

# Enhanced Recycling Program and Other Rate Increases for Unincorporated El Dorado County

Presented By: Gerri Silva, Director  
Environmental Management Department  
December 9, 2008



# Program History

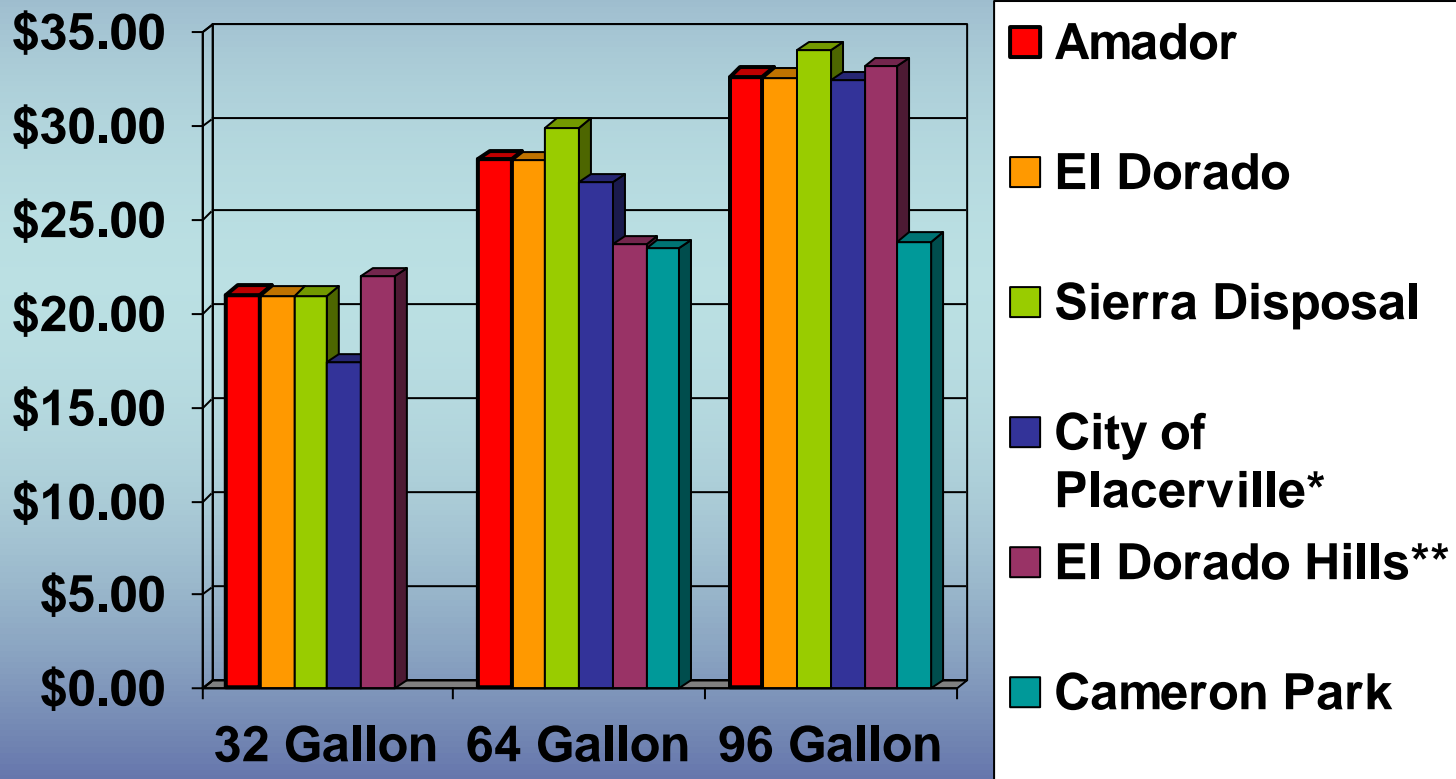
- **July 29, 2008**
  - Board of Supervisors set date workshop to discuss solid waste issues
- **August 18, 2008 Workshop**
  - Supervisors direct EMD staff to research and bring back to the Board a status report and recommendation regarding new and increased recycling programs for the unincorporated area of the County
  - Supervisors direct that recommendations should include multi- cart programs and bluebag recycling programs
- **October 7, 2008 Board Meeting**
  - The Board adopted the resolutions increasing recycling programs for all the Franchise Areas
  - The Board directed EMD to return to the Board on November 18, 2008, to hold a public hearing regarding a rate increase for the new service levels and other rate increases, if needed
  - The Board granted an extension of the November 18, 2008 hearing date to December 9, 2008

# Enhanced Recycling Program

## Purpose and Benefits

- Future State mandates may require Local Governments to achieve higher diversion rates and decrease landfill disposal
- How do we achieve future diversion mandates?
  - Create a comprehensive refuse collection and recycling infrastructure that will enable the County to achieve statewide mandates
  - Increase recycling opportunities in the six franchise areas through a standardized recycling program
    - » Blue bags (East Slope)
    - » Multi-carts (West Slope)

# West Slope Proposed Rate Normalization



\*The City of Placerville rates are based on implementation of mandatory service within 4 years.

\*\* The goal in El Dorado Hills, was to keep the 64 gallon container rate as low as possible

# East Slope



# Tahoe Truckee Sierra Disposal

- **Enhanced Recycling Program**
  - **Recycling**
    - Blue bag program will proceed unchanged
  - **Green Waste**
    - A free green waste collection event



# Tahoe Truckee Sierra Disposal Cont.

- **Rates**

- No rate increase as a result of the enhanced recycling program
- 11.1% General Rate Increase request effective January 1, 2009
  - Solid Waste Collection rates have failed to keep up with true costs (i.e., disposal, labor, and vehicle/equipment upgrades)
  - Offer a consistent customer rate throughout the TTSD service area
  - Last rate increase July 1, 2006

## ***Residential***

Current Rate	Proposed Rate
1 32g Can \$15.95	\$17.72
2 32g Can \$21.50	\$23.89

# Tahoe Truckee Sierra Disposal Recommendation

- The EMD recommends that the Board approve the rate increase effective January 1, 2009, per Section 19 of the Franchise Agreement



# South Tahoe Refuse

- **Enhanced Recycling Program**
  - **Recycling**
    - Blue bag pilot program
    - Blue bags provided to customers and replaced at curbside
    - Rolled out to Upper Truckee residential customers on January 1, 2009 (~1,383 customers)
    - Roll out to all customers Earth Day 2009 (April 22)
  - **Green Waste**
    - Pilot project on Earth Day 2009 (April 22)
    - Proposing to run green waste routes every other week for residents



# South Tahoe Refuse Cont.

- **Rates**

- **Enhanced Recycling Program**

- No current rate increases as a result of the enhanced recycling program
    - November 17, 2008 SLTBWMA unanimously approved to financially support the first year of the pilot program – January 2009-December 2009 at \$177,489
      - At completion of pilot program EMD shall conduct a comprehensive program review and return to the Board as appropriate

- **General Rate Increase Request**

- 8% General Rate Increase Request effective January 1, 2009
    - Projected \$137,065 revenue shortfall (i.e., disposal, operational costs)
      - STR continues to work to reduce their operating costs

## ***Residential***

Current Rate		Proposed Rate
Unlimited	\$24.32	\$26.27

# South Tahoe Refuse Cont.

- In June 2008 Douglas County approved a 4.33% increase and the City of South Lake Tahoe took the same action in September 2008
- Douglas County and the City of South Lake Tahoe have CPI rate increases pending for a January 1, 2009 implementation

## *Proposed Rates - Residential*

El Dorado Co.*	City of SLT*	Douglas Co.**
\$26.27	\$24.19	\$29.79

\* unlimited pick-up, \*\* 2 cans

# South Tahoe Refuse Recommendation

- The EMD recommends that the Board approve the rate increase effective January 1, 2009, per Section 19 of the Franchise Agreement

# West Slope



# El Dorado Disposal Service

- **Enhanced Recycling Program**
  - **Three Cart Program (all customers)**
    - **Refuse**
      - 32, 64 and 96 gallon carts
      - 6,046 (32) gallon carts
    - **Recycling**
      - 64 and 96 gallon carts
      - 3,944 (64) gallon carts, 96 gallon available upon request
    - **Green Waste**
      - 96 gallon carts
      - Additional Community Clean Up Day
  - Addition of one satellite route by the end of the year

# El Dorado Disposal Service Cont.

- **Rates**

- **Enhanced Recycling Program**

- Addition of 10,000 new carts (garbage and recycling)
    - Cost savings of blue bags
    - Reduction in processing and land disposal costs and increase recycling
    - Elimination of current \$2.00/month charge for 1,200 customers utilizing green waste collection

<i>Residential</i>		<i>Residential</i>	
Current Rate*		New Rate*	
1 32g Can	\$18.12	1 32g Cart	\$20.95
1 64g Cart	\$27.16	1 64g Cart	\$28.18
1 96g Cart	\$27.81	1 96g Cart	\$32.59

\*Rate does not include current fuel surcharge

**-- New MRF commercial rate for clean recyclable loads**  
 \$46.18 per ton – a Not To Exceed Amount

# El Dorado Disposal Recommendation

- The EMD recommends that the Board approve the change in service level and rate adjustment effective January 1, 2009, per Section 6 “Solid Waste and Recyclable Collection Services Provided by the Contractor” of the Franchise Agreement
- The EMD recommends that the Board approve the new commercial clean recyclable load rate effective January 1, 2009, as per Section 19 of the Franchise Agreement



# Sierra Disposal Service

- **Enhanced Recycling Program**
  - **Two Cart Program (phased program)**
    - **Refuse**
      - 32, 64 and 96 gallon refuse carts
    - **Recycling**
      - 64 or 96 gallon carts
      - 80% of residential customers ~4,293 customers
      - Phased program will be rolled out on January 1, 2009
  - **Green Waste**
    - Proceed unchanged

# Sierra Disposal Service Cont.

- **Rates**

- **Disposal Cost Increase Request**

- 2.57% Disposal Cost Increase effective January 1, 2009

Current Rate		2.57% Disposal
1 32g Can	\$ 18.42	\$ 18.89
2 32g Can	\$ 26.31	\$ 26.99

- **Enhanced Recycling Program**

- Purchasing of carts
    - Retro-fit current equipment
    - Addition of two commercially licensed drivers and two trucks for recycling routes

	2.57% Disposal	Proposed- Multi Cart	
1 32g Can	\$ 18.89	1 32g Cart	\$ 20.71
2 32g Can	\$ 26.99	1 64g Cart	\$ 29.60
		1 96g Cart	\$ 33.62

# Sierra Disposal Service Recommendation

- The EMD recommends that the Board approve the disposal rate increase effective January 1, 2009, per Section 19B – Compensation of the Franchise Agreement
- The EMD recommends that the Board approve the change in service level and rate adjustment effective January 1, 2009, per Section 6 “Solid Waste and Recyclable Collection Services Provided by the Contractor” of the Franchise Agreement

# Amador Disposal Service

- **Enhanced Recycling Program**
  - **Two Cart Program (all customers)**
    - **Refuse**
      - 32, 64 and 96 gallon refuse carts
    - **Recycling**
      - 64 or 96 gallon carts
  - **Green Waste**
    - Additional Clean Up Day in Shingle Springs/Latrobe Area



# Amador Disposal Service Cont.

- **Rates**
  - **General Rate Increase Request**
    - 15% General Rate Increase Request based on revenue shortfall of \$61,249 (i.e. disposal and labor)
    - Last rate increase granted on July 1, 2006

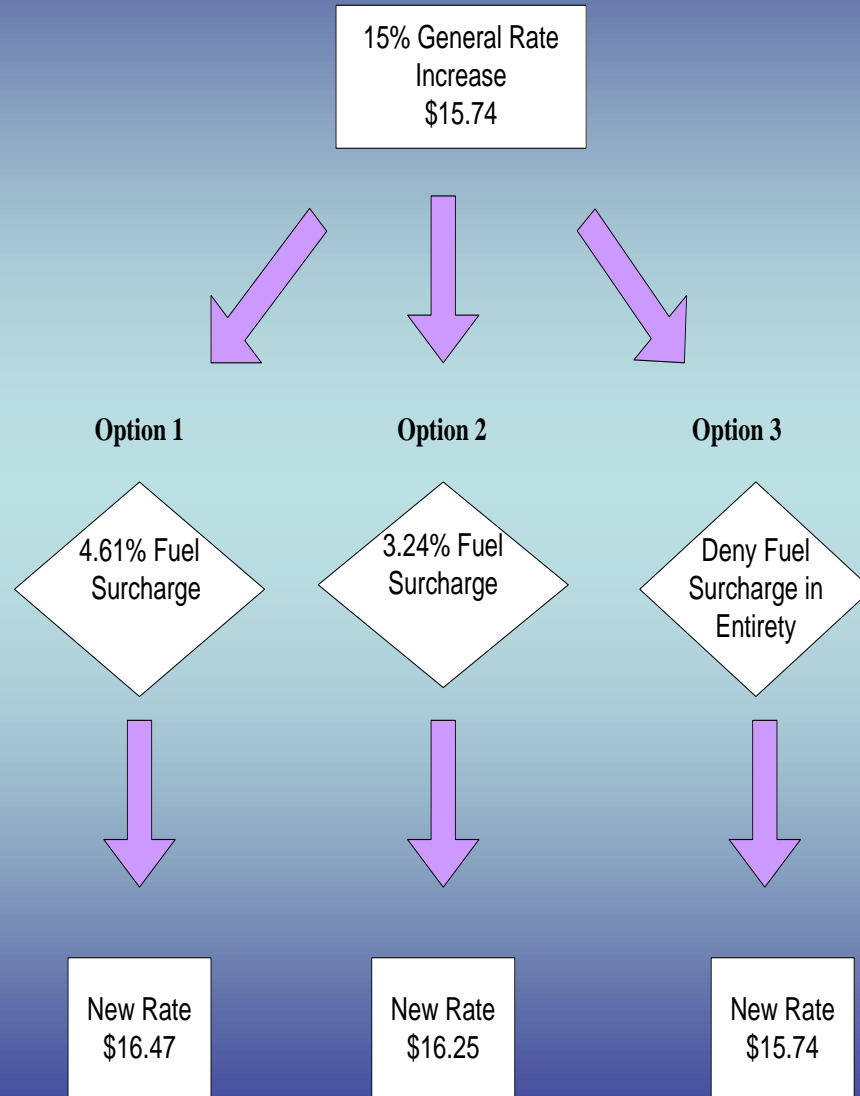
Residential Current Base Rate*		Current Base Rate w/ 15% General Rate Increase*
1 32g Can	\$13.69	\$ 15.74
2 32 g Can	\$20.24	\$ 23.28
1 96 g Cart	\$24.88	\$ 28.61

\*Rate excludes current fuel surcharge of 3.24%

# Fuel Surcharge Increase Request

## -Fuel Surcharge Increase

- Requested adjustment to their fuel surcharge resulting in a 1.37% increase
- Current fuel surcharge of 3.24% would increase to 4.61%



# Enhanced Recycling Program

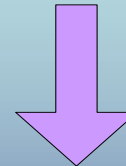
## – Enhanced Recycling Program

- Addition of 3,550 carts (refuse and recycling)
- Addition of 9 new route days
- Cost savings of blue bags
- Reduction in processing costs and increase in recycling revenue

New Rate  
**\$15.74**

### Option 1

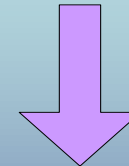
Multi Cart  
Enhanced  
Recycling  
Program Rate



New Rate  
**\$20.95**

### Option 2

9 Year  
Franchise  
Extension



New Rate  
**\$19.45**

- Rates do not include a current fuel surcharge.

# Amador Disposal Service Recommendation

- The EMD recommends that the Board approve the rate increase effective January 1, 2009, per Section 19 of the Franchise Agreement
- The EMD recommends that the Board review and consider the fuel surcharge adjustment request in its discretion
- Approve the change in service level and rate adjustment as originally presented on Option 1 of Enhanced Recycling Program effective January 1, 2009 per Section 6 “Solid Waste and Recyclable Collection Services provided by Contractor” of the Franchise Agreement



# West Slope Rate Normalization

	Proposed	Proposed	Proposed			
	El Dorado Disposal	Amador Disposal	Sierra Disposal	City of Placerville *	Cameron Park	El Dorado Hills **
32g Cart	\$ 20.95	\$ 20.95	\$ 20.71	\$ 17.37	\$	\$ 22.00
64g Cart	\$ 28.18	\$ 28.18	\$ 29.60	\$ 27.02	\$ 23.48	\$ 23.70
96g Cart	\$ 32.59	\$ 32.59	\$ 33.62	\$ 32.42	\$ 23.85	\$ 33.21

*\*The City of Placerville rates are based on implementation of mandatory service within 4 years.*

*\*\*The goal in El Dorado Hills, was to keep the 64 gallon container rate as low as possible.*

# Questions

