

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Environmental Resources *SM*

BOARD AGENDA # 9:15 a.m.

Urgent  Routine

AGENDA DATE June 30, 2009

CEO Concurs with Recommendation YES  NO   
*SM*  
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Public Hearing to Consider Adjustments to Stanislaus County Franchise Maximum Rates for Solid Waste Collection Services

STAFF RECOMMENDATIONS:

Approve the proposed adjustments to Stanislaus County Franchise Maximum Rates for Solid Waste Collection Services.

FISCAL IMPACT:

If the Board of Supervisors approves staff recommendations, some maximum rates for solid waste collection services will increase and others will decrease.

Subscribers to residential basic service, that is, 1-90 gallon cart, curbside recycling, and bulky item collection, may see changes in their monthly service charges ranging from a 2.45% decrease to a 8.67% decrease.  
(Continued on Next page)

BOARD ACTION AS FOLLOWS:

No. 2009-460

On motion of Supervisor Monteith, Seconded by Supervisor Chiesa  
and approved by the following vote,

Ayes: Supervisors: O'Brien, Chiesa, Grover, Monteith, and Chairman DeMartini

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) \_\_\_\_\_ Denied

3) \_\_\_\_\_ Approved as amended

4) \_\_\_\_\_ Other:

MOTION:

*Christine Ferraro*

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

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FISCAL IMPACT (CONTINUED):

Proposed commercial bin rate adjustments range from a 3.96% decrease to a 8.28% increase. Proposed franchise drop-box haul charge adjustments range from a 34.9% increase to a 93.2% increase.

DISCUSSION:

Throughout much of 2008, Department staff worked with their consultant, Hilton, Farnkopf & Hobson, LLC, and the four franchise refuse solid waste collection companies to develop new “base” solid waste collection rates (Base Rates). Costs related to curbside recycling and the bulky item program are included in the residential Base Rates.

On November 4, 2008, the Board of Supervisors adopted new Base Rates (refer to Attachment “A”) from which the maximum franchise rates for solid waste collection services in the unincorporated areas of Stanislaus County would be set beginning July 1, 2009.

At the same meeting the Board approved a new methodology for the annual adjustment of these Base Rates. For four consecutive years, these Base Rates may be increased or decreased only by the change in a series of consumer and other price indexes. Every fifth year, the detailed cost of service study will be repeated to determine new Base Rates followed by another four years of index-based adjustments, and so on.

The following indices and their respective changes (i.e., the difference between the April 2007 – March 2008 average, and the April 2008 – March 2009 average) have been applied to the indicated components of the individual companies’ residential and commercial Base Rates. Only the labor, fuel, collections, and interest adjustments have been applied to the Drop Box Base Rates, because the County only sets the haul charge; disposal, transfer, and franchise fees are billed to the customer directly by the companies as part of the service charge.

<u>Labor Component:</u> <i>CPI, Urban Wage Earners and Clerical Workers, All Items West – Size Class B/C</i>	+3.38%
<u>Fuel Component:</u> <i>California No. 2 Diesel Retail Sales by All Sellers, U.S. Department of Energy</i>	See below*
<u>Collections Component:</u> <i>CPI, All Urban Consumers, All Items, West Urban Area, West – Size Class B/C</i>	+3.23%
<u>FRLF Disposal Component:</u> <i>Actual Change in Disposal Fees at the Fink Road Landfill.</i>	+10.00%

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<u>SRRF Disposal Component:</u> <i>Actual Change in Disposal Fees at the Stanislaus Resource Recovery Facility.</i>	n/c
<u>Transfer Component:</u> <i>Discretionary Adjustment by the County.</i>	n/c
<u>Interest Component:</u> <i>Change in the Prime Rate per "Bank of America, NA and Bank of America NT &amp; SA"</i>	-41.57%
<u>Franchise Fee Component:</u> <i>Franchise Fees remain unchanged at 8%, however, the expense component has been adjusted per Section 2.3.7 of the Rate Adjustment Process.</i>	+3.5%
<u>Other Fees Component:</u> <i>There are no Other Fees applicable at this time.</i>	n/c

\*For this year only, our consultant has advised that a "manual" adjustment in the fuel component is more appropriate than applying the prescribed index noted above. The fuel expense adjustments included in the Base Rates were based on an anticipated average \$4.60 per gallon price during 2008-2009; however, the actual average price of California No. 2 Diesel Retail Sales by All Sellers was \$3.57 per gallon for the period April 2008 through March 2009. As a result, the Fuel Component has been changed from 8.88% to -22.39%.

\*\*When the projected total compensation increases or decreases based on the net of the adjustments listed above, the expense included in the proposed rates for Franchise Fees must also be increased or decreased. This Component is included to make the franchise haulers "whole" at covering the exact amount of the County's 8% franchise fee.

Noted above and included in the proposed residential and commercial rates is the increase in the disposal fee at the Fink Road Landfill, from \$30 to \$33 per ton, approved by the Board at their April 21, 2009, meeting and effective July 1, 2009.

It should also be noted that the current Rate Adjustment Process "caps" rate adjustments, up or down, at 5% per annum. Several of the proposed rate adjustments are greater than 5% when measured against the rates in effect today. This limit was, however, intended to apply to the annual change once the new Base Rates are in effect. This means that the "cap" will become effective for the review period effective July 1, 2010, through July 1, 2012, after which a detailed review would again be required.

The proposed rates (refer to Attachment "A") are presented in a format that identifies the following: the change between those rates approved by the Board for 2008-2009 and the approved Base Rates; the change between the Base Rates and the rates currently being proposed; and the net change between the rates customers have paid over the past year and the rates proposed for 2009-2010.

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Request for Proposals (RFP) for Franchise Area # 3

As the Board is aware, an RFP for Franchise Area #3 was issued on February 10, 2009, and bids were due on April 29, 2009. Two proposals were received and the review of them is currently underway. The RFP requested proposers to bid firm compensation requirements for the period November 5, 2009, through June 30, 2012. Given this, if the Board approves staff's recommendations, collection rates for residents and businesses in Franchise Area # 3 will change on July 1, 2009, as part of the regular adjustment cycles, and as a result of the RFP award and anticipated Board approval, may change again on November 5, 2009.

**POLICY ISSUE:**

The Board of Supervisors is required to hold a public hearing prior to adjusting the maximum rates for solid waste collection services. After the public hearing, the rates can be changed. The Board of Supervisors should determine if adjusting the maximum rates for solid waste collection services is consistent with its priorities of a safe community, a healthy community, and a well-planned infrastructure system.

**STAFFING IMPACTS:**

There are no staffing impacts associated with this request.

**CONTACT PERSON:**

Sonya K. Harrigfeld, Director. Telephone: 209-525-6770

**PROPOSED MAXIMUM RESIDENTIAL BASE RATES  
INCLUDING CURBSIDE RECYCLING AND BULKY ITEM PROGRAM**

**BERTOLOTTI DISPOSAL**

Service	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
1 can	\$14.76	\$14.72	-0.27%	\$14.72	\$14.73	0.07%	-0.20%
2 cans	\$22.00	\$21.45	-2.50%	\$21.45	\$21.46	0.05%	-2.45%
Add'l. can	\$10.72	\$10.72	0.00%	\$10.72	\$10.72	0.00%	0.00%
60 gal. cart	\$14.76	\$14.72	-0.27%	\$14.72	\$14.73	0.07%	-0.20%
90 gal. cart	\$22.00	\$21.45	-2.50%	\$21.45	\$21.46	0.05%	-2.45%
Add'l. cart	\$13.08	\$13.08	0.00%	\$13.08	\$13.08	0.00%	0.00%

**GILTON SOLID WASTE MANAGEMENT**

Service	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
1 can	\$10.57	\$10.12	-4.26%	\$10.12	\$9.99	-1.28%	-5.49%
2 cans	\$18.91	\$17.50	-7.46%	\$17.50	\$17.27	-1.31%	-8.67%
Add'l. can	\$9.18	\$8.75	-4.68%	\$8.75	\$8.64	-1.26%	-5.88%
30 gal. cart	\$12.93	\$12.17	-5.88%	\$12.17	\$12.01	-1.31%	-7.12%
60 gal. cart	\$14.56	\$13.65	-6.25%	\$13.65	\$13.47	-1.32%	-7.49%
90 gal. cart	\$18.91	\$17.50	-7.46%	\$17.50	\$17.27	-1.31%	-8.67%
Add'l. cart	\$11.20	\$10.67	-4.73%	\$10.67	\$10.53	-1.31%	-5.98%

**MODESTO DISPOSAL / WASTE MANAGEMENT, INC.**

Service	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
1 can	\$14.94	\$13.91	-6.89%	\$13.91	\$14.02	0.79%	-6.16%
2 cans	\$22.81	\$20.76	-8.99%	\$20.76	\$20.92	0.77%	-8.29%
Add'l. can	\$11.13	\$10.38	-6.74%	\$10.38	\$10.46	0.77%	-6.02%
60 gal. cart	\$16.28	\$15.08	-7.37%	\$15.08	\$15.20	0.80%	-6.63%
90 gal. cart	\$22.81	\$20.76	-8.99%	\$20.76	\$20.92	0.77%	-8.29%
Add'l. cart	\$14.50	\$13.52	-6.76%	\$13.52	\$13.63	0.81%	-6.00%

**TURLOCK SCAVENGER**

Service	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
1 can	\$15.28	\$14.11	-7.66%	\$14.11	\$14.39	1.98%	-5.82%
2 cans	\$22.32	\$20.18	-9.59%	\$20.18	\$20.58	1.98%	-7.80%
Add'l. can	\$10.88	\$10.09	-7.26%	\$10.09	\$10.29	1.98%	-5.42%
60 gal. cart	\$15.28	\$14.11	-7.66%	\$14.11	\$14.39	1.98%	-5.82%
90 gal. cart	\$22.32	\$20.18	-9.59%	\$20.18	\$20.58	1.98%	-7.80%
Add'l. cart	\$13.28	\$12.31	-7.30%	\$12.31	\$12.56	2.03%	-5.42%

## PROPOSED MAXIMUM COMMERCIAL BIN RATES

### BERTOLOTTI DISPOSAL

Service	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
1 yd., 1 X week	\$ 48.95	\$ 52.89	8.05%	\$ 52.89	\$ 53.00	0.21%	8.27%
1 yd., 2 X week	\$ 97.89	\$ 105.77	8.05%	\$ 105.77	\$ 105.99	0.21%	8.27%
1 yd., 3 X week	\$ 146.84	\$ 158.66	8.05%	\$ 158.66	\$ 159.00	0.21%	8.28%
1 yd., 4 X week	\$ 195.78	\$ 211.54	8.05%	\$ 211.54	\$ 211.99	0.21%	8.28%
1 yd., 5 X week	\$ 244.73	\$ 264.43	8.05%	\$ 264.43	\$ 264.99	0.21%	8.28%
1 yd., 6 X week	\$ 293.67	\$ 317.31	8.05%	\$ 317.31	\$ 317.98	0.21%	8.28%
1 yd., 7 X week	\$ 342.62	\$ 370.20	8.05%	\$ 370.20	\$ 370.98	0.21%	8.28%
1.5 yd., 1 X week	\$ 61.79	\$ 66.76	8.04%	\$ 66.76	\$ 66.90	0.21%	8.27%
1.5 yd., 2 X week	\$ 123.57	\$ 133.52	8.05%	\$ 133.52	\$ 133.80	0.21%	8.28%
1.5 yd., 3 X week	\$ 185.36	\$ 200.28	8.05%	\$ 200.28	\$ 200.70	0.21%	8.28%
1.5 yd., 4 X week	\$ 247.13	\$ 267.02	8.05%	\$ 267.02	\$ 267.58	0.21%	8.27%
1.5 yd., 5 X week	\$ 308.92	\$ 333.79	8.05%	\$ 333.79	\$ 334.50	0.21%	8.28%
1.5 yd., 6 X week	\$ 370.71	\$ 400.55	8.05%	\$ 400.55	\$ 401.40	0.21%	8.28%
1.5 yd., 7 X week	\$ 432.50	\$ 467.32	8.05%	\$ 467.32	\$ 468.31	0.21%	8.28%
2 yd., 1 X week	\$ 72.17	\$ 77.98	8.05%	\$ 77.98	\$ 78.14	0.21%	8.27%
2 yd., 2 X week	\$ 144.33	\$ 155.95	8.05%	\$ 155.95	\$ 156.28	0.21%	8.28%
2 yd., 3 X week	\$ 216.50	\$ 233.93	8.05%	\$ 233.93	\$ 234.42	0.21%	8.28%
2 yd., 4 X week	\$ 288.65	\$ 311.89	8.05%	\$ 311.89	\$ 312.55	0.21%	8.28%
2 yd., 5 X week	\$ 360.82	\$ 389.87	8.05%	\$ 389.87	\$ 390.69	0.21%	8.28%
2 yd., 6 X week	\$ 432.99	\$ 467.85	8.05%	\$ 467.85	\$ 468.84	0.21%	8.28%
2 yd., 7 X week	\$ 505.15	\$ 545.81	8.05%	\$ 545.81	\$ 546.96	0.21%	8.28%
3 yd., 1 X week	\$ 84.77	\$ 91.59	8.05%	\$ 91.59	\$ 91.78	0.21%	8.27%
3 yd., 2 X week	\$ 169.54	\$ 183.19	8.05%	\$ 183.19	\$ 183.58	0.21%	8.28%
3 yd., 3 X week	\$ 254.30	\$ 274.77	8.05%	\$ 274.77	\$ 275.35	0.21%	8.28%
3 yd., 4 X week	\$ 339.07	\$ 366.37	8.05%	\$ 366.37	\$ 367.14	0.21%	8.28%
3 yd., 5 X week	\$ 423.84	\$ 457.96	8.05%	\$ 457.96	\$ 458.93	0.21%	8.28%
3 yd., 6 X week	\$ 508.61	\$ 549.55	8.05%	\$ 549.55	\$ 550.71	0.21%	8.28%
3 yd., 7 X week	\$ 593.38	\$ 641.15	8.05%	\$ 641.15	\$ 642.50	0.21%	8.28%
4 yd., 1 X week	\$ 105.09	\$ 113.55	8.05%	\$ 113.55	\$ 113.79	0.21%	8.28%
4 yd., 2 X week	\$ 210.17	\$ 227.09	8.05%	\$ 227.09	\$ 227.57	0.21%	8.28%
4 yd., 3 X week	\$ 315.25	\$ 340.63	8.05%	\$ 340.63	\$ 341.35	0.21%	8.28%
4 yd., 4 X week	\$ 420.33	\$ 454.17	8.05%	\$ 454.17	\$ 455.13	0.21%	8.28%
4 yd., 5 X week	\$ 525.42	\$ 567.72	8.05%	\$ 567.72	\$ 568.92	0.21%	8.28%
4 yd., 6 X week	\$ 630.50	\$ 681.26	8.05%	\$ 681.26	\$ 682.70	0.21%	8.28%
4 yd., 7 X week	\$ 735.60	\$ 794.82	8.05%	\$ 794.82	\$ 796.50	0.21%	8.28%
6 yd., 1 X week	\$ 145.71	\$ 157.44	8.05%	\$ 157.44	\$ 157.77	0.21%	8.28%
6 yd., 2 X week	\$ 291.43	\$ 314.89	8.05%	\$ 314.89	\$ 315.56	0.21%	8.28%
6 yd., 3 X week	\$ 437.14	\$ 472.33	8.05%	\$ 472.33	\$ 473.33	0.21%	8.28%
6 yd., 4 X week	\$ 582.86	\$ 629.78	8.05%	\$ 629.78	\$ 631.11	0.21%	8.28%
6 yd., 5 X week	\$ 728.57	\$ 787.22	8.05%	\$ 787.22	\$ 788.88	0.21%	8.28%
6 yd., 6 X week	\$ 874.29	\$ 944.67	8.05%	\$ 944.67	\$ 946.67	0.21%	8.28%
6 yd., 7 X week	\$ 1,020.00	\$ 1,102.11	8.05%	\$ 1,102.11	\$ 1,104.44	0.21%	8.28%

## PROPOSED MAXIMUM COMMERCIAL BIN RATES

### GILTON SOLID WASTE MANAGEMENT

Service	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
1 yd., 1 X week	\$ 55.57	\$ 58.29	4.89%	\$ 58.29	\$ 57.87	-0.72%	4.14%
1 yd., 2 X week	\$ 111.14	\$ 116.59	4.90%	\$ 116.59	\$ 115.75	-0.72%	4.15%
1 yd., 3 X week	\$ 166.71	\$ 174.88	4.90%	\$ 174.88	\$ 173.62	-0.72%	4.14%
1 yd., 4 X week	\$ 222.28	\$ 233.17	4.90%	\$ 233.17	\$ 231.50	-0.72%	4.15%
1 yd., 5 X week	\$ 277.85	\$ 291.46	4.90%	\$ 291.46	\$ 289.37	-0.72%	4.15%
1 yd., 6 X week	\$ 333.41	\$ 349.75	4.90%	\$ 349.75	\$ 347.24	-0.72%	4.15%
1 yd., 7 X week	\$ 388.98	\$ 408.04	4.90%	\$ 408.04	\$ 405.11	-0.72%	4.15%
1.5 yd., 1 X week	\$ 63.06	\$ 66.15	4.90%	\$ 66.15	\$ 65.67	-0.73%	4.14%
1.5 yd., 2 X week	\$ 126.14	\$ 132.32	4.90%	\$ 132.32	\$ 131.37	-0.72%	4.15%
1.5 yd., 3 X week	\$ 189.20	\$ 198.47	4.90%	\$ 198.47	\$ 197.04	-0.72%	4.14%
1.5 yd., 4 X week	\$ 252.24	\$ 264.60	4.90%	\$ 264.60	\$ 262.70	-0.72%	4.15%
1.5 yd., 5 X week	\$ 315.32	\$ 330.77	4.90%	\$ 330.77	\$ 328.39	-0.72%	4.14%
1.5 yd., 6 X week	\$ 378.38	\$ 396.92	4.90%	\$ 396.92	\$ 394.07	-0.72%	4.15%
1.5 yd., 7 X week	\$ 441.45	\$ 463.08	4.90%	\$ 463.08	\$ 459.75	-0.72%	4.15%
2 yd., 1 X week	\$ 70.66	\$ 72.38	2.43%	\$ 72.38	\$ 71.86	-0.72%	1.70%
2 yd., 2 X week	\$ 141.33	\$ 144.76	2.43%	\$ 144.76	\$ 143.72	-0.72%	1.69%
2 yd., 3 X week	\$ 211.99	\$ 217.14	2.43%	\$ 217.14	\$ 215.58	-0.72%	1.68%
2 yd., 4 X week	\$ 282.65	\$ 289.52	2.43%	\$ 289.52	\$ 287.44	-0.72%	1.69%
2 yd., 5 X week	\$ 353.32	\$ 361.92	2.43%	\$ 361.92	\$ 359.32	-0.72%	1.70%
2 yd., 6 X week	\$ 423.98	\$ 434.29	2.43%	\$ 434.29	\$ 431.17	-0.72%	1.70%
2 yd., 7 X week	\$ 494.64	\$ 506.67	2.43%	\$ 506.67	\$ 503.03	-0.72%	1.70%
3 yd., 1 X week	\$ 74.29	\$ 76.09	2.42%	\$ 76.09	\$ 75.54	-0.72%	1.68%
3 yd., 2 X week	\$ 148.56	\$ 152.17	2.43%	\$ 152.17	\$ 151.08	-0.72%	1.70%
3 yd., 3 X week	\$ 222.85	\$ 228.27	2.43%	\$ 228.27	\$ 226.63	-0.72%	1.70%
3 yd., 4 X week	\$ 297.13	\$ 304.36	2.43%	\$ 304.36	\$ 302.17	-0.72%	1.70%
3 yd., 5 X week	\$ 371.42	\$ 380.45	2.43%	\$ 380.45	\$ 377.72	-0.72%	1.70%
3 yd., 6 X week	\$ 445.69	\$ 456.52	2.43%	\$ 456.52	\$ 453.24	-0.72%	1.69%
3 yd., 7 X week	\$ 519.99	\$ 532.63	2.43%	\$ 532.63	\$ 528.80	-0.72%	1.69%
4 yd., 1 X week	\$ 82.07	\$ 84.07	2.44%	\$ 84.07	\$ 83.47	-0.71%	1.71%
4 yd., 2 X week	\$ 164.13	\$ 168.12	2.43%	\$ 168.12	\$ 166.91	-0.72%	1.69%
4 yd., 3 X week	\$ 246.21	\$ 252.20	2.43%	\$ 252.20	\$ 250.39	-0.72%	1.70%
4 yd., 4 X week	\$ 328.30	\$ 336.28	2.43%	\$ 336.28	\$ 333.86	-0.72%	1.69%
4 yd., 5 X week	\$ 410.36	\$ 420.33	2.43%	\$ 420.33	\$ 417.31	-0.72%	1.69%
4 yd., 6 X week	\$ 492.43	\$ 504.40	2.43%	\$ 504.40	\$ 500.78	-0.72%	1.70%
4 yd., 7 X week	\$ 574.50	\$ 588.47	2.43%	\$ 588.47	\$ 584.24	-0.72%	1.70%
6 yd., 1 X week	\$ 99.24	\$ 101.65	2.43%	\$ 101.65	\$ 100.92	-0.72%	1.69%
6 yd., 2 X week	\$ 198.44	\$ 203.26	2.43%	\$ 203.26	\$ 201.80	-0.72%	1.69%
6 yd., 3 X week	\$ 297.68	\$ 304.91	2.43%	\$ 304.91	\$ 302.72	-0.72%	1.69%
6 yd., 4 X week	\$ 396.89	\$ 406.54	2.43%	\$ 406.54	\$ 403.62	-0.72%	1.70%
6 yd., 5 X week	\$ 496.12	\$ 508.18	2.43%	\$ 508.18	\$ 504.53	-0.72%	1.70%
6 yd., 6 X week	\$ 595.33	\$ 609.80	2.43%	\$ 609.80	\$ 605.42	-0.72%	1.69%
6 yd., 7 X week	\$ 694.57	\$ 711.45	2.43%	\$ 711.45	\$ 706.34	-0.72%	1.69%

**PROPOSED MAXIMUM COMMERCIAL BIN RATES**

**MODESTO DISPOSAL / WMI**

Service	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
1 yd., 1 X week	\$ 54.56	\$ 52.27	-4.20%	\$ 52.27	\$ 52.57	0.57%	-3.65%
1 yd., 2 X week	\$ 109.10	\$ 104.53	-4.19%	\$ 104.53	\$ 105.14	0.58%	-3.63%
1 yd., 3 X week	\$ 163.65	\$ 156.79	-4.19%	\$ 156.79	\$ 157.70	0.58%	-3.64%
1 yd., 4 X week	\$ 218.20	\$ 209.05	-4.19%	\$ 209.05	\$ 210.26	0.58%	-3.64%
1 yd., 5 X week	\$ 272.75	\$ 261.32	-4.19%	\$ 261.32	\$ 262.83	0.58%	-3.64%
1 yd., 6 X week	\$ 327.29	\$ 313.58	-4.19%	\$ 313.58	\$ 315.40	0.58%	-3.63%
1 yd., 7 X week	\$ 381.85	\$ 365.85	-4.19%	\$ 365.85	\$ 367.97	0.58%	-3.63%
1.5 yd., 1 X week	\$ 66.33	\$ 63.55	-4.19%	\$ 63.55	\$ 63.92	0.58%	-3.63%
1.5 yd., 2 X week	\$ 132.65	\$ 127.09	-4.19%	\$ 127.09	\$ 127.83	0.58%	-3.63%
1.5 yd., 3 X week	\$ 198.98	\$ 190.64	-4.19%	\$ 190.64	\$ 191.74	0.58%	-3.64%
1.5 yd., 4 X week	\$ 265.30	\$ 254.18	-4.19%	\$ 254.18	\$ 255.65	0.58%	-3.64%
1.5 yd., 5 X week	\$ 331.63	\$ 317.73	-4.19%	\$ 317.73	\$ 319.57	0.58%	-3.64%
1.5 yd., 6 X week	\$ 397.95	\$ 381.27	-4.19%	\$ 381.27	\$ 383.48	0.58%	-3.64%
1.5 yd., 7 X week	\$ 464.27	\$ 444.82	-4.19%	\$ 444.82	\$ 447.40	0.58%	-3.63%
2 yd., 1 X week	\$ 69.94	\$ 67.01	-4.19%	\$ 67.01	\$ 67.40	0.58%	-3.63%
2 yd., 2 X week	\$ 139.84	\$ 133.98	-4.19%	\$ 133.98	\$ 134.76	0.58%	-3.63%
2 yd., 3 X week	\$ 209.78	\$ 200.99	-4.19%	\$ 200.99	\$ 202.15	0.58%	-3.64%
2 yd., 4 X week	\$ 279.70	\$ 267.98	-4.19%	\$ 267.98	\$ 269.53	0.58%	-3.64%
2 yd., 5 X week	\$ 349.63	\$ 334.98	-4.19%	\$ 334.98	\$ 336.92	0.58%	-3.64%
2 yd., 6 X week	\$ 419.55	\$ 401.97	-4.19%	\$ 401.97	\$ 404.30	0.58%	-3.63%
2 yd., 7 X week	\$ 489.47	\$ 468.96	-4.19%	\$ 468.96	\$ 471.68	0.58%	-3.63%
3 yd., 1 X week	\$ 78.77	\$ 75.47	-4.19%	\$ 75.47	\$ 75.91	0.58%	-3.63%
3 yd., 2 X week	\$ 157.51	\$ 150.91	-4.19%	\$ 150.91	\$ 151.78	0.58%	-3.64%
3 yd., 3 X week	\$ 236.28	\$ 226.38	-4.19%	\$ 226.38	\$ 227.69	0.58%	-3.64%
3 yd., 4 X week	\$ 315.05	\$ 301.82	-4.20%	\$ 301.82	\$ 303.57	0.58%	-3.64%
3 yd., 5 X week	\$ 393.80	\$ 377.31	-4.19%	\$ 377.31	\$ 379.50	0.58%	-3.63%
3 yd., 6 X week	\$ 472.56	\$ 452.76	-4.19%	\$ 452.76	\$ 455.38	0.58%	-3.64%
3 yd., 7 X week	\$ 551.32	\$ 528.23	-4.19%	\$ 528.23	\$ 531.29	0.58%	-3.63%
4 yd., 1 X week	\$ 86.51	\$ 82.88	-4.20%	\$ 82.88	\$ 83.36	0.58%	-3.64%
4 yd., 2 X week	\$ 173.01	\$ 165.77	-4.18%	\$ 165.77	\$ 166.73	0.58%	-3.63%
4 yd., 3 X week	\$ 259.51	\$ 248.64	-4.19%	\$ 248.64	\$ 250.08	0.58%	-3.63%
4 yd., 4 X week	\$ 345.75	\$ 331.27	-4.19%	\$ 331.27	\$ 333.19	0.58%	-3.63%
4 yd., 5 X week	\$ 432.54	\$ 414.41	-4.19%	\$ 414.41	\$ 416.81	0.58%	-3.64%
4 yd., 6 X week	\$ 519.03	\$ 497.29	-4.19%	\$ 497.29	\$ 500.17	0.58%	-3.63%
4 yd., 7 X week	\$ 605.54	\$ 580.17	-4.19%	\$ 580.17	\$ 583.53	0.58%	-3.63%
6 yd., 1 X week	\$ 93.28	\$ 89.37	-4.19%	\$ 89.37	\$ 89.89	0.58%	-3.63%
6 yd., 2 X week	\$ 186.55	\$ 178.74	-4.19%	\$ 178.74	\$ 179.78	0.58%	-3.63%
6 yd., 3 X week	\$ 279.84	\$ 268.12	-4.19%	\$ 268.12	\$ 269.67	0.58%	-3.63%
6 yd., 4 X week	\$ 373.10	\$ 357.47	-4.19%	\$ 357.47	\$ 359.54	0.58%	-3.63%
6 yd., 5 X week	\$ 466.38	\$ 446.84	-4.19%	\$ 446.84	\$ 449.43	0.58%	-3.63%
6 yd., 6 X week	\$ 559.65	\$ 536.20	-4.19%	\$ 536.20	\$ 539.31	0.58%	-3.63%
6 yd., 7 X week	\$ 652.94	\$ 625.58	-4.19%	\$ 625.58	\$ 629.21	0.58%	-3.63%



**PROPOSED MAXIMUM COMMERCIAL BIN RATES**

**TURLOCK SCAVENGER**

Service	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
1 yd., 1 X week	\$ 55.99	\$ 52.57	-6.11%	\$ 52.57	\$ 53.77	2.28%	-3.96%
1 yd., 2 X week	\$ 111.98	\$ 105.15	-6.10%	\$ 105.15	\$ 107.55	2.28%	-3.96%
1 yd., 3 X week	\$ 167.97	\$ 157.72	-6.10%	\$ 157.72	\$ 161.33	2.29%	-3.95%
1 yd., 4 X week	\$ 223.94	\$ 210.28	-6.10%	\$ 210.28	\$ 215.09	2.29%	-3.95%
1 yd., 5 X week	\$ 279.94	\$ 262.86	-6.10%	\$ 262.86	\$ 268.87	2.29%	-3.95%
1 yd., 6 X week	\$ 335.92	\$ 315.43	-6.10%	\$ 315.43	\$ 322.64	2.29%	-3.95%
1 yd., 7 X week	\$ 391.91	\$ 368.00	-6.10%	\$ 368.00	\$ 376.42	2.29%	-3.95%
1.5 yd., 1 X week	\$ 73.25	\$ 68.78	-6.10%	\$ 68.78	\$ 70.35	2.28%	-3.96%
1.5 yd., 2 X week	\$ 146.48	\$ 137.54	-6.10%	\$ 137.54	\$ 140.69	2.29%	-3.95%
1.5 yd., 3 X week	\$ 219.75	\$ 206.35	-6.10%	\$ 206.35	\$ 211.07	2.29%	-3.95%
1.5 yd., 4 X week	\$ 292.99	\$ 275.12	-6.10%	\$ 275.12	\$ 281.41	2.29%	-3.95%
1.5 yd., 5 X week	\$ 366.23	\$ 343.89	-6.10%	\$ 343.89	\$ 351.76	2.29%	-3.95%
1.5 yd., 6 X week	\$ 439.48	\$ 412.67	-6.10%	\$ 412.67	\$ 422.11	2.29%	-3.95%
1.5 yd., 7 X week	\$ 512.73	\$ 481.45	-6.10%	\$ 481.45	\$ 492.46	2.29%	-3.95%
2 yd., 1 X week	\$ 72.53	\$ 70.50	-2.80%	\$ 70.50	\$ 72.11	2.28%	-0.58%
2 yd., 2 X week	\$ 145.03	\$ 140.97	-2.80%	\$ 140.97	\$ 144.19	2.28%	-0.58%
2 yd., 3 X week	\$ 217.56	\$ 211.48	-2.79%	\$ 211.48	\$ 216.32	2.29%	-0.57%
2 yd., 4 X week	\$ 290.06	\$ 281.95	-2.80%	\$ 281.95	\$ 288.40	2.29%	-0.57%
2 yd., 5 X week	\$ 362.59	\$ 352.45	-2.80%	\$ 352.45	\$ 360.51	2.29%	-0.57%
2 yd., 6 X week	\$ 435.10	\$ 422.93	-2.80%	\$ 422.93	\$ 432.60	2.29%	-0.57%
2 yd., 7 X week	\$ 507.61	\$ 493.43	-2.79%	\$ 493.43	\$ 504.72	2.29%	-0.57%
3 yd., 1 X week	\$ 76.92	\$ 74.77	-2.80%	\$ 74.77	\$ 76.48	2.29%	-0.57%
3 yd., 2 X week	\$ 153.84	\$ 149.54	-2.80%	\$ 149.54	\$ 152.96	2.29%	-0.57%
3 yd., 3 X week	\$ 230.76	\$ 224.31	-2.80%	\$ 224.31	\$ 229.44	2.29%	-0.57%
3 yd., 4 X week	\$ 307.67	\$ 299.07	-2.80%	\$ 299.07	\$ 305.91	2.29%	-0.57%
3 yd., 5 X week	\$ 384.59	\$ 373.84	-2.80%	\$ 373.84	\$ 382.39	2.29%	-0.57%
3 yd., 6 X week	\$ 461.51	\$ 448.61	-2.80%	\$ 448.61	\$ 458.87	2.29%	-0.57%
3 yd., 7 X week	\$ 538.42	\$ 523.37	-2.80%	\$ 523.37	\$ 535.34	2.29%	-0.57%
4 yd., 1 X week	\$ 92.90	\$ 90.30	-2.80%	\$ 90.30	\$ 92.37	2.29%	-0.57%
4 yd., 2 X week	\$ 185.77	\$ 180.58	-2.79%	\$ 180.58	\$ 184.71	2.29%	-0.57%
4 yd., 3 X week	\$ 278.67	\$ 270.88	-2.80%	\$ 270.88	\$ 277.08	2.29%	-0.57%
4 yd., 4 X week	\$ 371.56	\$ 361.18	-2.79%	\$ 361.18	\$ 369.44	2.29%	-0.57%
4 yd., 5 X week	\$ 464.46	\$ 451.48	-2.79%	\$ 451.48	\$ 461.81	2.29%	-0.57%
4 yd., 6 X week	\$ 557.34	\$ 541.77	-2.79%	\$ 541.77	\$ 554.16	2.29%	-0.57%
4 yd., 7 X week	\$ 650.24	\$ 632.07	-2.79%	\$ 632.07	\$ 646.53	2.29%	-0.57%
6 yd., 1 X week	\$ 119.37	\$ 116.03	-2.80%	\$ 116.03	\$ 118.68	2.28%	-0.58%
6 yd., 2 X week	\$ 238.74	\$ 232.06	-2.80%	\$ 232.06	\$ 237.37	2.29%	-0.57%
6 yd., 3 X week	\$ 358.10	\$ 348.09	-2.80%	\$ 348.09	\$ 356.05	2.29%	-0.57%
6 yd., 4 X week	\$ 477.46	\$ 464.12	-2.79%	\$ 464.12	\$ 474.73	2.29%	-0.57%
6 yd., 5 X week	\$ 596.83	\$ 580.15	-2.79%	\$ 580.15	\$ 593.42	2.29%	-0.57%
6 yd., 6 X week	\$ 716.21	\$ 696.19	-2.80%	\$ 696.19	\$ 712.11	2.29%	-0.57%
6 yd., 7 X week	\$ 835.57	\$ 812.22	-2.79%	\$ 812.22	\$ 830.80	2.29%	-0.57%

**PROPOSED MAXIMUM DROP-BOX HAUL CHARGES**

**Bertolotti Disposal**

	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
10 - 19 yrd.	\$ 105.00	\$ 147.00	40%	\$ 147.00	\$ 147.92	0.63%	40.88%
20 - 29 yrd.	\$ 138.00	\$ 194.00	41%	\$ 194.00	\$ 195.21	0.62%	41.46%
30 yrd. & up	\$ 163.00	\$ 230.00	41%	\$ 230.00	\$ 231.44	0.63%	41.99%

**Gilton Solid Waste Management**

	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
10 - 19 yrd.	\$ 105.00	\$ 152.00	45%	\$ 152.00	\$ 148.93	-2.02%	41.84%
20 - 29 yrd.	\$ 138.00	\$ 199.00	44%	\$ 199.00	\$ 194.99	-2.02%	41.30%
30 yrd. & up	\$ 163.00	\$ 236.00	45%	\$ 236.00	\$ 231.24	-2.02%	41.87%

**MDS / WMI**

	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
10 - 19 yrd.	\$ 105.00	\$ 201.00	95%	\$ 201.00	\$ 202.23	0.61%	92.60%
20 - 29 yrd.	\$ 138.00	\$ 265.00	92%	\$ 265.00	\$ 266.62	0.61%	93.20%
30 yrd. & up	\$ 163.00	\$ 313.00	92%	\$ 313.00	\$ 314.91	0.61%	93.20%

**Turlock Scavenger**

	Current Rate ('08-'09)	Approved Base Rate	% Change	Approved Base Rate	Proposed Rates (Base w/Index Adjustments)	% Change	Net Change (Current vs. Proposed)
10 - 19 yrd.	\$ 105.00	\$ 140.00	33%	\$ 140.00	\$ 141.65	1.18%	34.90%
20 - 29 yrd.	\$ 138.00	\$ 184.00	33%	\$ 184.00	\$ 186.17	1.18%	34.91%
30 yrd. & up	\$ 163.00	\$ 218.00	34%	\$ 218.00	\$ 220.58	1.18%	35.33%

# Proposed Refuse Collection Rates 2009-2010

Sonya K. Harrigfeld, Director

Jami Aggers, Assistant Director

Department of Environmental Resources and Parks & Recreation

June 30, 2009

# Background

- Staff worked with HF&H and the four franchise companies to develop new “base” rates for refuse collection
- November 2008, Board adopted new base rates: benchmark from which to set rates beginning July 1, 2009

## Background (cont'd.)

- At the same meeting, the Board adopted a new methodology for the annual adjustment of these base rates
- For four consecutive years, these rates may only increase or decrease by the change in a series of price indexes

# Rate Adjustment Methodology

- Labor Component: Increased 3.38%
- Fuel Component: \*See below
- Collections Component: Increased 3.23%
- FRLF Disposal Component: Increased 10%
- WTE Disposal Component: N/C

# Rate Adjustment Methodology

## Cont'd.

- Transfer Component: N/C
- Interest Component: Change in Prime Rate for new loans – Decreased -41.57%
- Franchise Fee Component: \*\*See below
- Other Fees Component: N/C



# Two Footnotes in the Rate Adjustment Components

- \* Fuel Component: A “manual” adjustment was used rather than the prescribed index, making it -22.39%
- \*\* The Franchise Fee Component is adjusted up or down based on the net change of the combined components to exactly equal the Franchise Fee

# Proposed Residential Rate Adjustments

- 24,707 subscribers to weekly service
  - 100% will see a 0.2% to 8.67% decrease

# Residential Basic Cart Service\*

	Current	Proposed Base w/ Index Adjustments
Bertolotti Disposal	\$22.00	<b>\$21.46</b>
Gilton Solid Waste	\$18.91	<b>\$17.27</b>
Modesto Disposal Waste Management	\$22.81	<b>\$20.92</b>
Turlock Scavenger	\$22.32	<b>\$20.58</b>

\*One 90-gallon cart service is the most common service for all four companies

# Proposed Commercial Rate Adjustments

- 3,026 commercial bins in service
  - 37.54% will see a 0.57% to 3.96% decrease; and,
  - 62.46% will see a 1.69% to 8.28% increase.

# 2-yrd. Commercial Bin Service\*

	Current	Proposed Base w/ Index Adjustments
Bertolotti Disposal	\$72.17	<b>\$78.14</b>
Gilton Solid Waste	\$70.66	<b>\$71.86</b>
Modesto Disposal Waste Management	\$69.94	<b>\$67.40</b>
Turlock Scavenger	\$72.53	<b>\$72.11</b>

\*2-yard service 1X/wk. is the most common service for all four companies

# Proposed Drop Box Rate Adjustments

- Requests for service are as-needed
  - All haul charges will increase substantially, from 34.9% to 93.2%

# Proposed 20-29 yard Drop-Box Haul Charge\*

Franchise Company	Current	Proposed Base w/ Index Adjustments
Bertolotti Disposal	<b>\$138.00</b>	<b>\$195.21</b>
Gilton Solid Waste	<b>\$138.00</b>	<b>\$194.99</b>
Modesto Disposal Waste Management	<b>\$138.00</b>	<b>\$266.62</b>
Turlock Scavenger	<b>\$138.00</b>	<b>\$186.17</b>

\*Other Drop Box sizes include 10-19 yard service and 30 yards and up.

# Staff Recommendation

- Approve the recommended adjustments to the Stanislaus County Franchise Maximum Rates for refuse collection services



**Questions?**