTY COUNSEL
 BY: *JIMMY HERRERA* DATE: 4/6/10

613



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

FROM: Community Health Agency/Department of Environmental Health

SUBMITTAL DATE:
 April 8, 2010

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. 2010-115 Establishing 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. 2010-115 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.

(continued)

Steve Van Stockum

SVS:JW

Steve Van Stockum, Director

FINANCIAL DATA	Current F.Y. Total Cost:	N/A	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	09/10

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

BY: *Debra Courmoyer*
 Debra Courmoyer

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Benoit, seconded by Supervisor Tavaglione and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended, and is set for public hearing on Tuesday, June 8, 2010, at 9:30 a.m.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
 Nays: None
 Absent: None
 Date: May 4, 2010
 xc: CHA-Environmental, Auditor, COB

Kecia Harper-Ihem
 Clerk of the Board
 By: *[Signature]*
 Deputy

3.19

ROBERT E. BYRD, AUDITOR-CONTROLLER
 By: *Russell Dominiski* 4/9/10
 Deputy Auditor-Controller

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 CPI, for the balance of the rate. All non-disposal costs are adjusted by the Consumer Price Index (CPI) for All Urban Consumers 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 1.8% for the twelve (12) month period January 2009 through December 2009.

PROPOSED ADJUSTMENT DETAILS

The rates for each Franchise Area can be increased by 1.8% based on the CPI calculated as described above.

Two of the solid waste hauling companies have requested additional changes to their rate structure to cover the costs to provide services. These services were either provided for no charge in the past, or provided at a rate that did not cover the cost, or is a new service. The requested changes are provided below:

1. Franchise Area 2 serviced by Burrtec Waste is within portions of the Board of Supervisors' District 2. The waste company requests adjustment of the roll-off charges to properly reflect the cost of disposal. The rate shall be determined by the per ton disposal fee multiplied by the typical roll-off weight of 6 tons. This could increase the cost for this service by about \$2.00.
2. Franchise Areas 5, 6, 7 and 9 serviced by CR&R is within portions of the Board of Supervisors' Districts 1, 3 and 5. The waste company requests the following rates established for services already provided in their area. The changes/additions are as follows:
 - a. Establish a rate for the delivery of a roll-off container for a new account in the amount of \$65.00 to cover the cost of the preparation, delivery time and customer inquiries.
 - b. Establish fees for the redelivery of containers for delinquent accounts in the following amounts: roll-off redelivery \$65.00, commercial redelivery \$35.00, and residential redelivery \$25.00. These fees would cover the costs to redeliver containers that were removed due to non-payment.
 - c. Establish a fee for the delivery of a commercial container in the amount of \$35.00. This fee would cover the cost of the container preparation, delivery and customer inquiries.
 - d. Establish a monthly fee for a locking container in the amount of \$10.00. This fee would cover the cost to install and maintain the container, as well as the additional service time necessary for the driver to lock and unlock the container in order to collect the waste.

- e. Establish a monthly fee for extra barrels (carts) in the following amounts: 96 gallon trash barrel \$8.00, recycle barrel \$1.50, and greenwaste barrel \$5.00. This fee would apply when requested by the customer and covers the cost of servicing and disposal/processing. In order to encourage more recycling, a considerably lower rate is offered for extra recycle and greenwaste barrels.
 - f. Establish a fee for the extra pickup of a commercial container while the truck is on-site in the amount of \$55.00. This fee would cover the cost of the driver's time and additional landfill charges. This fee would only apply to Franchise Area 5.
3. Franchise Area 12, serviced by Burrtec Waste is within portions of the Board of Supervisors' Districts 4 and 5. The waste company requests adjustment of the roll-off charges to properly reflect the cost of disposal. The rate was intended to be determined by the per ton disposal fee multiplied by the typical roll-off weight of 6 tons. This correction would increase the cost for this service by about \$2.00.

SUMMARY

The approval of the proposed 1.8% increase would raise the typical residential rate in the Franchise Areas to approximately \$0.01 to \$0.03 per month.

Most of the new services and charges above would be assessed only 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 before July 30, 2010.

FISCAL

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

2 **RESOLUTION NO. 2010-115**

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

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;

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;

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

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;

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");

23 WHEREAS, additional reasonable charges have been requested by the waste hauler for Franchise
24 Areas 2 and 12 to properly reflect the cost of disposal for roll-off containers; the rate to be determined by
25 the per ton disposal fee multiplied by the typical roll-off weight of 6 tons;

26
27 WHEREAS, additional reasonable charges have been requested by the waste hauler for Franchise
28

1 Areas 5,6,7, and 9 as follows: establish a rate for the delivery of a roll-off container for new accounts in
2 the amount of \$65.00; establish a fee for the redelivery of containers for delinquent accounts in the
3 following amounts: roll-off redelivery \$65.00, commercial redelivery \$35.00, and residential redelivery
4 \$25.00; establish a fee for the delivery of a commercial container in the amount of \$35.00; establish a
5 monthly fee for a locking container of \$10.00; establish a monthly fee for extra barrels (carts) in the
6 following amounts: 96 gallon trash barrel \$8.00, recycle barrel \$1.50, and greenwaste barrel \$5.00;
7 establish a fee for the extra pickup of a commercial container while the truck is on site in the amount of
8 \$55.00; and

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

11 BE IT RESOLVED AND ORDERED that the Board of Supervisors of the County of Riverside,
12 State of California, in regular session assembled on _____, finds that the waste hauler fees in
13 Franchise Areas 1-13 shall receive an increase, based on the CPI of 1.8% to the service component of
14 their fees for fiscal year 2010-2011; and the additional revisions noted above;

15 BE IT FURTHER RESOLVED AND ORDERED that a copy of the increased waste rates
16 specifying the new rate for each service area pursuant to this Resolution be received and filed to the Clerk
17 of the Board of Supervisors no later than July 30, 2010.

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19 FORM APPROVED COUNTY COUNSEL

20 BY: Jinky H. RA 4/6/10
DATE