



## Legislation Details (With Text)

**File #:** 12-0244      **Version:** 3

**Type:** Agenda Item      **Status:** Approved

**File created:** 2/10/2012      **In control:** Board of Supervisors

**On agenda:** 12/2/2014      **Final action:** 12/2/2014

**Title:** Community Development Agency, Environmental Management Division, recommending the Board approve and authorize the Chair to execute the Second Amendment to the Solid Waste Services Franchise Agreement with Amador Disposal Service, extending the term for one (1) year ending on December 31, 2015 and updating the grantor and grantee noticing names and addresses, with no increase to solid waste collection fees.

FUNDING: No Federal Funds.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. 3A - App CRS 12-02-14, 2. 3B - Second Amendment 12-02-14, 3. 3C - Waste Connections Letter 12-02-14, 4. 2A - Blue Route.pdf, 5. 2B - Amador Amendment, 6. 2C - Waste Connections Letter.pdf, 7. A - Waste Connections Letter -f

Date	Ver.	Action By	Action	Result
12/2/2014	3	Board of Supervisors	Approved	Pass
6/12/2012	2	Board of Supervisors	Approved	Pass
2/28/2012	1	Board of Supervisors	Approved	Pass

Community Development Agency, Environmental Management Division, recommending the Board approve and authorize the Chair to execute the Second Amendment to the Solid Waste Services Franchise Agreement with Amador Disposal Service, extending the term for one (1) year ending on December 31, 2015 and updating the grantor and grantee noticing names and addresses, with no increase to solid waste collection fees.

**FUNDING:** No Federal Funds.

**Fiscal Impact/Change to Net County Cost**

No Fiscal Impact or change to Net County Cost. The County franchise fee rate of 5% will remain unchanged.

**Background**

On May 8, 2012, the Environmental Management Department, now a Division of the Community Development Agency (CDA/EMD), brought forth an agenda item requesting the Board of Supervisors (Board) consider whether the County of El Dorado (County) should enter into the competitive bid process for the collection and disposal of municipal solid waste and recyclable materials generated by residential, commercial, and industrial customers within all Franchise Areas in the County, with the exception of South Lake Tahoe (The Board previously approved a new agreement with South Tahoe Refuse on May 1, 2012, Legistar item 12-0494), or enter into negotiations with the current Franchisees: Waste Connections of California, Inc., dba Amador Disposal Service (ADS), El Dorado Disposal, Sierra Disposal, American River Disposal, and Tahoe Truckee Sierra Disposal. The

purpose of the negotiations was to generate new Solid Waste Service Agreements (Agreements) that incorporate new standardized solid waste rate setting policies and procedures and the El Dorado County Solid Waste Management Plan (SWMP). The Board provided direction to staff to engage in good faith negotiations with the existing Franchisees, and return to the Board with proposed new Agreements for discussion and consideration (Legistar item 12-0508).

In order to provide adequate time for the County and ADS to negotiate the terms of a new Agreement, the Board approved the First Amendment to the Agreement between the County and ADS on June 12, 2012. The First Amendment made changes to several sections of the Agreement including Section 9 - Term, extending the Agreement for two and one half years, commencing on July 1, 2012, thereby resulting in a termination date of December 31, 2014, and allowing for additional term extensions upon mutual consent of the County and ADS (Legistar item 12-0244 ).

As directed by the Board, CDA/EMD initiated negotiations with ADS. CDA/EMD drafted a completely new Agreement as a starting point, incorporating a draft Solid Waste Rate Setting Policies and Procedures Manual. CDA/EMD provided these documents to ADS which established the framework for negotiation discussions. CDA/EMD and ADS have met to negotiate a new Franchise Agreement but have not concluded negotiations.

In accordance with the First Amendment to the ADS Agreement, a letter requesting a one (1) year extension was received from ADS on October 24, 2014 (Attachement 3c). The proposed Second Amendment provides for a one (1) year term extension through December 31, 2015 and amends Section 25 (H), Notices to update the list of the current parties involved in the Agreement. All other terms and conditions of the existing ADS Franchise Agreement dated June 25, 2002 and the First Amendment dated June 12, 2012 remain unchanged. In addition, there is no additional rate increase associated with this Amendment.

### **Reason for Recommendation**

Pursuant to the existing ADS Franchise Agreement and First Amendment to the Agreement, the CDA/EMD has received, in writing, a request from ADS for a one (1) year extension to the Agreement. While CDA/EMD and ADS have been working well together, both parties agree that additional time is needed to conclude negotiations.

ADS is a Waste Connections of California (WCC) company. CDA/EMD has been in negotiations with multiple Franchisees over the past two years and has been focusing on the larger subscription Franchise Areas such as El Dorado Disposal, also a WCC company. The ADS Franchise Area is comprised of approximately 2000 accounts. Due to ADS' relatively small customer base in the County, the new Agreement will be somewhat unique compared to the other new Agreements being negotiated with other Franchisees. A one (1) year extension to the existing ADS Agreement will provide both parties with needed additional time to develop a new Agreement that will best benefit the residential and commercial customers in the ADS Franchise Area.

### **Clerk of the Board Follow Up Actions**

Obtain the Board Chair's signature and forward a fully executed Second Amendment to the CDA Environmental Management Division for distribution.

### **Contact**

Gerri Silva, MS, REHS, Division Director of Environmental Management

**Concurrences**  
County Counsel and Risk Management