



County of El Dorado

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Legislation Text

File #: 12-0578, **Version:** 1

HEARING - Per the request of Waste Connections of California, Inc. dba El Dorado Disposal Service, pursuant to the amended August 23, 2004 Solid Waste Services Franchise Agreement, consider their request to conduct a public hearing and adopt Resolution **075-2012** increasing the solid waste collection and Material Recovery Facility (MRF) rates by 2.4 percent, effective July 1, 2012. (Est. Time: 5 Min.)

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

Background:

The County of El Dorado entered into a Solid Waste Services Franchise Agreement with USA Waste of California, Inc., d/b/a El Dorado Disposal Service (EDS) on August 23, 2004, to provide services for the collection, processing, safe transport, and disposal of municipal solid wastes and the recycling of recyclable materials.

On June 6, 2006, the Board approved an Agreement for Assignment of Solid Waste Services Agreement, assigning the Solid Waste Services Franchise Agreement to Waste Connections of California, Inc. (Legistar item 06-0840). The Franchise Agreement was amended by the First Amendment of Solid Waste Services Agreement, effective January 1, 2010 (Legistar item 09-1542).

In accordance with the Solid Waste Services Agreement as amended in January 2010 between El Dorado County and Waste Connections of California, Inc., Section 22 - Compensation, Inflation/Deflation Adjustment - Contractors rates shall be adjusted annually effective July 1st of each year during the Term of this Agreement based on the Consumer Price Index - All Items - All Urban Consumers - California as published by the State of California, Department of Industrial Relations, Division of Labor Statistics and Research. The month to be used for purposes of measuring the point to point base period, for the purpose of rate setting adjustment, shall be December of each year.

Reason for Recommendation:

On March 26, 2012, the Environmental Management Department (EMD) received a letter from Waste Connections of California, Inc. d/b/a El Dorado Disposal Service requesting a 2.42 percent rate increase, effective July 1, 2012, pursuant to the Agreement.

The Consumer Price Index - All Items - All Urban Consumers - California as published by the State of California, Department of Industrial Relations, Division of Labor Statistics and Research for the period of December 2010 was 227.487. The index for December 2011 was 232.985. The percent of change from the December 2010 index to the December 2011 index reflects an index increase of 2.4 percent.

On April 18, 2011, the Director of the Environmental Management Department responded to the 2.42 percent rate increase request. The letter stated that based on the Consumer Price Index on the Division of Labor Statistics and Research website, EMD would recommend a 2.4 percent increase,

rather than the requested 2.42 percent.

Item for Consideration:

The Board of Supervisors consideration is requested for a rate increase of 2.4 percent. Following is a sample of the proposed rates in accordance with the EDS rate request:

Residential

Current Rate

1 32g Can	\$19.40
1 64g Cart	\$29.07
1 96g Cart	\$29.78

Residential

Rate with 2.4% CPI Increase

1 32g Can	\$19.87
1 64g Cart	\$29.77
1 96g Cart	\$30.49

Commercial

Current Rate

1 Yard	\$ 81.87
2 Yard	\$141.77

Commercial

Rate with 2.4% CPI Increase

1 Yard	\$ 83.83
2 Yard	\$145.17

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