



County of El Dorado

330 Fair Lane, Building A
Placerville, California
530 621-5390
FAX 622-3645
www.edcgov.us/bos/

Legislation Details (With Text)

File #: 09-1542 **Version:** 3
Type: Agenda Item **Status:** Approved
File created: 12/30/2009 **In control:** Board of Supervisors
On agenda: 11/5/2013 **Final action:** 11/5/2013
Title: Community Development Agency, Environmental Management Division, recommending the Board authorize the Chair to sign a letter to Waste Connections of California, Inc., dba El Dorado Disposal Services, notifying them that the County of El Dorado is exercising their option to extend the term of the Solid Waste Services Agreement for an additional one (1) year period to December 31, 2014.

FUNDING: County Service Area No. 10 - Solid Waste.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 3A - Waste Connections Letter 2nd Extension 11/5/13, 2. 3B - Solid Waste Agreement 11/5/13, 3. 3C - First Amendment 11/5/13, 4. 3D - Waste Connections Letter 1st Extension 11/5/13, 5. 2A - EL Dorado Disposal Letter, 6. 2B - EDDS Franchise Agmt, 7. Executed Letter, 8. A - 1st Amendment FA WCNX.pdf, 9. Fully executed letter.pdf

Date	Ver.	Action By	Action	Result
11/5/2013	3	Board of Supervisors	Approved	Pass
9/11/2012	2	Board of Supervisors	Approved	Pass
1/12/2010	1	Board Of Supervisors	Approved	Pass

Community Development Agency, Environmental Management Division, recommending the Board authorize the Chair to sign a letter to Waste Connections of California, Inc., dba El Dorado Disposal Services, notifying them that the County of El Dorado is exercising their option to extend the term of the Solid Waste Services Agreement for an additional one (1) year period to December 31, 2014.

FUNDING: County Service Area No. 10 - Solid Waste.

Fiscal Impact / Change to Net County Cost

None

Background

Effective June 6, 2006, the County consented to the assignment of the Solid Waste Services Agreement from USA Waste to Waste Connections of California, Inc., dba El Dorado Disposal Service. The current Solid Waste Services Agreement with Waste Connections of California, Inc. dba El Dorado Disposal Services was set to expire on December 31, 2012.

On January 12, 2010, Item #24, the Board of Supervisors approved the First Amendment of the Solid Waste Services Agreement with Waste Connections of California, Inc. dba El Dorado Disposal Services (El Dorado Disposal) which amended Section 11- Term B. Renewal Options - "The County shall have the right, in its sole discretion, to unilaterally extend the term of this Agreement for additional periods of one year each, up to a maximum of two such extensions. If the County elects to extend this Agreement for either one or both of these optional extension periods, the County shall

give the Contractor notice of its election to exercise each such option a minimum of at least ninety (90) days before the current termination date of this Agreement. In the event the County exercises its options to extend the terms of the Franchise Agreement for one or both years, the rate setting procedures for the extension term will be in accordance with the December base period point to point CPI calculation as described in Section 22 herein or 0% whichever is greater."

On September 11, 2012, Item #12, the Board Chair signed the first letter of extension. On September 24, 2013, the Environmental Management Division sent a letter to El Dorado Disposal notifying the Franchisee of the County's intent, pending Board approval, to extend the term an additional year. The Division is now requesting the second extension letter to be signed by the Board Chair extending the term to December 31, 2014.

Reason for Recommendation

On May 8, 2012, Item #11, Legistar #12-0508, the Board directed staff to engage in good faith negotiations for the purposes of entering into new Franchise Agreements with the current Franchisees (El Dorado Disposal, Sierra Disposal, Tahoe Truckee Sierra Disposal, Amador Disposal, and American River Disposal).

The Environmental Management Division (EMD) has been engaged in the negotiation process with the Franchisees, and has extended the opportunity for each solid waste Franchisee to provide a draft proposal for discussion that addresses future programs, services, rates and infrastructure that would best serve each respective franchise area. Consulting firm, Crowe Horwath, LLP, formally NewPoint Group, has been assisting EMD with various solid waste rate setting tasks.

The Board's consideration and approval of this additional one (1) year extension will allow EMD and El Dorado Disposal the ability to fully evaluate new Franchise Agreement options that will best serve the Rate Payer, County, and Solid Waste Franchisee while ensuring that there is no disruption of service to the members of the public. In addition, this extension also provides the parties with the opportunity to negotiate a new agreement without the time pressure of the expiration of the present franchise agreement.

Action(s) to be taken following Board approval

After letter to El Dorado Disposal Service is signed by Board Chair, forward to EMD for distribution.

Contact

Gerri Silva, MS, REHS, Environmental Management Division Director

Concurrences

N/A