

FORM APPROVED BY COUNTY COUNSEL
BY: NEAL R. KIPNIS DATE: 5/5/10
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ROBERT E. BYRD, AUDITOR-CONTROLLER
By: Russell Dominiski 5/5/10

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

157



SUBMITTAL DATE:
May 3, 2010

FROM: Waste Management Department

SUBJECT: Introduction of Ordinance No. 779.12, Amending Ordinance No. 779, Relating to County Solid Waste Facilities and Establishing Fees

RECOMMENDED MOTION: That the Board of Supervisors:

1. Introduce and set for public hearing those changes set forth in Appendices A & D of Ordinance No. 779 related to the establishment of a Departmental Overhead and Hourly Service Rate; and
2. Direct the Clerk of the Board to publish a notice of the public hearing date of June 8, 2010 and the proposed Waste Management Department charges, as provided in Government Code Section 6066; and
3. Adopt Ordinance No. 779.12 at the close of public hearing on June 8, 2010 with the changes to the appendices to be effective July 8, 2010.

BACKGROUND: Ordinance No. 779 outlines the General Manager-Chief Engineer's (GM-CE) authority to operate the County disposal sites and transfer stations. In addition to establishing fees and penalties, this ordinance includes the basis for operation regulations including waste inspection, salvaging, and safety. (Continued)

Hans W. Kernkamp

Hans W. Kernkamp, General Manager-Chief Engineer

FINANCIAL DATA	Current F.Y. Total Cost:	\$ N/A	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ N/A	Budget Adjustment:	No
	Annual Net County Cost:	\$ N/A	For Fiscal Year:	FY 10/11

SOURCE OF FUNDS: Waste Management Department Disposal Fees	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

C.E.O. RECOMMENDATION:

APPROVE

BY: Alex Gann
Alex Gann

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Tavaglione, seconded by Supervisor Stone and duly carried by unanimous vote, IT WAS ORDERED that the above Ordinance is approved as introduced with waiver of the reading, and is set for public hearing on Tuesday, June 8, 2010, at 1:30 p.m.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
Nays: None
Absent: None
Date: May 18, 2010
xc: Waste, Auditor, COB

Kecia Harper-Ihem
Clerk of the Board
By: Kecia Harper-Ihem
Deputy

Prev. Agn. Ref.:

District:
All

Agenda Number:

12.1

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The Waste Management Department (Department) is limited to annual Consumer Price Index (CPI) increases for all its long-term, contracted transfer station haulers and the contract franchise area direct haulers. These haulers represent approximately 87% of the tonnage accepted at County landfills. It is the Department's recommendation that the disposal rate remain at FY 2010 levels without a CPI adjustment. While the Department has seen a significant decline in tonnage over the past three fiscal years, the Department has been able to respond effectively to the reduction in revenue and has significantly cut operating expenses to 2004 levels. Based on the current tonnage levels, it appears that tonnage has stabilized. With the anticipated leveling of the tonnage and the Department's effective cost-cutting strategies, a ten-year economic projection of the County's waste system indicates that a CPI increase can be avoided this year.

The Department has been involved in assisting outside business entities with special projects and is requesting the establishment of a base hourly service rate for staff in conjunction with an overhead rate. The Department has never requested the establishment of an overhead rate and has been paying for indirect costs by the use of reserve funds and other miscellaneous revenues. The indirect costs are expenses incurred by the Department that are not directly related to waste stream operations. The base hourly service rates are for Engineering, Environmental, Planning, Waste Inspection, and Recycling divisions to ensure that the Department is recouping costs incurred that are not directly related to the Department's primary operations. These rates will increase or decrease based on staffing necessary to meet program needs. At the request from landfill customers, the Department proposes to offer an additional variation of the safety vest available at the landfills. The current vest is a light plastic that meets landfill safety requirements; however, it is not meant for prolonged use. The Department recommends adding a rate to Appendix D for a more durable Polyester Safety Vest in the amount of \$9.00 per vest. The Department will continue providing the plastic safety vest at the current price of \$0.75 per vest.

On July 1, 2009, the Department implemented the Board approved rate of \$10/ton for processed green waste used as Alternative Daily Cover (previously accepted at no-charge). The amount of this material delivered to the landfill system has declined approximately 66%, in part due to the new fee (based on discussions with the providers of the material), the increased use of tarps to cover trash at the landfills to maximize operational efficiencies and very likely also due to the current state of the economy. It is, therefore, recommended that the current fee remain unchanged.

The Department constantly strives to curtail illegal dumping and, to that end, recommends that there also be no change in the minimum load fees for routine miscellaneous refuse and that the County continue its policy of allowing for the disposal of no more than two cathode ray tube (CRT) appliances (e.g. televisions or computer monitors) per customer per day at no charge. In addition, the Department recommends that those residents in exempt collection service areas and charged under Appendix B of the Ordinance have no increase in their disposal rate and no changes in the discount schedule. The disposal fees for commercial hauling cards within the rural areas (Appendix C) are recommended to also remain at Fiscal Year 2010 levels without a CPI adjustment.

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Attachment 1 has been provided to outline the recommended changes to the WMD fee structure.

California Environmental Quality Act (CEQA) Findings

Pursuant to CEQA Guidelines Section 15273, the proposed changes to County Ordinance No. 779, Relating to County Solid Waste Facilities and Establishing Fees, are found to be statutorily exempt from CEQA, because the proposed changes are for the purpose of:

- Meeting operating expenses, including employee wage rates and fringe benefits,
- Purchasing or leasing supplies, equipment, or materials,
- Meeting financial reserve needs and requirements, and
- Obtaining funds for existing capital projects, necessary to maintain service within existing service areas.

A Notice of Exemption to this effect will be filed with the County Clerk upon adoption of Ordinance 779.12.

ATTACHMENT 1

Summary of Changes to Disposal Rates

Effective July 8, 2010

Appendix A:

Rates to Remain Unchanged

	<u>Fiscal Year 10</u>	<u>Fiscal Year 11</u>
• Routine Refuse	\$34.37/ton	\$34.37/ton
• Hard-to-Handle Refuse	\$45.83/ton	\$45.83/ton
• Loads of more than 9 tires	\$96.85/ton	\$96.85/ton
• 3 holiday trees for recycling (residential customers only)	N/A	No Charge

Appendix D:

Other Changes to Fee Schedule

• Overhead Rate –	49%
• Base Hourly Rates for Services	
- Engineering	\$60.71
- Environmental	\$71.57
- Environmental Waste Inspection	\$40.31
- Planning	\$58.20
- Recycling	\$42.19
• Polyester Safety Vest	\$ 9.00