

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

To: **BOARD OF SUPERVISORS**

Date: **APRIL 21, 2009**

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

Subject: **GARBAGE COLLECTION FEE ADJUSTMENTS IN FRANCHISE AREAS 2 AND 3**

ACTION REQUESTED / RECOMMENDATION:

1. Conduct a Public Hearing to receive input on proposed garbage collection fee adjustments in Franchise Areas 2 and 3 and new cardboard collection fees, as shown in Exhibits A-1, A-2 and A-3.
2. Adopt the attached Resolution authorizing the Chairman to sign the attached Amendment that incorporates the new fees.
3. Make a finding pursuant to Section 21080(b)(8) of the Public Resource Code that the collection fees 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: In July of 2003, the County entered into an Agreement with Tahoe Truckee Disposal Co., Inc. (TTD) and Eastern Regional Landfill Inc. (ERL Inc.) for the collection, transportation, processing, recycling and disposal of solid waste in the eastern portion of Placer County, including Franchise Areas 2 and 3, from the City of Colfax to the Nevada state line. Garbage collected by TTD is processed by ERL Inc. at the Eastern Regional Material Recovery Facility where recyclable material is removed. Residual waste is landfilled at the Lockwood Landfill in Nevada. The Agreement allows for annual cost of living adjustments (COLA) to the tipping and processing fees and garbage collection fees based on annual changes in the Employee Cost Index (ECI) and Producer Price Index (PPI).

ERL Tipping Fees

Per the Agreement, ERL Inc. is entitled to a \$3.00 per ton (7.92%) COLA increase to the processing fee for MSW and a \$0.38 per ton (3.0%) increase to disposal fees at the Lockwood Landfill. Staff recommends offsetting these increases by reducing the portion of the tipping fee retained by the County and not increasing tipping fees charged at the ERMRF for FY 2009/10. Based on our current long term projections, the County can reduce contributions to reserves for the purchase of the on-site buildings owned by ERL Inc.

Franchise Area 2 & 3 Garbage Collection Fees

Garbage collection fees in Franchise Areas 2 and 3 have the following components:

1. Service – This is the fee charged by TTD for collecting and transporting garbage to the ERMRF. Per the Agreement, TTD is entitled to a 7.92% COLA increase for FY 2009/10. In order to minimize increases to garbage collection customers, TTD has agreed to cap the COLA at 5.0% and defer the remaining 2.92% until FY 2010/11.
2. Disposal – This is the cost to TTD for dumping garbage at the ERMRF. As discussed above, no changes in tipping fees are proposed for FY 2009/10. As such, the disposal component of the collection fees will not change. Savings achieved by holding this portion constant depend on the level of service provided.

3. Franchise Fee – This portion of the fee funds the County's solid waste management program which includes monitoring and maintenance at the closed County landfill sites, many of our outreach and education programs, and oversight of garbage collection services. On March 24, 2009, your Board adopted an Ordinance to reduce the Franchise Fee in Franchise Areas 2 and 3 from 5% to 4% effective July 1, 2009.

TTD also wishes to establish garbage collection fees for commercial cardboard recycling bins. This is a service that they had previously offered to selected customers at no charge even though it was not part of our Agreement. The recent downturn in the recycled commodities markets has resulted in TTD becoming unwilling to offer this service at no charge. Under the amended Agreement, cardboard recycling bins will be available to all commercial customers for a fee approved by your Board.

Proposed garbage collection fees are shown in Exhibits A-1, A-2 and A-3. The cost of single can service is proposed to increase from the current \$20.31 to \$20.87 per month in Area 2, and from \$17.72 to \$18.19 per month in Area 3.

In order to implement the proposed collection fee increases, your Board must conduct a Public Hearing and adopt a Resolution approving an Amendment to the Agreement with ERL Inc./TTD. If approved, the proposed garbage collection fees will take effect July 1, 2009.

Notices specifying the date and location of the Public Hearing and the proposed increases have been published in the Sierra Sun and the Tahoe World newspapers. A postcard (Exhibit B) explaining the proposed fee increase and the protest procedure was also sent directly to the billing address of every TTD customer.

ENVIRONMENTAL CLEARANCE: The proposed tipping and collection fee increases are considered exempt from environmental review, pursuant to Section 21080(b)(8) of the Public Resource Code, provided your Board adopts the findings specified in the Action Requested.

FISCAL IMPACT: Tipping fees at the ERMRF are proposed to remain unchanged for FY 2009/10. Redistribution of the tipping fees will reduce revenue to the ERL Budget by approximately \$186,000 per year. This reduction will bring annual revenues and costs into closer alignment, while providing a reasonable contingency for unexpected costs.

The proposed garbage collection fee increases range from 0.7% to 2.8%, depending on the type and level of service.¹ Proposed collection fees and percentage increases for FY 2009/10 are provided in Exhibits A-1, A-2 and A-3. These increases will not significantly affect annual revenues to the Solid Waste Management Budget.

JD/WC/LM

ATTACHMENTS: EXHIBIT A-1 – FRANCHISE AREA 2 COLLECTION FEES
EXHIBIT A-2 – FRANCHISE AREA 3 COLLECTION FEES
EXHIBIT A-3 – FRANCHISE AREA 2 & 3 CARDBOARD COLLECTION FEES
EXHIBIT B – POSTCARD
RESOLUTION

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¹ The potential increase to the collection service customer could have been 6.8% without the savings achieved by absorbing the tipping fee increase, delaying a portion of the COLA and reducing the Franchise fee.

FRANCHISE AREA 2 COLLECTION FEES

	Current Fee				Proposed Adjustment				Proposed Fee			
	Service	Disposal	Surcharge	Total	Service	Disposal	Surcharge	Total	Service	Disposal	Surcharge	Total
Monthly Residential (Based on 28 lbs/can)												
32 gal can	\$14.64	\$4.70	\$0.97	\$20.31	\$0.73	\$0.00	-\$0.17	\$0.56	\$15.37	\$4.70	\$0.80	\$20.87
2 cans	\$16.52	\$9.40	\$1.30	\$27.22	\$0.83	\$0.00	-\$0.23	\$0.60	\$17.35	\$9.40	\$1.07	\$27.82
3 cans	\$18.38	\$14.11	\$1.62	\$34.11	\$0.92	\$0.00	-\$0.28	\$0.64	\$19.30	\$14.11	\$1.34	\$34.75
4 cans	\$20.25	\$18.81	\$1.95	\$41.01	\$1.01	\$0.00	-\$0.35	\$0.66	\$21.26	\$18.81	\$1.60	\$41.67
5 cans	\$22.11	\$23.51	\$2.28	\$47.90	\$1.11	\$0.00	-\$0.41	\$0.70	\$23.22	\$23.51	\$1.87	\$48.60
6 cans	\$23.86	\$28.21	\$2.60	\$54.67	\$1.19	\$0.00	-\$0.47	\$0.72	\$25.05	\$28.21	\$2.13	\$55.39
senior	\$11.00	\$4.70	\$0.79	\$16.49	\$0.55	\$0.00	-\$0.14	\$0.41	\$11.55	\$4.70	\$0.65	\$16.90
Monthly Commercial (Based on 232 lbs/yd³)												
1.5 yd, 1x	\$75.26	\$58.44	\$6.69	\$140.39	\$3.76	\$0.00	-\$1.19	\$2.57	\$79.02	\$58.44	\$5.50	\$142.96
1.5 yd, 2x	\$117.45	\$116.87	\$11.72	\$246.04	\$5.87	\$0.00	-\$2.11	\$3.76	\$123.32	\$116.87	\$9.61	\$249.80
1.5 yd, 3x	\$159.57	\$175.31	\$16.74	\$351.62	\$7.98	\$0.00	-\$3.03	\$4.95	\$167.55	\$175.31	\$13.71	\$356.57
2 yd, 1x	\$89.46	\$77.91	\$8.37	\$175.74	\$4.47	\$0.00	-\$1.50	\$2.97	\$93.93	\$77.91	\$6.87	\$178.71
2 yd, 2x	\$145.71	\$155.83	\$15.08	\$316.62	\$7.29	\$0.00	-\$2.73	\$4.56	\$153.00	\$155.83	\$12.35	\$321.18
2 yd, 3x	\$203.42	\$233.74	\$21.86	\$459.02	\$10.17	\$0.00	-\$3.97	\$6.20	\$213.59	\$233.74	\$17.89	\$465.22
3 yd, 1/2x	\$75.26	\$58.44	\$6.69	\$140.39	\$3.76	\$0.00	-\$1.19	\$2.57	\$79.02	\$58.44	\$5.50	\$142.96
3 yd, 1x	\$136.71	\$116.87	\$12.68	\$266.26	\$6.84	\$0.00	-\$2.26	\$4.58	\$143.55	\$116.87	\$10.42	\$270.84
3 yd, 2x	\$220.93	\$233.74	\$22.73	\$477.40	\$11.05	\$0.00	-\$4.10	\$6.95	\$231.98	\$233.74	\$18.63	\$484.35
3 yd, 3x	\$305.25	\$350.61	\$32.79	\$688.65	\$15.26	\$0.00	-\$5.95	\$9.31	\$320.51	\$350.61	\$26.84	\$697.96
4 yd, 1x	\$161.78	\$155.83	\$15.88	\$333.49	\$8.09	\$0.00	-\$2.85	\$5.24	\$169.87	\$155.83	\$13.03	\$338.73
4 yd, 2x	\$247.30	\$311.65	\$27.95	\$586.90	\$12.37	\$0.00	-\$5.10	\$7.27	\$259.67	\$311.65	\$22.85	\$594.17
4 yd, 3x	\$332.84	\$467.48	\$40.02	\$840.34	\$16.64	\$0.00	-\$7.34	\$9.30	\$349.48	\$467.48	\$32.68	\$849.64
6 yd, 1x	\$213.41	\$233.74	\$22.36	\$469.51	\$10.67	\$0.00	-\$4.05	\$6.62	\$224.08	\$233.74	\$18.31	\$476.13
6 yd, 2x	\$381.96	\$467.48	\$42.47	\$891.91	\$19.10	\$0.00	-\$7.73	\$11.37	\$401.06	\$467.48	\$34.74	\$903.28
6 yd, 3x	\$550.66	\$701.22	\$62.59	\$1,314.47	\$27.53	\$0.00	-\$11.41	\$16.12	\$578.19	\$701.22	\$51.18	\$1,330.59
Debris Boxes*												
6 yd	\$56.13	\$53.94	\$5.50	\$115.57	\$2.81	\$0.00	-\$0.98	\$1.83	\$58.94	\$53.94	\$4.52	\$117.40
20 yd	\$152.95	\$179.80	\$16.64	\$349.39	\$7.65	\$0.00	-\$3.02	\$4.63	\$160.60	\$179.80	\$13.62	\$354.02
30 yd	\$138.86	\$269.70	\$20.43	\$428.99	\$6.94	\$0.00	-\$3.81	\$3.13	\$145.80	\$269.70	\$16.62	\$432.12
rock box	\$152.95	\$129.32	\$14.11	\$296.38	\$7.65	\$0.00	-\$2.51	\$5.14	\$160.60	\$129.32	\$11.60	\$301.52
Chipped wood 20 yd	\$152.95	\$118.00	\$13.55	\$284.50	\$7.65	\$0.00	-\$2.41	\$5.24	\$160.60	\$118.00	\$11.14	\$289.74
Chipped wood 30 yd	\$138.86	\$177.00	\$15.79	\$331.65	\$6.94	\$0.00	-\$2.88	\$4.06	\$145.80	\$177.00	\$12.91	\$335.71

* Overweight charges will be applied to the currently applicable tipping fee to 20-yard debris boxes weighing over 8,000 pounds and 30-yard debris boxes weighing over 10,000 pounds.

FRANCHISE AREA 3 COLLECTION FEES

	Current Fee				Proposed Adjustment				Proposed Fee			
	Service	Disposal	Surcharge	Total	Service	Disposal	Surcharge	Total	Service	Disposal	Surcharge	Total
Monthly Residential (Based on 28 lbs/can)												
32 gal can	\$12.18	\$4.70	\$0.84	\$17.72	\$0.61	\$0.00	-\$0.14	\$0.47	\$12.79	\$4.70	\$0.70	\$18.19
2 cans	\$13.35	\$9.40	\$1.14	\$23.89	\$0.67	\$0.00	-\$0.20	\$0.47	\$14.02	\$9.40	\$0.94	\$24.36
senior	\$8.90	\$4.70	\$0.68	\$14.28	\$0.45	\$0.00	-\$0.12	\$0.33	\$9.35	\$4.70	\$0.56	\$14.61
Monthly Commercial (Based on 232 lbs/yd³)												
3 yd, 1x	\$86.78	\$116.87	\$10.28	\$215.93	\$4.44	\$0.00	-\$1.88	\$2.56	\$93.22	\$116.87	\$8.40	\$218.49
3 yd, 2x	\$154.55	\$233.74	\$19.41	\$407.70	\$7.73	\$0.00	-\$3.57	\$4.16	\$162.28	\$233.74	\$15.84	\$411.86
3 yd, 3x	\$220.45	\$350.61	\$28.55	\$599.61	\$11.02	\$0.00	-\$5.27	\$5.75	\$231.47	\$350.61	\$23.28	\$605.36
4 yd, 1x	\$108.07	\$155.83	\$13.20	\$277.10	\$5.40	\$0.00	-\$2.43	\$2.97	\$113.47	\$155.83	\$10.77	\$280.07
4 yd, 2x	\$171.77	\$311.65	\$24.17	\$507.59	\$8.59	\$0.00	-\$4.49	\$4.10	\$180.36	\$311.65	\$19.68	\$511.69
4 yd, 3x	\$235.35	\$467.48	\$35.14	\$737.97	\$11.77	\$0.00	-\$6.56	\$5.21	\$247.12	\$467.48	\$28.58	\$743.18
6 yd, 1x	\$147.87	\$233.74	\$19.08	\$400.69	\$7.39	\$0.00	-\$3.52	\$3.87	\$155.26	\$233.74	\$15.56	\$404.56
6 yd, 2x	\$279.76	\$467.48	\$37.36	\$784.60	\$13.99	\$0.00	-\$6.91	\$7.08	\$293.75	\$467.48	\$30.45	\$791.68
6 yd, 3x	\$411.73	\$701.22	\$55.65	\$1,168.60	\$20.59	\$0.00	-\$10.31	\$10.28	\$432.32	\$701.22	\$45.34	\$1,178.88
Monthly Compactors (Based on 375 lbs/yd³)												
10 yd, 1x	\$638.02	\$629.69	\$63.39	\$1,331.10	\$31.90	\$0.00	-\$11.41	\$20.49	\$669.92	\$629.69	\$51.98	\$1,351.59
15 yd, 1x	\$957.03	\$944.53	\$95.08	\$1,996.64	\$47.85	\$0.00	-\$17.10	\$30.75	\$1,004.88	\$944.53	\$77.98	\$2,027.39
15 yd, 2x	\$1,914.06	\$1,889.06	\$190.16	\$3,993.28	\$95.70	\$0.00	-\$34.21	\$61.49	\$2,009.76	\$1,889.06	\$155.95	\$4,054.77
25 yd, 1x	\$1,595.06	\$1,574.22	\$158.46	\$3,327.74	\$79.75	\$0.00	-\$28.50	\$51.25	\$1,674.81	\$1,574.22	\$129.96	\$3,378.99
25 yd, 2x	\$3,189.94	\$3,148.44	\$316.92	\$6,655.30	\$159.50	\$0.00	-\$57.00	\$102.50	\$3,349.44	\$3,148.44	\$259.92	\$6,757.80
30 yd, 1x	\$1,914.06	\$1,889.06	\$190.16	\$3,993.28	\$95.70	\$0.00	-\$34.21	\$61.49	\$2,009.76	\$1,889.06	\$155.95	\$4,054.77
30 yd, 2x	\$3,828.13	\$3,778.13	\$380.31	\$7,986.57	\$191.41	\$0.00	-\$68.40	\$123.01	\$4,019.54	\$3,778.13	\$311.91	\$8,109.58
Debris Boxes*												
6 yd	\$56.13	\$53.94	\$5.50	\$115.57	\$2.81	\$0.00	-\$0.98	\$1.83	\$58.94	\$53.94	\$4.52	\$117.40
20 yd	\$152.95	\$179.80	\$16.64	\$349.39	\$7.65	\$0.00	-\$3.02	\$4.63	\$160.60	\$179.80	\$13.62	\$354.02
30 yd	\$138.86	\$269.70	\$20.43	\$428.99	\$6.94	\$0.00	-\$3.81	\$3.13	\$145.80	\$269.70	\$16.62	\$432.12
rock box	\$152.95	\$129.32	\$14.11	\$296.38	\$7.65	\$0.00	-\$2.51	\$5.14	\$160.60	\$129.32	\$11.60	\$301.52
Chipped wood 20 yd	\$152.95	\$118.00	\$13.55	\$284.50	\$7.65	\$0.00	-\$2.41	\$5.24	\$160.60	\$118.00	\$11.14	\$289.74
Chipped wood 30 yd	\$138.86	\$177.00	\$15.79	\$331.65	\$6.94	\$0.00	-\$2.88	\$4.06	\$145.80	\$177.00	\$12.91	\$335.71

* Overweight charges will be applied to the currently applicable tipping fee to 20-yard debris boxes weighing over 8,000 pounds and 30-yard debris boxes weighing over 10,000 pounds.

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FRANCHISE AREAS 2 AND 3 CARDBOARD COLLECTION FEES

	Current Fee				Proposed Adjustment				Proposed Fee			
	Service	Disposal	Surcharge	Total	Service	Disposal	Surcharge	Total	Service	Disposal	Surcharge	Total
Franchise Area 3 - Monthly Fees												
3 yd, 1x	\$0.00	\$0.00	\$0.00	\$0.00	\$143.55	\$0.00	\$5.74	\$149.29	\$143.55	\$0.00	\$5.74	\$149.29
3 yd, 2x	\$0.00	\$0.00	\$0.00	\$0.00	\$231.98	\$0.00	\$9.28	\$241.26	\$231.98	\$0.00	\$9.28	\$241.26
3 yd, 3x	\$0.00	\$0.00	\$0.00	\$0.00	\$320.51	\$0.00	\$12.82	\$333.33	\$320.51	\$0.00	\$12.82	\$333.33
4 yd, 1x	\$0.00	\$0.00	\$0.00	\$0.00	\$169.87	\$0.00	\$6.79	\$176.66	\$169.87	\$0.00	\$6.79	\$176.66
4 yd, 2x	\$0.00	\$0.00	\$0.00	\$0.00	\$259.67	\$0.00	\$10.39	\$270.06	\$259.67	\$0.00	\$10.39	\$270.06
4 yd, 3x	\$0.00	\$0.00	\$0.00	\$0.00	\$349.48	\$0.00	\$13.98	\$363.46	\$349.48	\$0.00	\$13.98	\$363.46
6 yd, 1x	\$0.00	\$0.00	\$0.00	\$0.00	\$224.08	\$0.00	\$8.96	\$233.04	\$224.08	\$0.00	\$8.96	\$233.04
6 yd, 2x	\$0.00	\$0.00	\$0.00	\$0.00	\$401.06	\$0.00	\$16.04	\$417.10	\$401.06	\$0.00	\$16.04	\$417.10
6 yd, 3x	\$0.00	\$0.00	\$0.00	\$0.00	\$578.19	\$0.00	\$23.13	\$601.32	\$578.19	\$0.00	\$23.13	\$601.32
Franchise Area 3 - Monthly Fees												
3 yd, 1x	\$0.00	\$0.00	\$0.00	\$0.00	\$93.22	\$0.00	\$3.73	\$96.95	\$93.22	\$0.00	\$3.73	\$96.95
3 yd, 2x	\$0.00	\$0.00	\$0.00	\$0.00	\$162.28	\$0.00	\$6.49	\$168.77	\$162.28	\$0.00	\$6.49	\$168.77
3 yd, 3x	\$0.00	\$0.00	\$0.00	\$0.00	\$231.47	\$0.00	\$9.26	\$240.73	\$231.47	\$0.00	\$9.26	\$240.73
4 yd, 1x	\$0.00	\$0.00	\$0.00	\$0.00	\$113.47	\$0.00	\$4.54	\$118.01	\$113.47	\$0.00	\$4.54	\$118.01
4 yd, 2x	\$0.00	\$0.00	\$0.00	\$0.00	\$180.36	\$0.00	\$7.21	\$187.57	\$180.36	\$0.00	\$7.21	\$187.57
4 yd, 3x	\$0.00	\$0.00	\$0.00	\$0.00	\$247.12	\$0.00	\$9.88	\$257.00	\$247.12	\$0.00	\$9.88	\$257.00
6 yd, 1x	\$0.00	\$0.00	\$0.00	\$0.00	\$155.26	\$0.00	\$6.21	\$161.47	\$155.26	\$0.00	\$6.21	\$161.47
6 yd, 2x	\$0.00	\$0.00	\$0.00	\$0.00	\$293.75	\$0.00	\$11.75	\$305.50	\$293.75	\$0.00	\$11.75	\$305.50
6 yd, 3x	\$0.00	\$0.00	\$0.00	\$0.00	\$432.32	\$0.00	\$17.29	\$449.61	\$432.32	\$0.00	\$17.29	\$449.61
Cardboard Debris Boxes - Franchise Areas 2 and 3												
20 yd	\$0.00	\$0.00	\$0.00	\$0.00	\$160.60	\$0.00	\$6.42	\$167.02	\$160.60	\$0.00	\$6.42	\$167.02

NOTICE: On April 21, 2009 at 10:00 a.m., the Placer County Board of Supervisors will hold a public hearing to consider increases in garbage collection rates in Franchise areas 2 and 3 of up to 3.0% (depending on the level of service) to reflect increases in the cost of living as measured by changes in the Employment Cost Index and Producer Price Index.

Monthly single can rates are proposed to increase from \$20.31 to \$20.87 in Franchise Area 2 and from \$17.72 to \$18.19 in Franchise Area 3. Monthly 3 yard commercial bin rates (weekly pick up) are proposed to increase from \$266.26 to \$270.84 in Franchise Area 2 and from \$215.93 to \$218.49 in Franchise Area 3.

The Board will also consider adoption of new fees for bins for commercial cardboard collection. The Board will consider written protests concerning the increases and new fees. Written protests can be delivered to the Placer County Executive Office at 5225 North Lake Boulevard, Carnelian Bay, CA 95678 until 10:00 am on April 21, 2009, and at the hearing location on April 21, 2009 prior to or during the hearing. The hearing location has not yet been determined and will be posted on the County's website, www.placer.ca.gov, when known. A complete listing of proposed rate changes is also available on the County's website at www.placer.ca.gov/recycle and click on Lake Tahoe. For additional information regarding garbage collection rates or the April 21st meeting location please contact Department of Facility Services, Environmental Engineering Division at 530-886-6846.

If a majority of affected property owners file written protests, the proposed rate changes will not be imposed. State law provides that only the written protests of property owners may be considered to determine if a majority protest exists. No more than one protest per property may be submitted.

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

In the matter of:

Resol. _____

**A RESOLUTION APPROVING AND AUTHORIZING
EXECUTION OF AN AMENDED CONTRACT FOR THE
EASTERN REGIONAL MATERIAL RECOVERY FACILITY AND SOLID
WASTE FRANCHISE AREAS 2 AND 3**

The following RESOLUTION was duly passed by the Board of Supervisors of the County of Placer at a regular meeting held _____, 2009 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 Agreement for operation of the Eastern Regional Material Recovery Facility and collection of solid wastes in Franchise Areas 2 and 3; and

WHEREAS, both the County and its Operator have a need to amend garbage collection fees and establish new cardboard collection fees in order to more closely approximate the cost of providing service; 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 business.

NOW, THEREFORE, BE IT RESOLVED by the Board of Supervisors of the County of Placer, State of California, that this Board approves and authorizes the attached Amendment No. 8 to Contract No. 11710 with Placer County Eastern Regional Sanitary Landfill, Inc. and Tahoe Truckee Disposal Co., Inc. for the operation of the Eastern Regional Material Recovery Facility and solid waste collection in Franchise Areas 2 and 3. The Amendment specifies processing fee and solid waste collection rate adjustments for FY 2009/10.

ATTACHMENTS: CONTRACT AMENDMENT
 NOTICE OF PUBLIC HEARING

EIGHTH AMENDMENT TO CONTRACT NO. 11710
AGREEMENT FOR SOLID WASTE HANDLING SERVICES

This Eighth Amendment to the Agreement for Solid Waste Handling Services ("Agreement") between Placer County, California ("County") and Tahoe Truckee Disposal Co., Inc., a California corporation, and Placer County Eastern Regional Sanitary Landfill, Inc., a Nevada corporation (hereinafter collectively referred to as "Contractor") is entered into this _____ day of _____, 2009, and effective as of July 1, 2009.

RECITALS

1. The County and Contractor entered into that certain Agreement for Solid Waste Handling Services dated July 22, 2003, which was amended previously as of April 20, 2004 by the First Amendment, July 13, 2004 by the Second Amendment, January 18, 2005 by the Third Amendment, April 18, 2005 by the Fourth Amendment, April 3, 2006 by the Fifth Amendment, July 24, 2007 by the Sixth Amendment, and April 15th, 2008 by the Seventh Amendment.
2. The County and Contractor wish to amend the Agreement, after holding a scheduled Public Hearing, to amend the collection fees charged by Contractor to residential and commercial customers and establish new cardboard collection fees in Franchise Areas 2 and 3.
3. The County and Contractor wish to amend the Processing Fees and Incentive Payments earned by Contractor for providing the services under the Agreement and the License Fees paid to County by Contractor for use of the Premises.
4. The Contractor agrees to cap the fiscal year 2009/10 Cost of Living Adjustment for the service portion of the garbage collection fees and defer a portion to the following year.
5. The County and Contractor wish to memorialize in this Amendment their agreement regarding the foregoing issues.

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. ARTICLE TWO, Section 3 "Collection Services Provided by Contractor," C. Recyclable Materials Collection Services is hereby amended by adding a new subsection (7) that will read as follows: "Contractor shall provide commercial, industrial and institutional customers various sizes of cardboard collection bins upon request. Fees for such services will be based on the cardboard fees included in Page 3 of Exhibit C8. The County reserves the right to review and approve any and all information distributed to Tahoe Truckee Disposal Co., Inc. (TTD) customers in regard to the cardboard collection program."
2. ARTICLE SIX, Section 13. "Annual Adjustment Methodology," shall be amended by adding the following paragraph: "Contractor agrees to cap the fiscal year 2009/10 COLA at 5% for the service portion of the garbage collection fees. The remaining 2.92% of the 7.92% calculated Cost of Living Adjustment (COLA) will be carried forward and added onto the COLA for FY 2010/11.

3. Exhibit C7 shall be deleted and the Exhibit C8 attached hereto is substituted therefore.
4. Exhibit L7 shall be deleted and the Exhibit L8 attached hereto is substituted therefore.

Except as expressly provided in this Eighth Amendment, the Agreement shall remain unchanged and in full force and effect. After this Eighth Amendment is duly executed and delivered by County and Contractor, this Eighth Amendment shall be and constitute an integral part of the Agreement.

IN WITNESS WHEREOF, the County and Contractor have executed this Amendment as of the day and year first above written.

COUNTY: Placer County Department of Facility Services
 Attn: Walter Schwall
 Environmental Engineering Division
 11476 "C" Avenue
 Auburn, CA 95603
 Phone: 530-886-4942 Fax: 530-886-4999

CONTRACTOR:
 Tahoe Truckee Disposal Co., Inc.,
 & Placer County Eastern Regional
 Sanitary Landfill, Inc.,
 Attn: David Achiro
 PO Box 6479
 Tahoe City CA 96145
 Phone: 530-583-0148
 Fax: 530-583-0804

REMIT TO:
 Tahoe Truckee Disposal Co., Inc.,
 & Placer County Eastern Regional
 Sanitary Landfill, Inc.,
 Attn: David Achiro
 PO Box 6479
 Tahoe City CA 96145
 Phone: 530-583-0148
 Fax: 530-583-0804

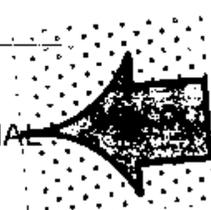
County or Consultant may from time to time designate any other address for this purpose by written notice to the other party.

Executed as of the day first above stated:
 PLACER COUNTY (County)

By: _____
 Chairman, Board of Supervisors

_____ Date of Board Approval

TAHOE TRUCKEE DISPOSAL CO., INC. & PLACER COUNTY EASTERN REGIONAL
 SANITARY LANDFILL, INC. (Contractor*)



By: _____
 Silvano Achiro, President

Date: _____

By: _____
 David Achiro, Secretary

Date: _____

Approved as to Form

Approved as to Funds

By: _____
 County Counsel

By: _____
 County Auditor's Office

MONTHLY RESIDENTIAL SERVICE COLLECTION FEES

Service Level ⁽¹⁾	Franchise Area 2				Franchise Area 3			
	Service	Disposal ⁽²⁾	Franchise Fee	Total	Service	Disposal ⁽²⁾	Franchise Fee	Total
Single can	\$15.37	\$4.70	\$0.80	\$20.87	\$12.79	\$4.70	\$0.70	\$18.19
2 cans	\$17.35	\$9.40	\$1.07	\$27.82	\$14.02	\$9.40	\$0.94	\$24.36
3 cans	\$19.30	\$14.11	\$1.34	\$34.75	N/A	N/A	N/A	N/A
4 cans	\$21.26	\$18.81	\$1.60	\$41.67	N/A	N/A	N/A	N/A
5 cans	\$23.22	\$23.51	\$1.87	\$48.60	N/A	N/A	N/A	N/A
6 cans	\$25.05	\$28.21	\$2.13	\$55.39	N/A	N/A	N/A	N/A
Senior rate	\$11.55	\$4.70	\$0.65	\$16.90	\$9.35	\$4.70	\$0.56	\$14.61

(1) Service levels refer to quantity of 32-gallon containers placed per week by customer for collection.

(2) Disposal fees computed based on the Mixed Waste Tipping Fee at the Facility applied to 28 pounds of refuse disposed per can, 52 weeks per year.

DEBRIS BOX COLLECTION FEES

Service Level ⁽¹⁾	Franchise Area 2				Franchise Area 3			
	Service	Disposal ⁽²⁾	Franchise Fee	Total	Service	Disposal ⁽²⁾	Franchise Fee	Total
6 yd	\$58.94	\$53.94	\$4.52	\$117.40	\$58.94	\$53.94	\$4.52	\$117.40
20 yd	\$160.60	\$179.80	\$13.62	\$354.02	\$160.60	\$179.80	\$13.62	\$354.02
30 yd	\$145.80	\$269.70	\$16.62	\$432.12	\$145.80	\$269.70	\$16.62	\$432.12
Rock box	\$160.60	\$129.32	\$11.60	\$301.52	\$160.60	\$129.32	\$11.60	\$301.52
Chipped Wood 20 yd	\$160.60	\$118.00	\$11.14	\$289.74	\$160.60	\$118.00	\$11.14	\$289.74
Chipped Wood 30 yd	\$145.80	\$177.00	\$12.91	\$335.71	\$145.80	\$177.00	\$12.91	\$335.71

(1) Service level corresponds to the size of the debris box. Rock boxes are approximately 10 cubic yards.

(2) Disposal fees computed based on the Mixed Waste Tipping Fee at the Facility applied to the designated yardage with a conversion factor of 232 pounds per cubic yard. Overweight charges applied at the Mixed Waste Tipping Fee for 20-yard debris boxes weighing over 8,000 pounds and 30-yard debris boxes weighing over 10,000 pounds.

EXHIBIT C8
COLLECTION FEE SCHEDULE
PROPOSED FY 2009-10

EXHIBIT C8

MONTHLY COMMERCIAL SERVICE COLLECTION FEES

Service Level ⁽¹⁾	Franchise Area 2				Franchise Area 3			
	Service	Disposal ⁽²⁾	Franchise Fee	Total	Service	Disposal ⁽²⁾	Franchise Fee	Total
1.5 yd, 1x	\$79.02	\$58.44	\$5.50	\$142.96	N/A	N/A	N/A	N/A
1.5 yd, 2x	\$123.32	\$116.87	\$9.61	\$249.80	N/A	N/A	N/A	N/A
1.5 yd, 3x	\$167.55	\$175.31	\$13.71	\$356.57	N/A	N/A	N/A	N/A
2 yd, 1x	\$93.93	\$77.91	\$6.87	\$178.71	N/A	N/A	N/A	N/A
2 yd, 2x	\$153.00	\$155.83	\$12.35	\$321.18	N/A	N/A	N/A	N/A
2 yd, 3x	\$213.59	\$233.74	\$17.89	\$465.22	N/A	N/A	N/A	N/A
3 yd, 1/2x	\$79.02	\$58.44	\$5.50	\$142.96	N/A	N/A	N/A	N/A
3yd, 1x	\$143.55	\$116.87	\$10.42	\$270.84	\$93.22	\$116.87	\$8.40	\$218.49
3yd, 2x	\$231.98	\$233.74	\$18.63	\$484.35	\$162.28	\$233.74	\$15.84	\$411.86
3yd, 3x	\$320.51	\$350.61	\$26.84	\$697.96	\$231.47	\$350.61	\$23.28	\$605.36
4yd, 1x	\$169.87	\$155.83	\$13.03	\$338.73	\$113.47	\$155.83	\$10.77	\$280.07
4yd, 2x	\$259.67	\$311.65	\$22.85	\$594.17	\$180.36	\$311.65	\$19.68	\$511.69
4yd, 3x	\$349.48	\$467.48	\$32.68	\$849.64	\$247.12	\$467.48	\$28.58	\$743.18
6yd, 1x	\$224.08	\$233.74	\$18.31	\$476.13	\$155.26	\$233.74	\$15.56	\$404.56
6yd, 2x	\$401.06	\$467.48	\$34.74	\$903.28	\$293.75	\$467.48	\$30.45	\$791.68
6yd, 3x	\$578.19	\$701.22	\$51.18	\$1,330.59	\$432.32	\$701.22	\$45.34	\$1,178.88
10 yd, 1x	N/A	N/A	N/A	N/A	\$669.92	\$629.69	\$51.98	\$1,351.59
15 yd, 1x	N/A	N/A	N/A	N/A	\$1,004.88	\$944.53	\$77.98	\$2,027.39
15 yd, 2x	N/A	N/A	N/A	N/A	\$2,009.76	\$1,889.06	\$155.95	\$4,054.77
25 yd, 1x	N/A	N/A	N/A	N/A	\$1,674.81	\$1,574.22	\$129.96	\$3,378.99
25 yd, 2x	N/A	N/A	N/A	N/A	\$3,349.44	\$3,148.44	\$259.92	\$6,757.80
30 yd, 1x	N/A	N/A	N/A	N/A	\$2,009.76	\$1,889.06	\$155.95	\$4,054.77
30 yd, 2x	N/A	N/A	N/A	N/A	\$4,019.54	\$3,778.13	\$311.91	\$8,109.58

(1) Service levels correspond to bin size (in cubic yards) and collection frequency per week (i.e., 2x = twice per week). Bin sizes of ten (10) cubic yards or greater refer to compactors.

(2) Disposal fees computed based on the Mixed Waste Tipping Fee at the Facility applied to the designated yardage with a conversion factor of 232 pounds per cubic yard for non-compactor units and 375 pounds per cubic yard for compactors.

MONTHLY CARDBOARD COMMERCIAL COLLECTION FEES

Service Level ⁽¹⁾	Franchise Area 2				Franchise Area 3			
	Service	Disposal	Franchise Fee	Total	Service	Disposal	Franchise Fee	Total
3yd, 1x	\$143.55	\$0.00	\$5.74	\$149.29	\$93.22	\$0.00	\$3.73	\$96.95
3yd, 2x	\$231.98	\$0.00	\$9.28	\$241.26	\$162.28	\$0.00	\$6.49	\$168.77
4yd, 1x	\$169.87	\$0.00	\$6.79	\$176.66	\$113.47	\$0.00	\$4.54	\$118.01
4yd, 2x	\$259.67	\$0.00	\$10.39	\$270.06	\$180.36	\$0.00	\$7.21	\$187.57
6yd, 1x	\$224.08	\$0.00	\$8.96	\$233.04	\$155.26	\$0.00	\$6.21	\$161.47
6yd, 2x	\$401.06	\$0.00	\$16.04	\$417.10	\$293.75	\$0.00	\$11.75	\$305.50

CARDBOARD DEBRIS BOX COLLECTION FEES

Service Level	Franchise Area 2				Franchise Area 3			
	Service	Disposal	Franchise Fee	Total	Service	Disposal	Franchise Fee	Total
20 yd	\$160.60	\$0.00	\$6.42	\$167.02	\$160.60	\$0.00	\$6.42	\$167.02

(1) Service levels correspond to bin size (in cubic yards) and collection frequency per week (i.e., 2x = twice per week).

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**EASTERN REGIONAL MATERIAL RECOVERY FACILITY
CURRENT LICENSE AND PROCESSING FEES AND INCENTIVE PAYMENTS**

Tip Fee Description	Tip Fee
Mixed Waste Processing Fee (per ton)	
First 60,000 Tons per Operating Year	\$40.89
In excess of 60,000 Tons per Operating Year	\$33.78
Source Separated Inert/Wood Waste Processing Fee (per cubic yard)	\$4.95
Appliance Processing Fee (per item)	\$7.11
CFC-Containing Appliance Processing Fee (per item)	\$39.07
Incentive Payment (per ton)	\$17.60
Household Hazardous Waste Collection Event Fee (per event)	\$1,370.15
Monthly License Fee	\$4,818.88

NOTICE OF PUBLIC HEARING

BY WHOM: PLACER COUNTY BOARD OF SUPERVISORS

WHERE: NORTHSTAR-AT-TAHOE
100 NORTHSTAR DRIVE
(BOARD ROOM) IN THE VILLAGE
TRUCKEE, CA 96161

WHEN: TUESDAY, APRIL 21, 2009 10:00 A.M.

PURPOSE: NOTICE IS GIVEN that the Placer County Board of Supervisors will conduct a public hearing to consider increasing refuse collection fees in Franchise Areas 2 and 3 by up to 2.80% and adoption of new fees for bins for commercial cardboard collection for FY 2009/10. The purpose of the fee increases is to allow Tahoe Truckee Disposal Co., Inc. to recover increased operational costs, as measured by changes in the Employment Cost Index, Producer Price Index and increases in out-of-state disposal costs.

Interested persons are invited to attend the hearing or submit their written comments to the Clerk of the Board of Supervisors, 175 Fulweiler Avenue, Auburn CA 95603, or by calling the Department of Facility Services, Environmental Engineering Division, (530) 889-6846, prior to the hearing date.

Ann Holman
Clerk of the Board of Supervisors

PUBLISH: Sierra Sun
Tahoe World