



Legislation Text

File #: 10-0463, **Version:** 1

HEARING - Per the request of Tahoe Truckee Sierra Disposal, Inc. and as outlined in the amended April 4, 1995 Franchise Agreement, conduct a public hearing to consider adoption of Resolution increasing the solid waste collection rates by either 4% or 5% effective July 1, 2010. (Est. Time 20 min.)

Resolution 058-2010

Fiscal Impact/Change to Net County Cost: There is no change in Net County Cost. The attached Resolutions indicate the proposed solid waste collection rates.

Background:

In accordance with the Amended Franchise Agreement Between El Dorado County and Tahoe Truckee Sierra Disposal Inc. (Legistar agenda item 09-1351) Section 19B - Compensation, Time for Rate Setting and Rate Setting Procedures - The Board of Supervisors shall set the rates to be charged by Grantee annually, provided Grantee requests such an increase in writing timely delivered (as provided below) to the Director of the County Environmental Management Department

On the condition that Grantee is in compliance with the terms of the Franchise Agreement, the annual rate increase, if requested, shall be set at 5% starting July 1, 2010 and ending December 31, 2014. Grantees failure to timely request a rate increase shall result in a waiver of the rate increase for the year in question.

Grantee shall submit to the County no later than March 15th of a given year their desire to exercise and receive the annual 5% rate increase to be effective July 1.

Reason for Recommendation:

On March 8, 2010 the Environmental Management Department received a letter from Tahoe Truckee Sierra Disposal (TTSD) stating: "Please accept this letter as our request to approve the 5% rate increase to garbage collection rates effective July 1st, 2010 in the area of El Dorado County which our company services, per the recently signed five-year contract extension which went into effect January 1st of this year".

In addition, the March 8th letter stated: "Please be advised that we are willing to lower our request from a 5% increase to a 4% increase on a one-time basis for this coming rate year (July 1st, 2010 thru June 30th, 2011), provided that it does not set precedent, or in anyway compromise our contracted rights for annual increases of 5% in the subsequent remaining years of the contract extension". (Attachment A)

Items for Consideration:

The Board of Supervisors has the following options related to the TTSD rate request:

A. Grant TTSD a 5% rate increase to be effective July 1, 2010 as per the Amended Franchise Agreement.

Please note the proposed residential rates below:

Residential		Residential	
Current Rate		Rate w/ 5% Rate Increase	
1 32g Can	\$22.38	1 32g Can	\$23.50
2 32g Can	\$29.57	1 64g Cart	\$31.05
Senior Citizen	\$18.27	1 96g Cart	\$19.18

B. Grant TTSD a 4% rate increase to be effective July 1, 2010 on a one-time basis with the understanding that this 4% increase does not waive TTSDs right to seek the contractually agreed upon annual 5% rate increase in the future.

Please note the proposed residential rates below:

Residential		Residential	
Current Rate		Rate w/ 4% Rate Increase	
1 32g Can	\$22.38	1 32g Can	\$23.28
2 32g Can	\$29.57	1 64g Cart	\$30.75
Senior Citizen	\$18.27	1 96g Cart	\$19.00

The Environmental Management has approved TTSDs written notification to each ratepayer as described in Section 19 of the Solid Waste Franchise Agreement (Attachment B).

The hearing to adopt the proposed collection rate adjustments has been duly noticed in accordance with Section 66016 of the California Government Code.

Action to be taken following Board approval: Forward executed resolution to Environmental Management Department for implementation.

Contact: Gerri Silva, MS, REHS, Environmental Management Director