

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

To: **BOARD OF SUPERVISORS**

Date: **APRIL 6, 2010**

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

Subject: **REDUCTION IN SPECIAL FEE FOR SOLID WASTE MANAGEMENT
IN FRANCHISE AREAS 1 AND 4**

RECOMMENDED ACTION: Approve the attached Ordinance amending Section 8.16.470 of the Placer County Code to reduce the Special Fee in Garbage Collection Franchise Areas 1 and 4 (Western Placer County) from 8% to 7%. It is intended this fee reduction will be used to offset cost of living adjustments under the Franchise Agreement, in an effort to keep rates unchanged for customers.

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. Recology Auburn Placer (Recology) is the franchisee for Areas 1 and 4.

Section 8.16.470 of the County Code establishes a special fee that is used in managing the County Solid Waste Program, which includes the administration, enforcement, and management of waste disposal sites. The current fee in Franchise Areas 1 and 4 is 8% and is included in customers' garbage collection bills and gate fees charged at the transfer stations. Staff has determined that the fee can be reduced from 8% to 7% 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, the fee reduction will be taken into account when calculating cost of living increases due to Recology under the Franchise Agreement. As a result, staff anticipates negotiating an amendment with Recology to keep rates unchanged for FY 2010/11. Staff will return to your Board for approval of that amendment.

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

FISCAL IMPACT: Reducing the special fee from 8% to 7% will reduce revenue to the Solid Waste Management Enterprise Fund (4500) by approximately \$125,000 per year. This will bring annual revenues and costs into closer alignment, while continuing to provide a reasonable contingency for unexpended expenditures.

WS:KW

ATTACHMENT: ORDINANCE

CC: COUNTY EXECUTIVE OFFICE

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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 _____, 2010, 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, Up through June 30, 2010,~~ each customer in Franchise Areas 1 and 4 shall pay a fee surcharge in an additional amount of eight percent of the billing he or she receives from the franchisee. **Effective July 1, 2010, each customer in Franchise Areas 1 and 4 shall pay a fee surcharge in an additional amount of seven (7) 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 four 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 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 eight (8) percent surcharge. **Effective July 1, 2010, the additional amount payable by each such customer or resident under this subsection (C) shall be reduced to seven (7) percent.** This fee surcharge does not apply to franchised garbage collectors where the surcharge has already been collected as detailed above.

Section 2: This ordinance shall take effect and be in full force and effect thirty (30) days after its passage. The Clerk is directed to publish a summary of this ordinance within fifteen (15) days in accordance with Government Code Section 25124.

