



Legislation Text

File #: 12-0654, **Version:** 1

HEARING - Per the request of Tahoe Truckee Sierra Disposal, Inc. and as outlined in the amended April 4, 1995 Franchise Agreement, consider their request to conduct a public hearing and adopt Resolution **081-2012** increasing the comprehensive solid waste collection rate schedule by one percent (1%), 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 proposed solid waste rate levels.

Background:

In accordance with the amended Solid Waste Services Franchise Agreement with Tahoe Truckee Sierra Disposal (TTSD), Section 19B - Compensation, The Board of Supervisors shall set the rates to be charged by Grantee annually, provided Grantee requests such an increase in writing and is timely delivered to the Director of the County Environmental Management Department (EMD).

The Agreement also states that on the condition that Grantee is in compliance with the terms of the Franchise Agreement, an annual rate increase, if requested, shall be set at five percent (5%) starting July 1, 2010, and ending December 31, 2014. In addition, failure of the Grantee 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 five percent (5%) rate increase to be effective July 1.

Recent Board Action: The Board granted TTSD a five percent (5%) rate increase (Legistar item 11-0633) on 6/21/11 to be effective July 1, 2011, as requested by the Grantee.

Reason for Recommendation:

On March 1, 2012, EMD received a letter from TTSD requesting a rate increase adjustment of five percent (5%) as contractually agreed upon in the Franchise Agreement. In the letter, the proposed monthly rate for the Fiscal Year 12-13 rate schedule included rates for a "Residential Extra Can" and a "Commercial Can" that were not previously reflected as TTSD Services (Attachment B). EMD sent a letter to TTSD in response to the inclusion of the previously unidentified services on the proposed rate schedule and requested that TTSD submit an all-inclusive list of services and the proposed associated rates for the Franchise Area (Attachment C). On May 4, 2012, EMD received a letter from TTSD that included a comprehensive list of all services and associated rates (Attachment D). The supplementary residential services that were not previously reflected as TTSD services are: residential can credits, collection of extra trash left curbside in bags or cans, pick-up of bulky and special handling items, clean-up of on-route messes, go-backs, and trip fees. Commercial services that were not previously reflected as TTSD services are: monthly commercial dumpster service, commercial can service, and supplemental commercial services. The residential and commercial services and associated rates are included on the Comprehensive Rate Sheets TTSD attached to the May 4, 2012 letter.

Following the Board of Supervisors' direction to EMD on May 14, 2012, which related to negotiating new contracts with the County's solid waste haulers, EMD received a letter from TTSD, requesting that their 5% rate increase scheduled under contract for Fiscal Year 12-13 be reduced to one percent (1%) (Attachment E).

Item for Consideration:

Grant TTSD a one percent (1%) rate increase, effective July 1, 2012.

Please note the following proposed residential rates are based on a one percent (1%) increase:

Residential

| | |
|----------------|---------|
| Current Rate | |
| 1 32g Can | \$24.44 |
| 2 32g Can | \$32.29 |
| Senior Citizen | \$19.95 |

Residential

| | |
|-----------------------|---------|
| With 1% Rate Increase | |
| 1 32g Can | \$24.69 |
| 2 32g Can | \$32.61 |
| Senior Citizen | \$20.15 |

EMD has approved TTSD's written notification to each ratepayer as described in Section 19 of the Solid Waste Franchise Agreement. The hearing to adopt the proposed collection rate adjustments has been duly noticed in accordance with Section 66016 of the California Government Code (Attachment F).

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

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