



County of El Dorado

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Legislation Details (With Text)

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On agenda: 5/23/2017 **Final action:** 5/23/2017

Title: HEARING - Community Development Agency, Environmental Management Division, recommending the Board adopt and authorize the Chair to sign Resolution 087-2017 adjusting the solid waste collection rates for Tahoe Truckee Sierra Disposal Co., Inc., dba Tahoe Truckee Sierra Disposal, by 1.51 percent to become effective July 1, 2017, in accordance with the Solid Waste Rate Setting Policies and Procedures Manual for Unincorporated Areas. (Est. Time: 10 Min.)

FUNDING: Franchise Fees. (No Federal Funding)

Sponsors:

Indexes:

Code sections:

Attachments: 1. 4A - Resolution 5-23-17, 2. 4B - CPI Calculation 5-23-17, 3. 4C - Rate Review Report 5-23-17, 4. 4D - Contract Routing Sheet 5-23-17, 5. Executed Resolution 087-2017, 6. 3B - CPI Calculation 6-7-16, 7. 3C - Interim Year Rate Application Report 6-7-16, 8. 3D - Contract Routing Sheet 6-7-16, 9. Public Comment Rcvd 6-7-16 BOS 6-7-16, 10. Executed Resolution 087-2016 (6-7-16), 11. 2A - TTSD AGMT (Part 1) 10-27-15, 12. 2B - TTSD AGMT (part 2) 10-27-15, 13. 2C - TTSD AGMT (part 3) 10-27-15, 14. Executed Resolution 161-2015 (10-27-15), 15. E - Resolution 9-29-15, 16. Executed TTSD Agreement 10-27-15, 17. A - Approved CRS 9-29-15, 18. B - TTSD AGMT (Part 1) 9-29-15, 19. C - TTSD AGMT (Part 2) 9-29-15, 20. D - TTSD AGMT (Part 3) 9-29-15

Date	Ver.	Action By	Action	Result
5/23/2017	4	Board of Supervisors	Approved	Pass
6/7/2016	3	Board of Supervisors	Approved	Pass
10/27/2015	2	Board of Supervisors	Approved	Pass
9/29/2015	1	Board of Supervisors	Continued	Pass

HEARING - Community Development Agency, Environmental Management Division, recommending the Board adopt and authorize the Chair to sign Resolution **087-2017** adjusting the solid waste collection rates for Tahoe Truckee Sierra Disposal Co., Inc., dba Tahoe Truckee Sierra Disposal, by 1.51 percent to become effective July 1, 2017, in accordance with the Solid Waste Rate Setting Policies and Procedures Manual for Unincorporated Areas. (Est. Time: 10 Min.)

FUNDING: Franchise Fees. (No Federal Funding)

DEPARTMENT RECOMMENDATION

Community Development Agency, Environmental Management Division (EMD), finds a 1.51 percent (1.51%) increase to be appropriate to the existing solid waste collection rates for Tahoe Truckee Sierra Disposal Co., Inc., dba Tahoe Truckee Sierra Disposal (TTSD), and recommends the Board adopt the Resolution which will authorize the 1.51% rate increase effective July 1, 2017.

DISCUSSION / BACKGROUND

On October 27, 2015 (Item 26), the Board adopted Resolution 161-2015 authorizing a new Solid Waste Services Agreement (Agreement) with TTSD for the collection of solid waste throughout the

franchise area. The new Agreement incorporated a Solid Waste Rate Setting Policies and Procedures Manual (Rate Manual). The Rate Manual provides specific requirements for the setting of collection rates during "Base" years (every third year of the Agreement) and "Interim" years (years falling between base years). Base year rate adjustments require an in-depth financial analysis to determine if rates require adjustment, the amount of the adjustment, and whether or not an increase or decrease to rates is warranted. Interim year rate adjustments are simply calculated based upon the change in the Garbage and Trash Collection Consumer Price Index (CPI).

Pursuant to terms of the Rate Manual, Appendix F, the Franchisee may request interim year rate adjustments. This increase is calculated by obtaining the twelve-month U.S. City Average - Garbage and Trash Collection CPI average for 2015 and for 2016, calculating the difference between the two annual index averages, divided by the previous index average, then multiplied by 85%, resulting in an index increase of 1.51%.

The new Agreement incorporated the residential and commercial solid waste collection rates, as Base year rates, adopted by the Board on June 23, 2015 (Item 49 - Resolution 098-2015), and went into effect July 1, 2015. Interim year rate increases are exercised in 2016 and 2017. The next Base year rate adjustment will occur in 2018.

On June 7, 2016 (Item 37), the Board adopted Resolution 087-2016 authorizing an Interim year rate increase of 1.75 percent, effective July 1, 2016.

On February 28, 2017, TTSD submitted an Interim Year Rate Application (Application) requesting a 1.51% rate increase. EMD reviewed the Application and finds the CPI calculation to be correct (Attachment 4B). The Rate Manual also requires EMD to prepare a report with recommendations of new rates for Board consideration (Attachment 4C). The report includes two attachments: 1) the Application; and 2) the revised Rate Schedule.

The hearing to adopt the proposed solid waste collection rate adjustments has been duly noticed in accordance with Section 66016 of the California Government Code. TTSD provided a postcard mailing to satisfy the noticing requirement. The County has scheduled public hearing noticing in the North Lake Tahoe Bonanza Newspaper for May 4 and May 11, 2017.

ALTERNATIVES

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION

It is recommended that the Board hear this item.

FINANCIAL IMPACT

The County Franchise Fee will remain at 5%. However, as base rates are incrementally increased, the County will see a slight increase in Franchise Fee revenue.

CLERK OF THE BOARD FOLLOW UP ACTIONS

The Clerk of the Board will obtain the Chair's signature on one (1) original copy of the Resolution and forward a copy of the executed Resolution to the EMD.

STRATEGIC PLAN COMPONENT

Good governance

CONTACT

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Environmental Management Division