

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

To: **BOARD OF SUPERVISORS**

Date: **MAY 22, 2007**

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

Subject: **FRANCHISE FEE REDUCTION IN GARBAGE COLLECTION
FRANCHISE AREAS 1 AND 4**

RECOMMENDED ACTION: Approve the attached Ordinance amending Section 8.16.470 of the Placer County Code to reduce the Franchise Fee in Garbage Collection Franchise Areas 1 and 4 (western Placer County) from 10% to 8%.

BACKGROUND: Garbage Collection Franchise Areas 1 and 4 include all parts of unincorporated Placer County west of Colfax, including the Foresthill and Iowa Hill Divides. The garbage collection contract for Franchise Areas 1 and 4 also includes operation of the Foresthill and Meadow Vista Transfer Stations.

Section 8.16.470 of the County Code establishes Franchise Fees that are used to fund management of the County's Solid Waste Program. The current Franchise Fee in Franchise Areas 1 and 4 is 10% and is included in customers' garbage collection bills and gate fees charged at the transfer stations. Staff has determined that the Franchise Fee can be reduced from 10% to 8% and still maintain adequate funding to operate, monitor and maintain the existing solid waste facilities with a reasonable contingency for unexpected occurrences.

If your Board approves the Ordinance, staff will return to your Board with revised garbage collection rates for Franchise Areas 1 and 4 that reflect the lower Franchise Fee.

ENVIRONMENTAL CLEARANCE: Reducing the Franchise Fee is not considered a "project" under the California Environmental Quality Act, therefore environmental review is not required.

FISCAL IMPACT: Reducing the Franchise Fee from 10% to 8% will reduce revenue to the Solid Waste Management Enterprise Fund (4500) by approximately \$250,000 per year. This will bring annual revenues and costs into closer alignment, while providing a reasonable contingency for unexpended expenditures.

JD:WD:bz

Attachment: Ordinance

cc: County Executive Office

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

**In the matter of: AN ORDINANCE AMENDING
SECTION 8.16.470 OF THE PLACER COUNTY
CODE RELATING TO SOLID WASTE COLLECTION
AND DISPOSAL**

Ord. No. _____
First Reading: _____

The following ORDINANCE was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____, 2007, by the following vote on roll call:

Ayes:

Noes:

Absent:

Signed and approved by me after its passage.

Attest:

Chairman, Board of Supervisors

Clerk of said Board

THE BOARD OF SUPERVISORS OF THE COUNTY OF PLACER, STATE OF CALIFORNIA, DOES HEREBY ORDAIN as follows:

Section 1: Section 8.16.470 of Article 8.16 of Chapter 8 of the Placer County Code is hereby amended to read as follows:

Section 8.16.470 Special Fees

The Board of Supervisors establishes the following fees to be used in managing the County Solid Waste Program, which includes the administration, enforcement, and the acquisition of disposal sites.

A. In Franchise Areas 1 and 4, each customer shall pay a fee surcharge for the county solid waste program in an additional amount of fourteen (14) percent of the billing he or she receives from the franchisee. Effective July 1, 2004, each customer in Franchise Areas 1 and 4 shall pay a fee surcharge in an additional amount of twelve (12) percent of the billing he or she receives from the franchisee. Effective July 1, 2005, each customer in Franchise Areas 1 and 4 shall pay a fee surcharge in an additional amount of ten (10) percent of the billing he or she receives from the franchisee. Effective July 1, 2007, each

customer in Franchise Areas 1 and 4 shall pay a fee surcharge in an additional amount of eight (8) percent of the billing he or she receives from the franchisee.

B. In Franchise Areas 2 and 3 each customer shall pay a fee surcharge for the county solid waste program in an additional amount of five percent of the billing he or she receives from the franchisee.

C. At the Foresthill and Meadow Vista transfer stations, each customer shall pay a fee surcharge to benefit the county solid waste program in an additional amount of ~~ten (10)~~ eight (8) percent of the gate fees charged for dumping at the facility. Foresthill residents who are subject to the solid waste parcel charge and are not receiving collection services shall also be subject to the ~~ten (10)~~ eight (8) percent surcharge. This fee surcharge does not apply to franchised garbage collectors where the surcharge has already been collected as detailed above.

Section 2: The foregoing specified ordinance amendments shall become effective thirty (30) days after the date of final passage of this ordinance.

