



## Tahoe Truckee Sierra Disposal Co., Inc.

Tahoe Truckee Sierra Disposal Co., Inc. • P.O. Box 6479 • Tahoe City, CA 96145-6479 • Ph.: (530) 583-0148 • (530) 389-2367 • Fax: (530) 583-0804

November 7, 2008

Gerri Silva, M.S., REHS Director  
El Dorado County Environmental Mgmt. Dept.  
2850 Fairlane Court, Building "C"  
Placerville, CA 95667

RE: Request for rate increase Franchise Area #4

Dear Gerri:

We write to request rate increases for commercial and residential garbage services provided by Tahoe Truckee Disposal Company, Inc. within the El Dorado County area it serves, defined as Franchise Area #4. Request is made for an 11.1% increase, effective January 1, 2009, to bring existing rates up to reasonable levels commensurate with the cost of service and disposal fees as calculated through June 30, 2008.

Over time, waste collection rates for this area have failed to keep up with the true costs this company regularly assumes to perform collection. Proposed rates will offer a necessary correction for continued operations and fall within levels consistent with the *comparative jurisdiction means* as outlined in El Dorado County's own solid waste study, dated August 5, 2008. Those comparative rates lend special justification to our request for increase when considering the added demands of the area we serve.

One of the chief difficulties in serving the El Dorado County's Area 4 concerns its status as a non-mandatory area. The area's extreme seasonality and subsequent radical fluctuations in demand for service render investment and preparation an especially difficult task. Commitment to serve the area obligates the company to make material investment to meet the periods of greatest demand, between mid-June and mid-September. An inconsistent customer base means that trucks and equipment purchased for the peak summer periods essentially lies dormant for nearly nine months with little or no return on investment. Similarly, it's difficult to match work force with the same seasonality of the area's demands. Employees whom we hire and train to satisfy the peak summer periods must be retained during the quieter winter periods. Retention is necessary not simply as a commitment to fairness and guarantee of work force, but also essential to comply with insurance requirements for safe training and workplace practices.

Tahoe is unique in its rugged mountain terrain, requiring suitable operations and costlier equipment ready for heavy snows. The increase of wildlife activity, especially bear intrusions, has motivated more and more homeowners to house their garbage cans in protective steel sheds. The manual operation of opening and locking the sheds is especially labor intensive and time consuming, eliminating any potential benefits of automated efficiency. In short, the area we

serve—a largely second-homeowner customer base subject to Tahoe's mix of tourist traffic, wildlife issues, environmental concerns, and extreme winter weather—carries its challenges and expenses. We have happily served our customers here for nearly forty-five years, wish to continue, and simply seek a bump up in rates to bring us in line with the economic realities we face.

We have attached worksheets showing our estimates for service and disposal costs within the proposed rates. Breakdowns for disposal costs are based on conservative estimates for garbage weights: 28 pounds per 32-gallon garbage can, 232 pounds per cubic yard. In many of the prior years, CPI's have fallen short of the cost of disposal. When a rate increase fails to keep step with rising costs, the problem simply compounds with each passing year. More of the rate is designated to cover disposal fees, less for service. With this proposal, it is our intention to correct rates to a level that is fair to both the customer and the company.

Should you have any questions in this regard, please contact me at telephone (530) 583-0148.

Sincerely,

A handwritten signature in cursive script, appearing to read "Jeff Collins".

Jeff Collins  
Manager

Enclosures

TTSD: Disposal/Service/Franchise Fee Proposed Rates for El Dorado County #4

|                    | TYPE       | SERVICE   | DISPOSAL  | BASE AMT    | FRANCHISE FEE | TOTAL AMT  |
|--------------------|------------|-----------|-----------|-------------|---------------|------------|
| <b>Residential</b> |            |           |           |             |               |            |
|                    | 1 can (32) | \$ 12.18  | \$ 4.70   | \$ 16.88    | \$ 0.84       | \$ 17.72   |
|                    | 2 cans     | \$ 13.37  | \$ 9.40   | \$ 22.48    | \$ 1.12       | \$ 23.89   |
|                    | Senlor     | \$ 8.92   | \$ 4.70   | \$ 13.54    | \$ 0.68       | \$ 14.30   |
| <b>Commercial</b>  |            |           |           |             |               |            |
|                    | 3yd 1xw    | \$ 88.84  | \$ 116.87 | \$ 205.71   | \$ 10.29      | \$216.00   |
|                    | 3yd 2xw    | \$ 154.71 | \$ 233.74 | \$ 388.45   | \$ 19.42      | \$407.87   |
|                    | 3yd 3xw    | \$ 220.68 | \$ 350.61 | \$ 571.29   | \$ 28.56      | \$599.85   |
|                    | 4yd 1xw    | \$ 108.15 | \$ 155.83 | \$ 263.98   | \$ 13.20      | \$277.18   |
|                    | 4yd 2xw    | \$ 172.02 | \$ 311.65 | \$ 483.67   | \$ 24.18      | \$507.85   |
|                    | 4yd 3xw    | \$ 235.77 | \$ 467.48 | \$ 703.25   | \$ 35.16      | \$738.42   |
|                    | 6yd 1xw    | \$ 148.02 | \$ 233.74 | \$ 381.76   | \$ 19.09      | \$400.85   |
|                    | 6yd 2xw    | \$ 280.09 | \$ 467.48 | \$ 747.57   | \$ 37.38      | \$784.94   |
|                    | 6yd 3xw    | \$ 412.26 | \$ 701.22 | \$ 1,113.48 | \$ 55.67      | \$1,169.15 |

**TAHOE TRUCKEE SIERRA DISPOSAL CO., INC.  
NOTICE OF PUBLIC HEARING ON PROPOSED RATE INCREASE**

Notice is hereby given that a public hearing will be held at 9:00 a.m. on December 9, 2008 in the El Dorado County Board of Supervisors Meeting Room, 330 Fair Lane, Placerville, California. The public hearing will consider a request to adjust solid waste collection rates for Tahoe Truckee Sierra Disposal Co., Inc. customers by adding an 11.1% general rate increase effective January 1, 2009. The current and proposed rates for the Tahoe Truckee Sierra Disposal Co., Inc. franchise, Tahoe-Emerald Bay area, are as follows:

| Description         | Current  | Proposed |
|---------------------|----------|----------|
| <b>RESIDENTIAL</b>  |          |          |
| One 32 gal can/week | 15.95    | 17.72    |
| Two 32 gal can/week | 21.50    | 23.89    |
| Senior Citizen      | 12.87    | 14.30    |
| <b>COMMERCIAL</b>   |          |          |
| 3 yd. 1 x week      | 194.42   | 216.00   |
| 3 yd. 2 x week      | 367.12   | 407.87   |
| 3 yd. 3 x week      | 539.92   | 599.85   |
| 4 yd. 1 x week      | 249.49   | 277.18   |
| 4 yd. 2 x week      | 457.11   | 507.85   |
| 4 yd. 3 x week      | 664.64   | 738.42   |
| 6 yd. 1 x week      | 360.80   | 400.85   |
| 6 yd. 2 x week      | 706.52   | 784.94   |
| 6 yd. 3 x week      | 1,052.34 | 1,169.15 |

**All interested parties may attend and be heard, or may write their comments to the El Dorado County Board of Supervisors, 330 Fair Lane, Placerville, CA 95667**

Signed,

Gerri Silva, M.S., REHS  
Director Environmental Management