

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

To: **BOARD OF SUPERVISORS**

Date: **OCTOBER 25, 2011**

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

Subject: **ELIMINATION OF COMMERCIAL CARDBOARD RECYCLING FEES IN
FRANCHISE AREAS 2 AND 3**

ACTION REQUESTED / RECOMMENDATION:

1. Conduct a Public Hearing to receive input on the proposed elimination of commercial cardboard recycling fees in Franchise Areas 2 and 3.
2. Adopt the attached Resolution authorizing the Chairman to sign the attached Thirteenth Amendment to the Agreement for Solid Waste Handling Services (Agreement) that eliminates the commercial cardboard 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: Tahoe Truckee Disposal Co., Inc. (TTD) is the garbage collection franchisee for Franchise Areas 2 and 3 which includes the portion of Placer County from the City of Colfax to the Nevada state line.

In July 2009, your Board established fees for commercial cardboard recycling bins. The cardboard collection fees were established as a result of the downturn in the recycled commodities market and were based on the service component of the commercial recycling bins. The recycled commodities market has since rebounded and staff has negotiated with TTD to provide commercial cardboard collection at no-cost.

In order to implement the proposed fee adjustments, staff requests that your Board conduct a Public Hearing and adopt a Resolution approving the Thirteenth Amendment to the Agreement. If approved, cardboard collection will be provided at no cost retroactive to October 1, 2011. The proposed decreases in the cardboard collection fees are not subject to Proposition 218; therefore, no public noticing is required.

ENVIRONMENTAL CLEARANCE: The proposed collection fee adjustments 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: The County currently receives a 4% Franchise Fee in Franchise Areas 2 and 3. Elimination of the commercial cardboard fees will reduce the annual revenue to the Solid Waste budget (0450) by approximately \$2,000.

ATTACHMENT: RESOLUTION

ORIGINAL AGREEMENT AND AMENDMENTS ARE AVAILABLE FOR REVIEW AT THE DEPARTMENT OF FACILITY SERVICES
JD/WD/WS/KW

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

In the matter of:

Resol. _____

**A RESOLUTION APPROVING AND AUTHORIZING
THE CHAIRMAN TO SIGN THE THIRTEENTH AMENDMENT TO
THE AGREEMENT FOR SOLID WASTE HANDLING SERVICES
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 _____, 2011 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 contractor have a need to amend commercial 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 Thirteenth Amendment 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 garbage collection fees from October 1, 2011 through June 30, 2012, and eliminates all fees for cardboard collection services.

ATTACHMENTS: CONTRACT AMENDMENT

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

This Thirteenth 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 _____, 2011, and effective as of October 1, 2011.

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 15, 2008, by the Seventh Amendment, April 21, 2009, by the Eighth Amendment, July 21, 2009, by the Ninth Amendment, May 18, 2010, by the Tenth Amendment, April 12, 2011, by the Eleventh and Twelfth Amendments.
2. The County and Contractor wish to amend the Agreement, after holding a scheduled Public Hearing, to amend the cardboard collection fees in Franchise Areas 2 and 3.
3. 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 Item (7) is hereby amended to read as follows: "Contractor shall provide commercial, industrial and institutional customers various sizes of cardboard collection bins upon request. The cardboard collection services shall be provided at no charge. 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. Exhibit C12 shall be deleted and the Exhibit C13 attached hereto is substituted therefore. Except as expressly provided in this Thirteenth Amendment, the Agreement shall remain unchanged and in full force and effect. After this Thirteenth Amendment is duly executed and delivered by County and Contractor, this Thirteenth 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
P.O. 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
P.O. 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 RATES

Service Level ⁽¹⁾	Franchise Area 2				Franchise Area 3			
	Service	Disposal ⁽²⁾	Franchise Fee	Total	Service	Disposal ⁽²⁾	Franchise Fee	Total
Single can	\$15.52	\$4.70	\$0.81	\$21.03	\$12.92	\$4.70	\$0.70	\$18.32
2 cans	\$17.52	\$9.40	\$1.08	\$28.00	\$14.16	\$9.40	\$0.94	\$24.50
3 cans	\$19.49	\$14.11	\$1.34	\$34.94	N/A	N/A	N/A	N/A
4 cans	\$21.47	\$18.81	\$1.61	\$41.89	N/A	N/A	N/A	N/A
5 cans	\$23.45	\$23.51	\$1.88	\$48.84	N/A	N/A	N/A	N/A
6 cans	\$25.29	\$28.21	\$2.14	\$55.64	N/A	N/A	N/A	N/A
Senior rate	\$11.67	\$4.70	\$0.65	\$17.02	\$9.44	\$4.70	\$0.57	\$14.71

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

(2) Disposal rate 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 RATES

Service Level ⁽¹⁾	Franchise Area 2				Franchise Area 3			
	Service	Disposal ⁽²⁾	Franchise Fee	Total	Service	Disposal ⁽²⁾	Franchise Fee	Total
6 yd	\$59.51	\$53.94	\$4.54	\$117.99	\$59.51	\$53.94	\$4.54	\$117.99
20 yd	\$162.16	\$179.80	\$13.68	\$355.64	\$162.16	\$179.80	\$13.68	\$355.64
30 yd	\$147.22	\$269.70	\$16.68	\$433.60	\$147.22	\$269.70	\$16.68	\$433.60
Rock box	\$162.16	\$129.32	\$11.66	\$303.14	\$162.16	\$129.32	\$11.66	\$303.14
Chipped Wood 20 yd	\$162.16	\$118.00	\$11.21	\$291.37	\$162.16	\$118.00	\$11.21	\$291.37
Chipped Wood 30 yd	\$147.22	\$177.00	\$12.97	\$337.19	\$147.22	\$177.00	\$12.97	\$337.19

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

(2) Disposal rate 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 C13
COLLECTION RATE SCHEDULE
FY 2011-12

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MONTHLY COMMERCIAL SERVICE COLLECTION RATES

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	\$79.79	\$58.44	\$5.53	\$143.76	N/A	N/A	N/A	N/A
1.5 yd, 2x	\$124.52	\$116.87	\$9.66	\$251.05	N/A	N/A	N/A	N/A
1.5 yd, 3x	\$169.18	\$175.31	\$13.78	\$358.27	N/A	N/A	N/A	N/A
2 yd, 1x	\$94.85	\$77.91	\$6.91	\$179.67	N/A	N/A	N/A	N/A
2 yd, 2x	\$154.49	\$155.83	\$12.41	\$322.73	N/A	N/A	N/A	N/A
2 yd, 3x	\$215.67	\$233.74	\$17.98	\$467.39	N/A	N/A	N/A	N/A
3 yd, 1/2x	\$79.79	\$58.44	\$5.53	\$143.76	N/A	N/A	N/A	N/A
3yd, 1x	\$144.95	\$116.87	\$10.47	\$272.29	\$94.13	\$116.87	\$8.44	\$219.44
3yd, 2x	\$234.23	\$233.74	\$18.72	\$486.69	\$163.86	\$233.74	\$15.90	\$413.50
3yd, 3x	\$323.63	\$350.61	\$26.97	\$701.21	\$233.73	\$350.61	\$23.37	\$607.71
4yd, 1x	\$171.52	\$155.83	\$13.09	\$340.44	\$114.58	\$155.83	\$10.82	\$281.23
4yd, 2x	\$262.20	\$311.65	\$22.95	\$596.80	\$182.11	\$311.65	\$19.75	\$513.51
4yd, 3x	\$352.88	\$467.48	\$32.81	\$853.17	\$249.52	\$467.48	\$28.68	\$745.68
6yd, 1x	\$226.26	\$233.74	\$18.40	\$478.40	\$156.77	\$233.74	\$15.62	\$406.13
6yd, 2x	\$404.96	\$467.48	\$34.90	\$907.34	\$296.61	\$467.48	\$30.56	\$794.65
6yd, 3x	\$583.82	\$701.22	\$51.40	\$1,336.44	\$436.52	\$701.22	\$45.51	\$1,183.25
10 yd, 1x	N/A	N/A	N/A	N/A	\$676.44	\$629.69	\$52.25	\$1,358.38
15 yd, 1x	N/A	N/A	N/A	N/A	\$1,014.66	\$944.53	\$78.37	\$2,037.56
15 yd, 2x	N/A	N/A	N/A	N/A	\$2,029.32	\$1,889.06	\$156.74	\$4,075.12
25 yd, 1x	N/A	N/A	N/A	N/A	\$1,691.11	\$1,574.22	\$130.61	\$3,395.94
25 yd, 2x	N/A	N/A	N/A	N/A	\$3,382.04	\$3,148.44	\$261.22	\$6,791.70
30 yd, 1x	N/A	N/A	N/A	N/A	\$2,029.32	\$1,889.06	\$156.74	\$4,075.12
30 yd, 2x	N/A	N/A	N/A	N/A	\$4,058.67	\$3,778.13	\$313.47	\$8,150.27

(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 rate 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-compactors and 375 pounds per cubic yard for compactors.

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MONTHLY CARDBOARD COMMERCIAL COLLECTION RATES

Service Level ⁽¹⁾	Franchise Area 2				Franchise Area 3			
	Service	Disposal	Franchise Fee	Total	Service	Disposal	Franchise Fee	Total
3yd, 1x	---	---	---	\$0.00	---	---	---	\$0.00
3yd, 2x	---	---	---	\$0.00	---	---	---	\$0.00
4yd, 1x	---	---	---	\$0.00	---	---	---	\$0.00
4yd, 2x	---	---	---	\$0.00	---	---	---	\$0.00
6yd, 1x	---	---	---	\$0.00	---	---	---	\$0.00
6yd, 2x	---	---	---	\$0.00	---	---	---	\$0.00

CARDBOARD DEBRIS BOX COLLECTION RATES

Service Level	Franchise Area 2				Franchise Area 3			
	Service	Disposal	Franchise Fee	Total	Service	Disposal	Franchise Fee	Total
20 yd	---	---	---	\$0.00	---	---	---	\$0.00

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

