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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 19, 2012

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. 2012- 076 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. 2012-076 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.

Steve Van Stockum, Director

(continued)
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:	12/13

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

C.E.O. RECOMMENDATION:

BY:
Debra Cournoyer

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, April 24, 2012 at 9:30 a.m.

Ayes: Buster, Tavaglione, Stone, Benoit and Ashley
 Nays: None
 Absent: None
 Date: March 27, 2012
 xc: CHA/Environmental Health, Auditor, COB

Kecia Harper-Ihem
 Clerk of the Board
 By:
 Deputy

Prev. Agn. Ref.: 3/29/11 3.10 | District: All | Agenda Number:

3.9

FISCAL PROCEDURES APPROVED
 PAUL ANGRULO, CPA, AUDITOR-CONTROLLER
 BY:
 RUSSELL S. DOMINSKI 3-14-12
 Departmental Concurrence
 DATE 3/21/12
 BY: ERIC STOPHER
 FORM APPROVED COUNTY COUNSEL
 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 2.2% for the twelve (12) month period January 2011 through December 2011.

PROPOSED ADJUSTMENT DETAILS

The proposed rate adjustments are a 2.2% increase for all Franchise Areas (1-13), based on the CPI, as described above.

One of the solid waste hauling companies has 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, were provided at a rate that did not cover the cost, or is a new service. This will affect Franchise 1, 3, 4 and 8 serviced by Waste Management Inc. which are within portions of the Board of Supervisors' Districts 1, 2, 3 and 5. The changes/additions are as follows:

1. Tax Roll Administrative Charge – This will establish a charge of \$30.00 to cover the costs associated with the compliance of Ordinance 745 and the Board of Supervisor's direction to notify residents and property owners multiple times of unpaid balances for waste hauling. This amount would be added to the tax roll upon the Department of Environmental Health's submission of unpaid trash charges to the Assessor's Office once per year.
2. Recycle Contamination Charge – This will establish a charge that is to be assessed when an excessive amount of solid waste has been placed in the recyclable container, thereby rendering it useless for recycling and requiring a separate solid waste truck to be dispatched to pick up the waste. The amount of the charge would be the same amount as the fee currently charged for an *Unscheduled Extra Pickup- Separate trip*.
3. Mixed C & D Haul Charge – This will establish a charge that is to be assessed when a separate container is requested for construction and demolition waste (C & D). The \$300.00 charge would cover the additional processing required to sort through the material. The provision of this specially requested service will assist contractors to achieve LEED certification of their building and optimize their recycling efforts during construction.

SUMMARY

The approval of the proposed 2.2% increase would raise the typical residential rate in the Franchise Areas approximately \$0.02 to \$0.05 per month. The changes to the rate structure for Franchise 1, 3, 4 and 8 would be assessed only upon the meeting of the stated conditions, and will 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 31, 2012.

FISCAL

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