

# Solid Waste Management Planning and Rate Setting Workshop

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Management



# Goal

Our long term goal is to bridge the current system into an updated and sustainable waste management program that meets future needs of urban and rural population of County and future legislative mandates.



# Purpose

- To discuss the County's solid waste management plan
- To receive direction from the Board of Supervisors on the strategic approach for update of the County's Solid Waste Management Plan



# Workshop Agenda

- Program History
- Solid Waste Management Plan
- Solid Waste Rate Setting Methodology
- Recommendations
- Questions



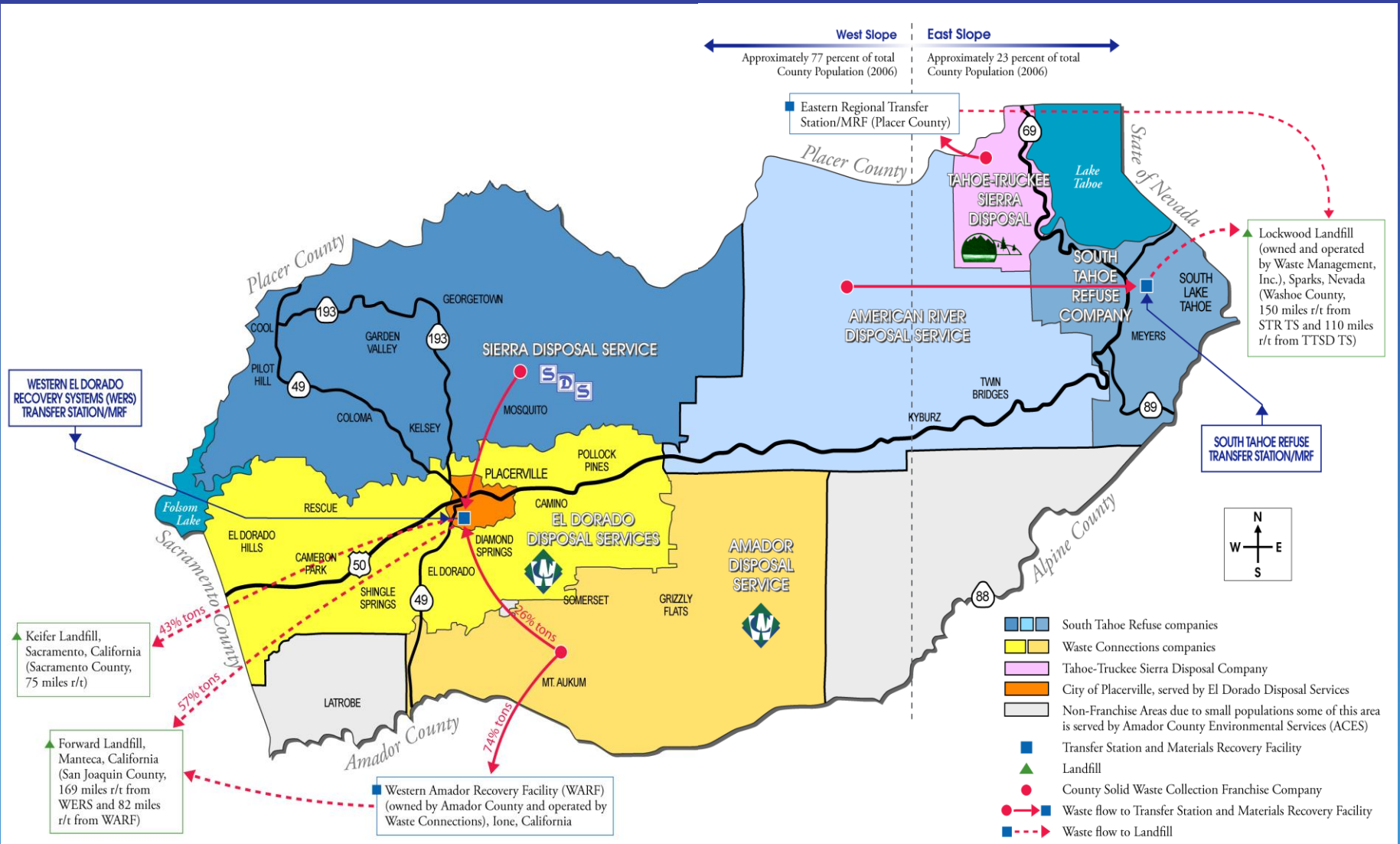
# Program History

- State Mandates
  - AB939 established the Integrated Waste Management Act (1989)
    - County wide integrated solid waste management plan
      - Source reduction and recycling element
      - Household Hazardous Waste Program
      - Non-disposal facility element
      - Siting Element
      - Summary plan for El Dorado County
    - Establish a task force to review the above mentioned planning documents and complete a 5 year program review (EDSWAC)
- The County has:
  - Developed all the elements of the Integrated Waste Management Plan (CIWMB approval 1993-1995)
  - Achieved mandates established by AB939
  - Undertaken proactive measures to advance solid waste management programs:
    - Developed a Construction and Demolition Ordinance
    - Developed a 3 cart proposal for West Slope service areas
    - Implemented the Blue Bag program in the Tahoe Basin

# Program History

- EMD in conjunction with The NewPoint Group completed a Solid Waste Rate and Service Study
  - The Study was presented before the Board of Supervisors on August 18, 2008 and accepted
  - The Study identified that the County's solid waste collection rates are competitive
  - The Study identified a number of solid waste rate setting disparities across the County's six (6) franchise agreements
  - The Study recommended the County update their Solid Waste Management Plan including the development of one common rate setting methodology

# El Dorado County Franchise Areas



# Framework for a County Solid Waste Management Plan





# Waste Management Facilities

## Current East Slope



# Waste Management Facilities

## Current West Slope



Traffic



Self Haul



Footprint Size



Storage Capacity

# Waste Management Facilities

## Future East Slope



Resource  
Recovery Facility

# Waste Management Facilities

## Future West Slope

Solid Waste Management Plan to address the following:

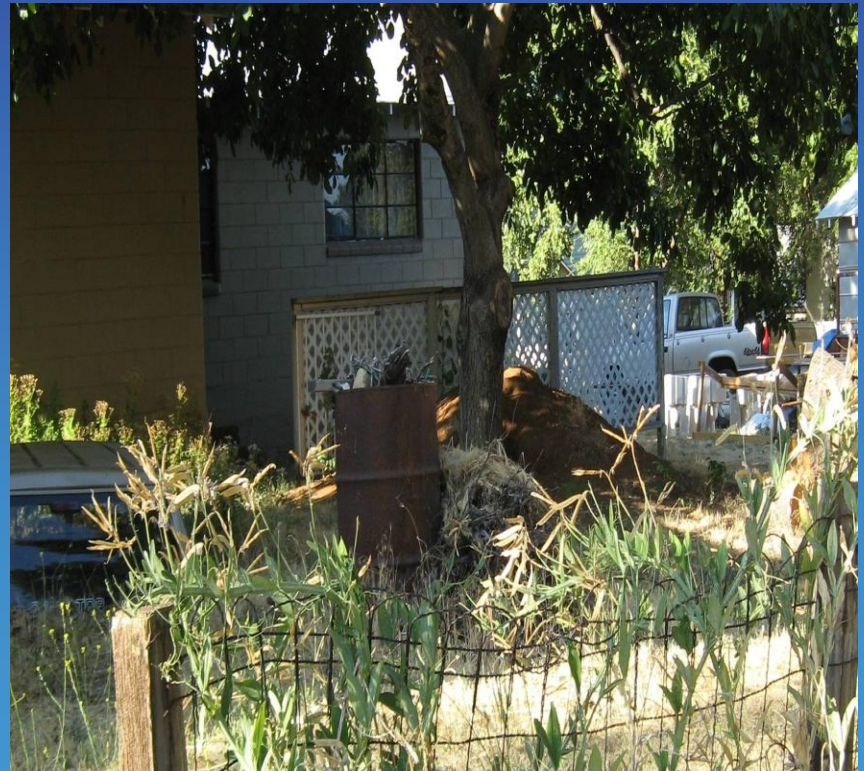
- Rural/Urban transfer stations
- Material Recovery Facilities
- Alternative technologies
- Long term operations growth ability/stability
- Potential county ownership

# Green Waste Management

## Current



**Inconsistent Green Waste Collection**



**Residential Green Waste Burning**

# Green Waste Management

## Future

Solid Waste Management Plan to address the following:

- Resource Recovery Facility on the East Slope
- Air quality regulations may require the need to consider alternative to residential green waste burning
- Comprehensive green waste collection program
  - Residential curbside
  - Business/Commercial
  - Drop boxes
- Composting capabilities

# Program Enhancements

## Current



**Inconsistent service level and hard to service areas**

# Program Enhancements

## Future

Solid Waste Management Plan to address the following:



Three Cart Program



Multi-Family



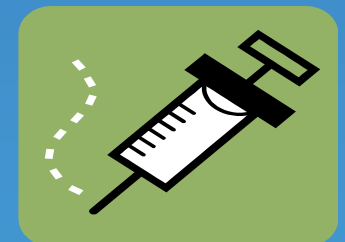
Commercial Recycling



# Policies

## Current

- Solid Waste Complaints
- Illegal Dumping
- Litter Abatement
- Tire Collection
- Household Hazardous Waste (HHW)
- Medical Waste
  - Sharps



# Solid Waste Complaints and Litter Abatement



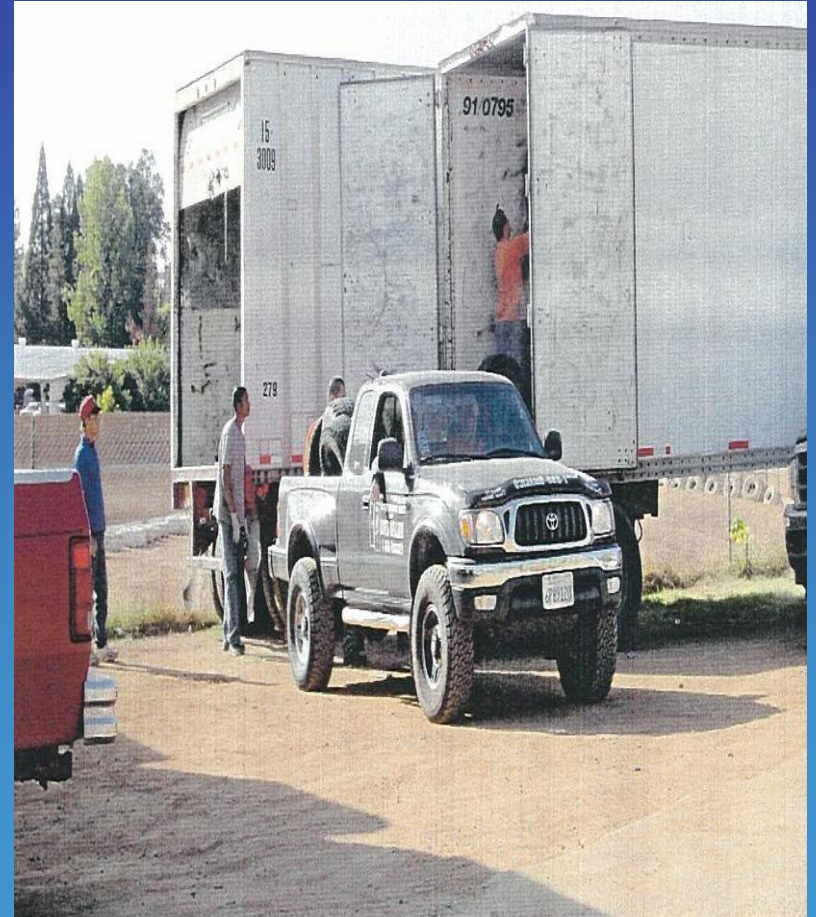
Solid Waste Complaint



Litter Abatement



# Tire Amnesty



# Household Hazardous Waste Facility



# Policies

## Future

Solid Waste Management Plan to address the following:

- New Integrated Waste Board reporting criteria
  - Pounds / Day / Person
- Enhanced program development
- New legislation



# Landfills

## Current

- Reliant on out of county landfill disposal
  - 3 separate out of county landfill facilities
  - Truck long haul in and out of state



# Landfills

## Future

Solid Waste Management Plan to address the following:

- Potential expansion of county owned Union Mine Landfill
- Siting a new landfill in El Dorado County
- Landfill alternatives (Waste to Energy)



# Franchise Agreements

## Current

- Inconsistent agreements
- Rate setting methodology
  - Inconsistent rate procedures
    - Annual CPI methodology
    - Operating ratio methodology
    - Extraordinary circumstances
      - Landfill disposal
      - Fuel surcharge
- Timing of rate setting
- Service level

Franchisee	Expiration Date
Tahoe Truckee Sierra Disposal**	12/31/2009
El Dorado Disposal Service Amador Disposal Service	12/31/2012
South Tahoe Refuse Sierra Disposal Service American River Disposal Service	12/31/2014

\*\*EMD to return to the Board for franchise agreement discussion

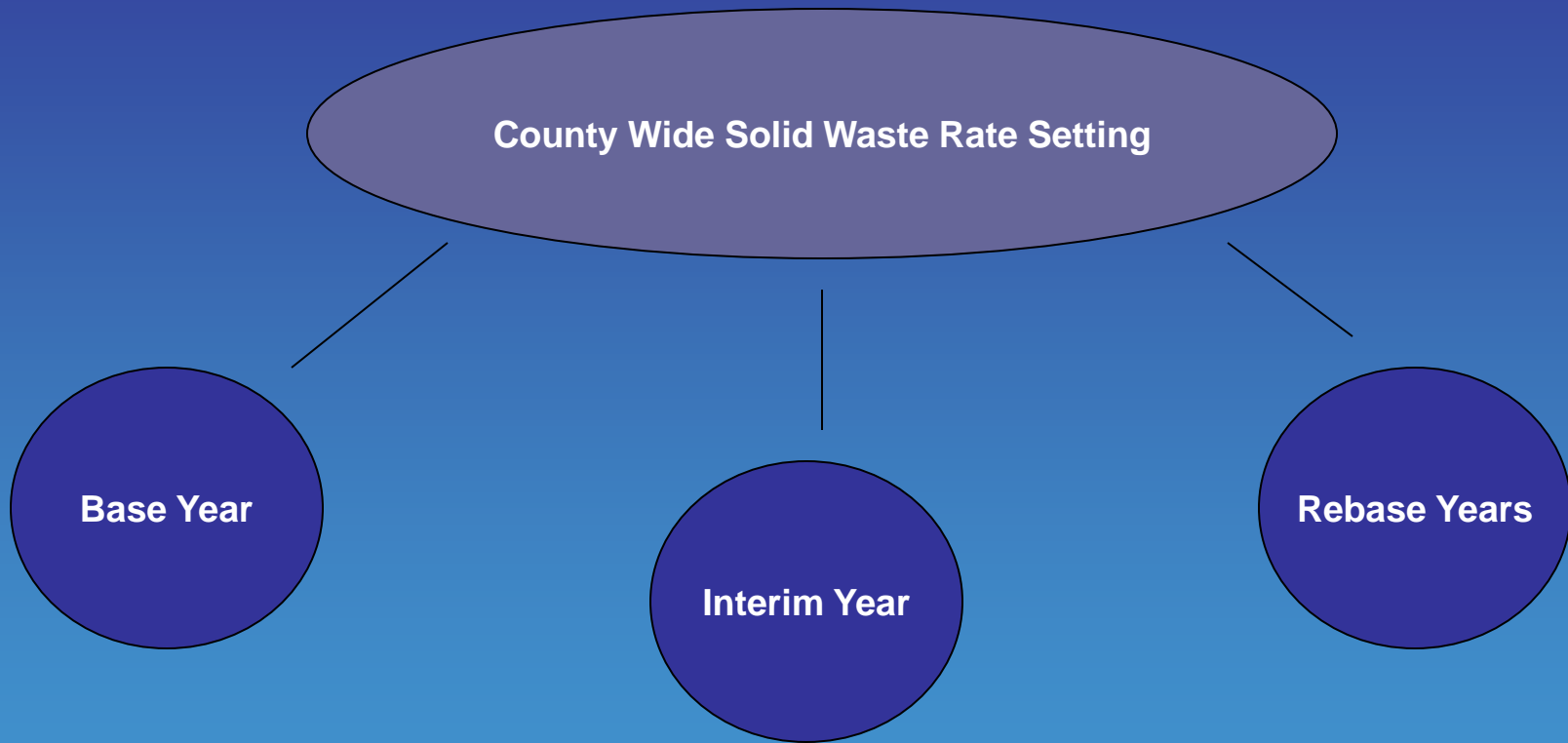


# Franchise Agreements

## Future

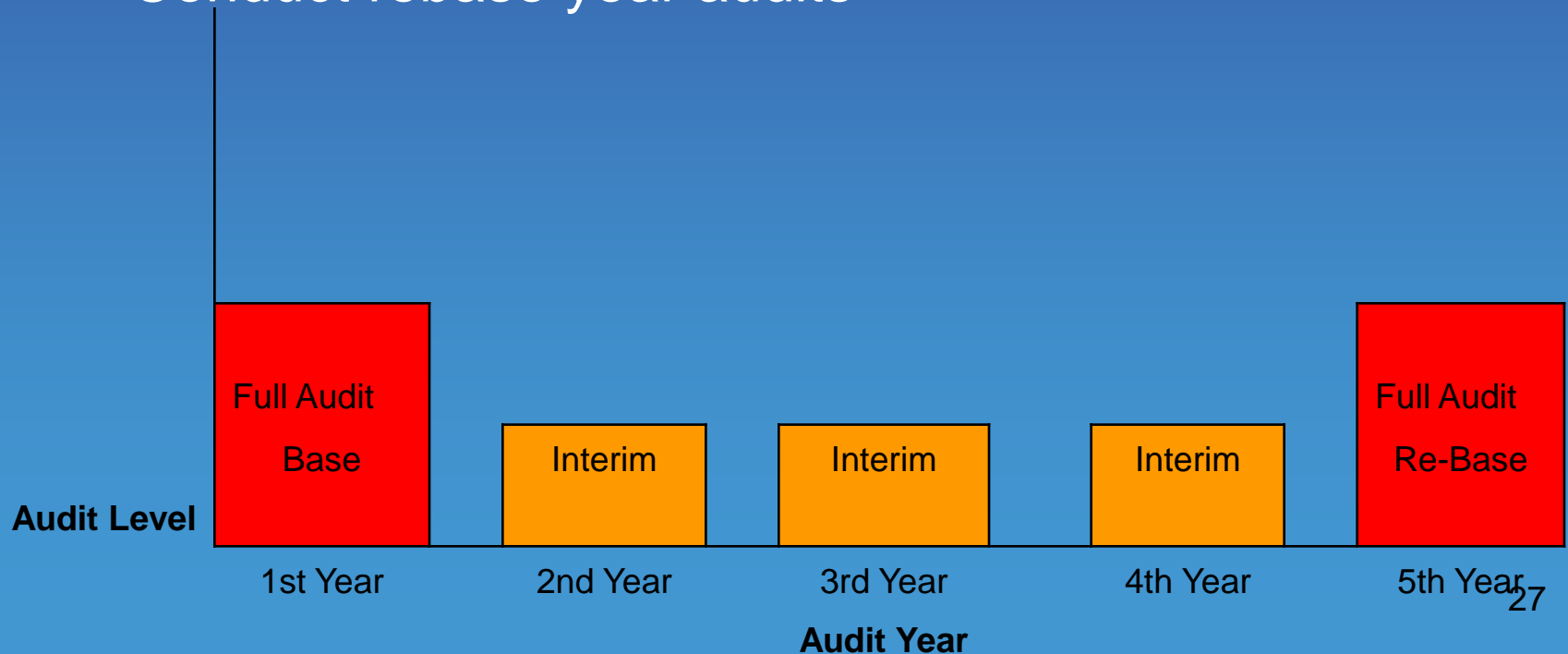
- Standardize a county wide rate setting methodology
  - Provide step-by-step instructions for rate adjustment applications
  - Identify allowable and non-allowable costs
  - Identify an agreed upon allowable profit level
    - Nexus between allowable profit and performance measurements
- Normalize agreements for consistency
- Incentivize recycling

# Solid Waste Rate Setting



# Solid Waste Rate Setting Cont...

- Plan
  - Complete initial base year audits
  - Develop interim year rate methodology
  - Conduct rebase year audits

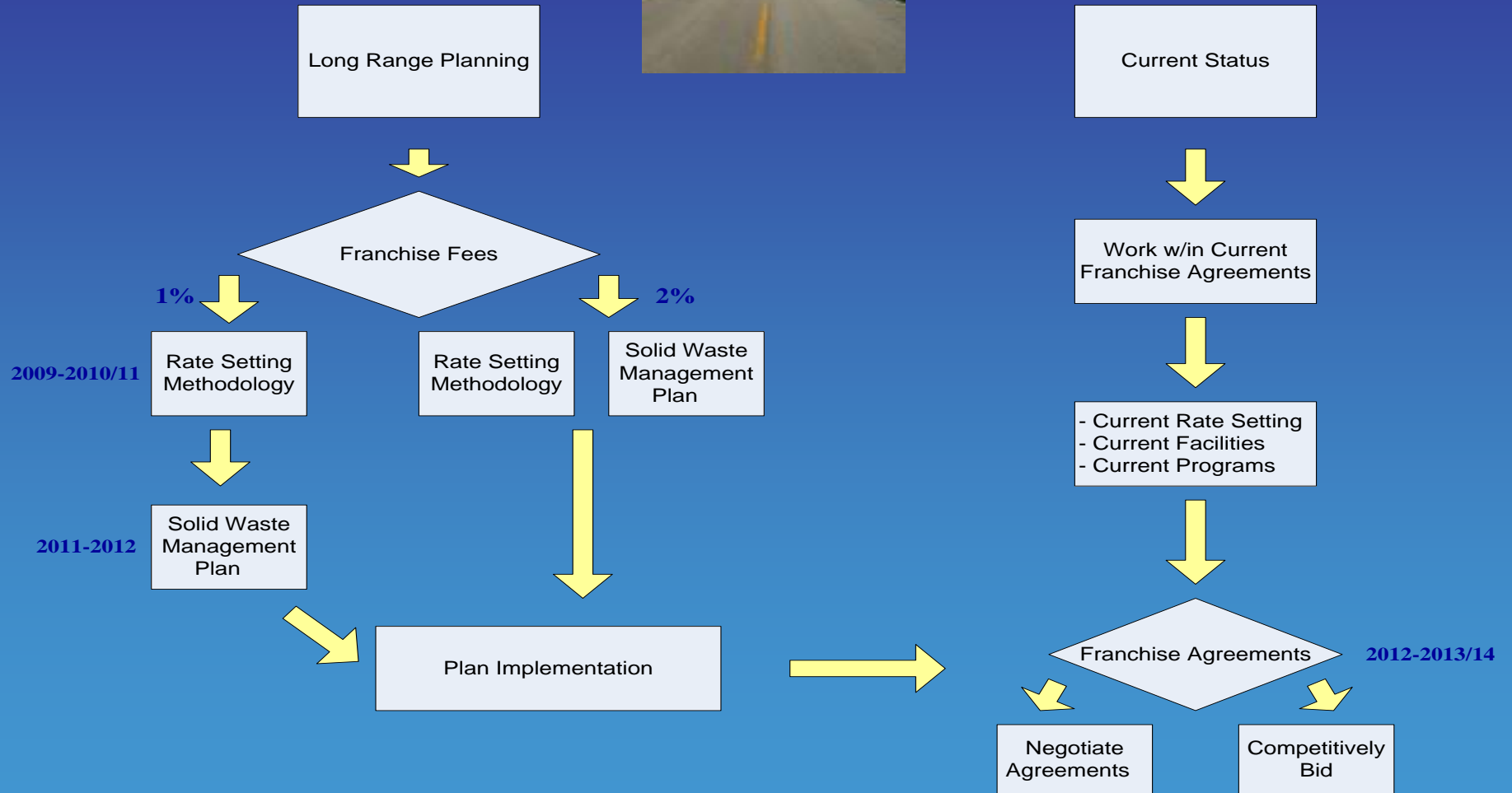


# Summary of Solid Waste Management Plan

- The County has a number of complex and interrelated solid waste management planning challenges
- A Solid Waste Management Plan, with the top priority identified as the rate methodology, will provide the framework to lead the County in evolving its future sustainable solid waste system
- EMD is recommending the Department establish a working committee to assist with researching, identifying, and prioritizing proactive approaches to the various components of the solid waste management planning process

# Solid Waste Management Plan Discussion and Next Steps





# Fork in the Road Considerations

## Long Range Planning

- Establish consistency among Franchise agreements
- County takes control of rate setting methodology
- Rate payer is assured nexus between rates and cost of providing service at minimal cost impact
- Twenty year operating plan

## Current Status

- Franchise agreements remain inconsistent
- Maintain challenging rate setting methodology
- No program plan development cost impact to the rate payer
- Three to five year operating window

# Solid Waste Franchise Fees

- Franchise fees are paid by each franchise company to the County
- The County currently has a franchise fee established at 5%
- According to the NewPoint Study the average franchise fees for 14 comparable local jurisdictions ranged from 7% -10%
- The NewPoint Study acknowledged that the County has the latitude to raise franchise fees to help fund needed solid waste management planning
- Every 1% increase in Solid Waste Franchise Fee will result in an estimated rate increase of \$.19 - \$.26 per month for the rate payer



# Priority Project and Associated Cost

## Priority #1: Rate Methodology

- Estimated project cost
  - FY 2009-10 cost of \$100,000
  - FY 2010-11 cost of \$100,000

Comprehensive audit of all franchise haulers

Development of rate setting manual and policies

Development of rate application forms and procedures

## Priority #2: Solid Waste Management Plan

- Estimated project cost is \$150,000 - \$200,000

Develop profile of current solid waste management systems

Identify future solid waste facilities

Identify future County landfill options

Identify policy and program recommendations

# Recommendations

- Direct Environmental Management to hold a duly noticed public hearing to increase the Solid Waste Franchise Fees to achieve Board of Supervisors direction effective July 1, 2009
- Direct Environmental Management Department to return to the Board with contract for services with NewPoint Group for the development of a Solid Waste Services Rate Setting Methodology
- Direct Environmental Management to establish a working Committee that will assist the Department to research and identify a proactive approach for future county solid waste planning
- Direct the Environmental Management Department to continue to work on countywide solid waste management planning and provide periodic updates to the Board as necessary

# Questions

