

**MEMORANDUM
DEPARTMENT OF FACILITY SERVICES
COUNTY OF PLACER**

To: **BOARD OF SUPERVISORS**

Date: **MAY 23, 2006**

From: *JD* **JAMES DURFEE / WILL DICKINSON**

Subject: **GARBAGE COLLECTION RATE ADJUSTMENTS IN FRANCHISE AREAS
1 AND 4**

RECOMMENDED ACTION:

- 1) Conduct a Public Hearing to receive input on the proposed adjustments to garbage collection/transfer station rates for Franchise Areas 1 and 4 for Fiscal Year 2006/2007. Current and proposed rates are shown in Exhibit A.
- 2) Adopt the attached Resolution authorizing the Chairman to sign an amendment to Agreement No. 11846 that incorporates the recommended rate adjustments.
- 3) Make a finding pursuant to Section 21080(b)(8) of the Public Resources Code that the adjusted rates are derived directly from the cost of providing service and are necessary to meet operating expenses required for maintenance of service, and are therefore exempt from environmental review.

BACKGROUND:

Auburn Placer Disposal Service (APDS) is the current garbage collection franchisee for Franchise Areas 1 and 4, which includes all parts of unincorporated Placer County west of Colfax, including the Foresthill and Iowa Hill Divides (see Exhibit B). The contract for these franchise areas also includes the operation of the Meadow Vista and Foresthill Transfer Stations.

Rate changes for July 1, 2006 are the result of the following four factors:

- 1) The contract contains provisions for an annual cost-of-living rate adjustment on the portion of the rate allocated for APDS' labor, equipment and overhead costs. The index used for this contract increased by 5.1% over the past year. However, this increase is limited to 4% per year by the terms of the contract.
- 2) Last year the Western Placer Waste Management Authority (WPWMA) created a new fee of \$50.00 per ton for Construction and Demolition (C&D) waste. Earlier this year the WPWMA decreased this rate to \$46.00 per ton. This will result in a decrease in the C&D debris box rates.
- 3) Staff is proposing a new fee category for commercial debris boxes. This category will provide commercial customers a wider variety of service options while maintaining the lower disposal rate for C&D debris box customers.
- 4) There will be no charge to accept television sets and CRTs at the Meadow Vista and Foresthill Transfer Stations. APDS has agreed to accept these items and recycle them through the Auburn Transfer Station at no cost.

ENVIRONMENTAL CLEARANCE:

As previously noted, the proposed rate adjustments are exempt from environmental review if your Board makes a finding that the higher rates are derived directly from the cost of providing service and are necessary to meet operating expenses required for maintenance of service.

FISCAL IMPACT:

Exhibit A lists the current and proposed garbage collection rates, to be effective July 1, 2006. Residential rates are proposed to increase between 0.6% and 4.2%, depending on the level of service. Commercial rates are proposed to increase between 2.3% and 4.1%, depending on the level of service. Rates for the disposal of certain specified items at the transfer stations are proposed to increase a maximum of 3.4%. Debris box collection rates are proposed to decrease by up to 3.7% or increase by up to 2.7%, depending on the level of service.

Attachments: Resolution
 Exhibit A – Garbage Collection/Transfer Station Rates
 Exhibit B – Map of Franchise Areas 1 and 4

JD:WD:tc

Before the Board of Supervisors County of Placer, State of California

In the matter of:

Resolution _____

A RESOLUTION APPROVING AND AUTHORIZING EXECUTION OF AMENDED AGREEMENT FOR SOLID WASTE FRANCHISES 1 AND 4

The following RESOLUTION was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Chairman, Board of Supervisors

Attest:
Clerk of said Board

WHEREAS, the County of Placer oversees the contracts for garbage collection and disposal in unincorporated Placer County; and;

WHEREAS, it is in the County's interest to abide by State and Federal regulations and to insure that its contractors receive a fair and reasonable return from operating their businesses;

THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Placer, State of California, that this Board finds that pursuant to Section 21080(b)(8) of the Public Resources Code that the adjusted rates are derived directly from the cost of providing service and are necessary to meet operating expenses required for maintenance of service, and are therefore exempt from environmental review; and;

THEREFORE, BE IT FURTHER RESOLVED that this Board authorizes the Chairman to sign the attached Agreement Amendment with Auburn Placer Disposal Service for garbage collection services in Franchise Areas 1 and 4. The amendment specifies garbage collection rate changes for FY 2006/2007.

ATTACHED: AGREEMENT AMENDMENT

183

AGREEMENT NO. 11846

AGREEMENT TO ADJUST COLLECTION RATE

THIS AMENDMENT made and entered into this 8 day of May, 2006, by and between the County of Placer, a political subdivision of the State of California, (County) and Auburn Placer Disposal Service, (APDS).

WITNESSETH:

WHEREAS, County and APDS have entered into Agreement No. 11846 (Franchise Areas 1 and 4) under which APDS provides refuse collection services within Solid Waste Franchise Areas 1 and 4.

WHEREAS, the parties have agreed to amend Agreement No. 11846 (Franchise Areas 1 and 4) to provide for adjustments to the refuse collection rate for fiscal year 2006/2007.

NOW THEREFORE, the County and APDS agree as follows:

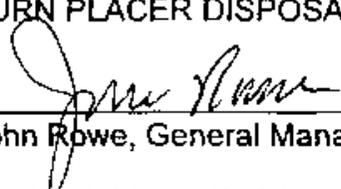
1. Effective July 1, 2006, APDS shall be required to change the refuse collection rates within Franchise Areas 1 and 4 as shown on Exhibit "A", attached hereto and incorporated herein by reference.
2. Except as modified herein, all other terms of Agreement No. 11846 (Franchise Areas 1 and 4) shall remain unchanged and in full force and effect.

WHEREFORE, this Amendment is executed as of the day set forth above:

COUNTY OF PLACER (County)

By: _____
Chairman, Board of Supervisors

AUBURN PLACER DISPOSAL SERVICE (APDS)

By:  _____
John Rowe, General Manager

APPROVED AS TO FORM:

By: _____
Counsel to County

EXHIBIT A
PAGE 2

Service Level	lbs/awk	Existing Rate				Proposed Adjustment				Proposed Rate				% Change
		Service	Disposal	Franchise Fee	Total	Service	Disposal	Franchise Fee	Total	Service	Disposal	Franchise Fee	Total	
3 yard 2/week	900	248.14	136.01	38.42	422.57	9.93	0.00	0.99	10.92	258.07	136.01	39.41	433.49	2.6%
3 yard 3/week	1350	351.40	204.02	55.54	610.96	14.06	0.00	1.41	15.47	365.46	204.02	56.95	626.43	2.5%
3 yard 4/week	1800	455.07	272.03	72.71	799.81	18.20	0.00	1.82	20.02	473.27	272.03	74.53	819.83	2.5%
3 yard 5/week	2250	558.36	340.03	89.84	988.23	22.33	0.00	2.23	24.56	580.69	340.03	92.07	1012.79	2.5%
3 yard 6/week	2700	661.80	408.04	106.98	1176.82	26.47	0.00	2.65	29.12	688.27	408.04	109.63	1205.94	2.5%
4 yard 2/week	1200	308.02	181.35	48.94	538.31	12.32	0.00	1.23	13.55	320.34	181.35	50.17	551.86	2.5%
4 yard 3/week	1800	419.68	272.03	69.17	760.88	16.79	0.00	1.68	18.47	436.47	272.03	70.85	779.35	2.4%
4 yard 4/week	2400	539.26	362.70	90.20	992.16	21.57	0.00	2.15	23.72	560.83	362.70	92.35	1015.88	2.4%
4 yard 5/week	3000	658.02	453.38	111.14	1222.54	26.32	0.00	2.63	28.95	684.34	453.38	113.77	1251.49	2.4%
4 yard 6/week	3600	773.90	544.05	131.80	1449.75	30.96	0.00	3.09	34.05	804.86	544.05	134.89	1483.80	2.3%
5 yard 2/week	1500	357.61	226.69	58.43	642.73	14.30	0.00	1.43	15.73	371.91	226.69	59.86	658.46	2.4%
5 yard 3/week	2250	527.86	340.03	86.79	954.68	21.11	0.00	2.11	23.22	548.97	340.03	88.90	977.90	2.4%
5 yard 4/week	3000	623.95	453.38	107.73	1185.06	24.96	0.00	2.50	27.46	648.91	453.38	110.23	1212.52	2.3%
5 yard 5/week	3750	741.90	566.72	130.86	1439.48	29.68	0.00	2.97	32.65	771.58	566.72	133.83	1472.13	2.3%
5 yard 6/week	4500	1034.11	680.06	171.42	1885.59	41.36	0.00	4.13	45.49	1075.47	680.06	175.55	1931.08	2.4%
6 yard 2/week	1800	426.85	272.03	69.89	768.77	17.07	0.00	1.71	18.78	443.92	272.03	71.60	787.55	2.4%
6 yard 3/week	2700	656.36	408.04	106.44	1170.84	26.25	0.00	2.63	28.88	682.61	408.04	109.07	1199.72	2.5%
6 yard 4/week	3600	788.73	544.05	131.28	1464.06	30.75	0.00	3.07	33.82	799.48	544.05	134.35	1477.88	2.3%
6 yard 5/week	4500	932.31	680.06	161.24	1773.61	37.29	0.00	3.73	41.02	969.60	680.06	164.97	1814.63	2.3%
6 yard 6/week	5400	1182.93	816.08	199.90	2198.91	47.32	0.00	4.73	52.05	1230.25	816.08	204.63	2250.96	2.4%
7 yard 2/week	2100	496.09	317.36	81.35	894.80	19.84	0.00	1.98	21.82	515.93	317.36	83.33	916.62	2.4%
7 yard 3/week	3150	784.88	476.04	126.09	1387.01	31.40	0.00	3.14	34.54	816.28	476.04	129.23	1421.55	2.5%
7 yard 4/week	4200	913.50	634.73	154.82	1703.05	36.54	0.00	3.66	40.20	950.04	634.73	158.48	1743.25	2.4%
7 yard 5/week	5250	1122.66	793.41	191.61	2107.70	44.91	0.00	4.49	49.40	1167.59	793.41	196.10	2157.10	2.3%
7 yard 6/week	6300	1331.71	952.09	228.38	2512.18	53.27	0.00	5.33	58.60	1384.98	952.09	233.71	2570.78	2.3%
extra empty	lbs/empty													
1 yard	150	10.71	5.23	1.59	17.53	0.43	0.00	0.05	0.48	11.14	5.23	1.64	18.01	2.7%
2 yard	300	21.27	10.46	3.17	34.90	0.85	0.00	0.09	0.94	22.12	10.46	3.26	35.84	2.7%
3 yard	450	37.97	15.69	5.37	59.03	1.52	0.00	0.15	1.67	39.49	15.69	5.52	60.70	2.8%
4 yard	600	42.08	20.93	6.30	69.31	1.68	0.00	0.17	1.85	43.76	20.93	6.47	71.16	2.7%
5 yard	750	45.07	26.16	7.12	78.35	1.80	0.00	0.18	1.98	46.87	26.16	7.30	80.33	2.5%
6 yard	900	57.31	31.39	8.87	97.57	2.29	0.00	0.23	2.52	59.60	31.39	9.10	100.09	2.6%
7 yard	1050	69.52	36.62	10.61	116.75	2.78	0.00	0.28	3.06	72.30	36.62	10.89	119.81	2.8%

186

EXHIBIT A
PAGE 3

Service Level	lbs/Awk	Existing Rate			Proposed Adjustment				Proposed Rate				% Change	
		Service	Disposal	Franchise Fee	Total	Service	Disposal	Franchise Fee	Total	Service	Disposal	Franchise Fee		Total
Bin Rental														
1 yard		11.44		1.14	12.58	0.46	0.05	0.51	11.90	1.19	13.09	4.1%		
2 yard		14.25		1.43	15.68	0.57	0.05	0.62	14.82	1.48	16.30	4.0%		
3 yard		17.26		1.73	18.99	0.69	0.07	0.76	17.95	1.80	19.75	4.0%		
4 yard		19.97		2.00	21.97	0.80	0.08	0.88	20.77	2.08	22.85	4.0%		
5 yard		22.81		2.28	25.09	0.91	0.09	1.00	23.72	2.37	26.09	4.0%		
6 yard		25.69		2.57	28.26	1.03	0.10	1.13	26.72	2.67	29.39	4.0%		
7 yard		28.58		2.86	31.44	1.14	0.11	1.25	29.72	2.97	32.69	4.0%		
Office paper bin set-up charge		78.93		7.89	86.82				82.09	8.21	90.30	4.0%		
	lbs/Awk													
1-32 gallon can	28	11.03	4.23	1.53	16.79	0.44	0.00	0.04	0.48	11.47	4.23	1.57	17.27	2.9%
2-32 gallon cans	56	22.07	8.46	3.05	33.58	0.88	0.00	0.09	0.97	22.95	8.46	3.14	34.55	2.9%
3-32 gallon cans	84	33.16	12.69	4.59	50.44	1.33	0.00	0.13	1.46	34.49	12.69	4.72	51.90	2.9%
4-32 gallon cans	112	44.21	16.93	6.11	67.25	1.77	0.00	0.18	1.95	45.98	16.93	6.29	69.20	2.9%
5-32 gallon cans	140	55.26	21.16	7.64	84.06	2.21	0.00	0.22	2.43	57.47	21.16	7.86	86.49	2.9%
6-32 gallon cans	168	66.32	25.39	9.17	100.88	2.65	0.00	0.27	2.92	68.97	25.39	9.44	103.80	2.9%
1 commercial toter	65	16.04	9.82	2.59	28.45	0.64	0.00	0.06	0.70	16.68	9.82	2.65	29.15	2.5%
2 commercial toters	130	32.05	19.65	5.17	56.87	1.28	0.00	0.13	1.41	33.33	19.65	5.30	58.28	2.5%
3 commercial toters	195	48.09	29.47	7.76	85.32	1.92	0.00	0.19	2.11	50.01	29.47	7.95	87.43	2.5%
4 commercial toters	260	64.13	39.29	10.34	113.76	2.57	0.00	0.26	2.83	66.70	39.29	10.60	116.59	2.5%
5 commercial toters	325	80.14	49.12	12.93	142.19	3.21	0.00	0.32	3.53	83.35	49.12	13.25	145.72	2.5%
6 commercial toters	390	96.19	58.94	15.51	170.64	3.85	0.00	0.38	4.24	100.04	58.94	15.90	174.88	2.5%
C&D DEBRIS BOXES														
	lbs/ld													
15 yard	272	145.93	102.00	24.79	272.72	5.84	-8.16	-0.23	-2.55	151.77	93.84	24.56	270.17	-0.9%
20 yard	272	151.58	136.00	28.76	316.34	6.06	-10.88	-0.48	-5.30	157.64	125.12	28.28	311.04	-1.7%
30 yard	272	161.72	204.00	36.57	402.29	6.47	-16.32	-0.98	-10.83	168.19	187.68	35.59	391.46	-2.7%
33 yard	272	162.38	224.40	38.68	425.46	6.50	-17.95	-1.15	-12.60	168.88	208.45	37.53	412.86	-3.0%
40 yard	272	175.24	272.00	44.72	491.96	7.01	-21.75	-1.47	-16.22	182.25	250.24	43.25	475.74	-3.3%
50 yard	272	193.29	340.00	53.33	586.62	7.73	-27.20	-1.95	-21.42	201.02	312.80	51.38	565.20	-3.7%
COMMERCIAL DEBRIS BOXES														
	lbs/ld													
15 yard	272									151.77	142.29	29.41	323.47	
20 yard	272									157.64	189.72	34.74	382.10	
30 yard	272									168.19	264.58	45.28	498.05	
33 yard	272									168.88	313.04	48.19	530.11	
40 yard	272									182.25	379.44	56.17	617.86	
50 yard	272									201.02	474.30	67.53	742.85	

187

EXHIBIT A
PAGE 4

Service Level	lbs/wk	Existing Rate				Proposed Adjustment				Proposed Rate				% Change	
		Service	Disposal	Franchise Fee	Total	Service	Disposal	Franchise Fee	Total	Service	Disposal	Franchise Fee	Total		
TEMPORARY BINS		lbs/yr													
5 yard	150	73.89	26.16	9.99	109.84	2.95	0.00	0.29	3.24	76.64	26.16	10.26	113.08	2.9%	
6 yard	150	69.12	31.39	10.05	110.56	2.76	0.00	0.28	3.04	71.88	31.39	10.33	113.60	2.7%	
7 yard	150	65.69	36.62	10.23	112.54	2.63	0.00	0.26	2.89	68.32	36.62	10.49	115.43	2.6%	
CD TEMPORARY BINS															
7 yard	150									68.32	24.15	9.25	101.72		
COMPACTOR RATES *															
10-15 yards		167.76								174.47					
16-20 yards		180.65								187.88					
21-30 yards		193.58								201.32					
31-40 yards		206.46								214.72					
41-50 yards		219.37								228.14					
WOOD RECYCLING DEBRIS BOXES															
15 yard	345	141.70	64.74	20.64	227.08	5.67	0.00	0.57	6.24	147.37	64.74	21.21	233.32	2.7%	
20 yard	345	147.17	86.32	23.35	256.84	5.89	0.00	0.59	6.48	153.06	86.32	23.94	263.32	2.5%	
30 yard	345	157.02	129.48	28.65	315.15	6.28	0.00	0.63	6.91	163.30	129.48	29.28	322.06	2.0%	
40 yard	345	170.13	172.64	34.28	377.05	6.81	0.00	0.68	7.49	176.94	172.64	34.96	384.54	0.1%	

* PLUS 1) TOTAL TRAVEL MILEAGE TIMES \$1.30 PER MILE.
2) LANDFILL FEES AS CHARGED AT THE LANDFILL.
3) COUNTY FRANCHISE FEE.

188

EXHIBIT A
PAGE 5

TRANSFER STATIONS	Existing Rate						Proposed Adjustment				Proposed Rate						% Change
	lbs/yard	Service	Disposal	Franchise		Rounded	Service	Disposal	Franchise		Service	Disposal	Franchise		Rounded		
				Fee	Total				Fee	Total			Fee	Total			
1 yard	272	3.86	9.48	1.34	14.69	14.75	0.15	0.00	0.01	0.16	4.01	9.49	1.35	14.85	14.75	0.0%	
1/2 yard	272	1.92	4.74	0.67	7.33	7.25	0.08	0.00	0.00	0.08	2.00	4.74	0.67	7.41	7.50	3.4%	
Tires	lbs/tire																
car	43	0.18	3.23	0.34	3.75	3.75	0.01	0.00	0.00	0.01	0.19	3.23	0.34	3.76	3.75	0.0%	
truck	114	6.19	8.55	1.47	16.21	16.25	0.25	0.00	0.03	0.28	6.44	8.55	1.50	16.49	16.50	1.5%	
tractor	350	38.88	26.25	6.51	71.64	71.75	1.56	0.00	0.16	1.72	40.44	26.25	6.67	73.36	73.25	2.1%	
Euclid	1000	25.58	75.00	10.06	110.64	110.75	0.98	0.00	0.10	1.08	26.80	75.00	10.16	111.76	111.75	0.9%	
CFC appliances	lbs/item																
appliances ¹		23.78	4.00	2.78	30.56	30.50	0.95	0.00	0.09	1.04	24.73	4.00	2.87	31.60	31.50	3.3%	
appliances ¹		9.54	4.00	1.35	14.89	15.00	0.38	0.00	0.04	0.42	9.92	4.00	1.39	15.31	15.25	1.7%	
mattresses	54	11.81	1.88	1.37	15.06	15.00	0.47	0.00	0.05	0.52	12.28	1.88	1.42	15.58	15.50	3.3%	
box springs	51	11.93	1.78	1.37	15.08	15.00	0.48	0.00	0.05	0.53	12.41	1.78	1.42	15.61	15.50	3.3%	
1 yard sheet rock	387	5.13	13.50	1.86	20.49	20.50	0.21	0.00	0.02	0.23	5.34	13.50	1.88	20.72	20.75	1.2%	
1 yard roofing	546	5.37	19.04	2.44	26.85	26.75	0.21	0.00	0.02	0.23	5.58	19.04	2.46	27.08	27.00	0.9%	
1 yard compacted	880	6.13	23.72	2.98	32.83	32.75	0.25	0.00	0.03	0.28	6.38	23.72	3.01	33.11	33.00	0.8%	
1 yard dirt/trash	816	8.49	28.48	3.70	40.65	40.75	0.34	0.00	0.03	0.37	8.83	28.46	3.73	41.02	41.00	0.6%	
CRTs ²				1.09	12.00												
TV's <21" screen ²				1.36	15.00								0.00	0.00			
TV's >21" screen ²				2.18	24.00								0.00	0.00			
													0.00	0.00			
FRANCHISE AREA 4 PARCEL FEE																	
Residential	lbs/month	266.5	6.52	9.29	1.58	17.39					6.78	9.29	1.61	17.68		1.7%	
Commercial	266.5	6.52	9.29	1.58	17.39						6.78	9.29	1.61	17.68		1.7%	
Mobile Home Park	266.5	6.52	9.29	1.58	17.39						6.78	9.29	1.61	17.68		1.7%	

NOTES:

1. The disposal component of the rates for appliances is based on the fee charged by the WPWMA to accept the item at their facility.
2. The fee charged for the acceptance of CRT's and TV's was rescinded at the WPWMA March 10, 2005 meeting.

189

Placer County Solid Waste Franchise Areas

