

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

DEPT: Environmental Resources

BOARD AGENDA # 9:05 am

Urgent Routine

AGENDA DATE June 24, 2014

CEO Concurs with Recommendation YES NO
(Information Attached)

4/5 Vote Required YES NO

SUBJECT:

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

STAFF RECOMMENDATIONS:

1. Conduct a public hearing to consider adjustments to Stanislaus County franchise maximum rates for solid waste collection services.
2. Approve the proposed adjustments to the Stanislaus County franchise maximum rates for solid waste collection services in Franchise Areas 1, 2, 3 and 4.

FISCAL IMPACT:

Upon approval, increases to the solid waste collection service charges in the unincorporated areas of Stanislaus County (Franchise Areas 1, 2, 3, and 4) will be effective July 1, 2014. Maximum rates for solid waste collection services in all Franchise Areas are proposed to increase for residential, commercial and drop box rates. This increase in rates will result in approximately \$16,167.79 in additional revenue.

(Continued Next Page)

BOARD ACTION AS FOLLOWS:

No. 2014-334

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

Ayes: Supervisors: O'Brien, Chiesa, Withrow, Monteith, and Chairman De Martini

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:



ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

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

FISCAL IMPACT (CONTINUED):

Subscribers to residential basic service; that is, one 90 gallon cart, curbside recycling, and bulky item collection, will see changes in their monthly service charges ranging from a 1.73% increase to a 1.90% increase. Proposed commercial bin rate adjustments range from a 1.78% increase to a 1.94% increase and proposed franchise drop-box haul charge adjustments range from a .63% increase to a .83% increase.

DISCUSSION:

The unincorporated portions of Stanislaus County are divided into four separate franchise refuse hauling areas (Franchise Areas), each of which contain a mix of residential, commercial, and drop box customers. These four Franchise Areas contain the following residential communities: Area 1 - Salida, Keyes, Crows Landing, Grayson, and Westley; Area 2: Knights Ferry and Valley Home; Area 3: Denair, Empire, Hickman, and La Grange; and Area 4: the unincorporated areas are primarily pockets within the City of Turlock (Attachment B). In exchange for a franchise fee, the hauler receives the exclusive right to the residential and commercial accounts within their respective area, while Stanislaus County retains the ability to regulate the haulers and set the maximum rates that can be charged. In addition, the Board of Supervisors also sets the franchise maximum haul rates for drop box customers.

On November 4, 2008, the Board adopted a new Refuse Rate Adjustment Process and approved a Baseline for Rates (Base Rates), which set the maximum franchise rates for solid waste collection services in the unincorporated areas of Stanislaus County. The new Base Rate became effective on July 1, 2009. In addition, the Board approved a new methodology for the annual adjustment of these Base Rates. For four consecutive years, beginning with July 1, 2009, the Base Rates may be increased or decreased according to the appropriate consumer price index (CPI). Every fifth year, a detailed cost of service study will be repeated to determine new Base Rates, followed by another four years of index-based adjustments.

On September 25, 2012, the Department of Environmental Resources (Department) sent out a Request for Proposal (RFP) to three consulting firms to provide expert solid waste professional services to conduct the fifth year detailed cost of service study for refuse rate adjustments in the four unincorporated franchise areas. The consulting firm of Hilton, Farnkopf & Hobson, LLC (HF&H) was awarded the contract and entered into a professional agreement with the County on November 29, 2012. Over the next few months, Department staff worked with HF&H and the three franchise companies to develop the second cycle of "new" Base Rates for solid waste collection.

On June 18, 2013, the Board of Supervisors adopted the new Base Rates for solid waste collection services in the unincorporated areas of Stanislaus County. The new Base Rates became effective on July 1, 2013. The upcoming Fiscal Year is the first year of the four consecutive years when Base Rates may be increased or decreased based on the changes in a series of consumer and other price indices.

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

The following indices and their respective changes (i.e., the difference between the April 2012 – March 2013 average, and the April 2013 – March 2014 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 sets only the haul charges for these services. 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>	+1.05%
<u>Fuel Component</u> : <i>California No. 2 Diesel Retail Sales by All Sellers, U.S. Department of Energy</i>	-3.01%
<u>Collections Component</u> : <i>CPI, All Urban Consumers, All Items, West Urban Area, West – Size Class B/C</i>	+1.11%
<u>FRLF Disposal Component</u> : <i>Actual Change in Disposal Fees at the Fink Road Landfill.</i>	-2.27%
<u>SRRF Disposal Component</u> : <i>Actual Change in Disposal Fees at the Stanislaus Resource Recovery Facility.</i>	+1.25%
<u>Transfer Component</u> : <i>Discretionary Adjustment by the County.</i>	+5.00%*
<u>Interest Component</u> : <i>Change in the Prime Rate per “Bank of America, NA and Bank of America NT & SA”</i>	0%
<u>Franchise Fee Component</u> : <i>Franchise Fees remain unchanged at 8%</i>	n/c
<u>Other Fees Component</u> : <i>There are no Other Fees applicable at this time.</i>	n/c

*Gilton’s, Bertolotti Disposal and Turlock Scavenger’s Transfer Rate

Noted above and included in the proposed residential and commercial rates is the decrease in the disposal fee at the Fink Road Landfill, from \$33 per ton to \$30 per ton, approved by the Board of Supervisors at their April 29, 2014, meeting and effective July 1, 2014 through September 30, 2014.

The Transfer fee will see an increase this year for the first time in over five years for one of the transfer stations and seven years for the remaining two transfer stations. This fee pays for the handling and processing expenses at the transfer stations. The Transfer fee, unlike the other components is not automatically increased with the CPI during the 4 year cycle. The increase in this fee is at the discretion of the County. The Department is proposing a 5% increase in the transfer fee to offset a portion of CPI increases over the past several years.

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

Turlock Scavenger's Special Services Rates for Franchise Area 3 was inadvertently omitted from the last cycle of CPI increases and was not included in last year's setting of new Base Rates. This was brought to the attention of the Department after the Base Rates were adopted last year. Staff has calculated the new parity rate based on the previous CPI increases. This issue only affected Turlock Scavenger's Franchise Area 3, because the Area 3 Franchise Agreement awarded in 2009, is the only agreement that includes the Special Services Rate in the rate process.

The proposed rates (Attachment A) are presented in a format that identifies the following: the change between the Base Rates and the rates currently being proposed with the appropriate indices applied; and the net change between the rates customers have paid over the past year and the rates proposed for 2014-2015.

POLICY ISSUE:

The holding of a public hearing by the Board of Supervisors is required prior to adjusting the maximum rates for solid waste collection services. This action is consistent with the Board's priorities of A Safe Community, A Healthy Community, A Well-Planned Infrastructure System, and the Efficient Delivery of Public Services by providing countywide refuse collection.

STAFFING IMPACTS:

There are no staffing impacts associated with this item.

CONTACT PERSON:

Jami Aggers, Director of Environmental Resources

Telephone: 209-525-6770

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

BERTOLOTTI DISPOSAL - FRANCHISE AREA #1

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
1 can	\$16.46	\$16.77	1.86%
2 cans	\$23.98	\$24.43	1.86%
Add'l. can	\$11.99	\$12.21	1.86%
60 gal. cart	\$16.46	\$16.77	1.86%
90 gal. cart	\$23.98	\$24.43	1.86%
Add'l. cart	\$14.63	\$14.90	1.86%

GILTON SOLID WASTE MANAGEMENT - FRANCHISE AREA #2

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
1 can	\$11.73	\$11.95	1.90%
2 cans	\$20.29	\$20.68	1.90%
Add'l. can	\$10.14	\$10.33	1.90%
30 gal. cart	\$14.11	\$14.38	1.90%
60 gal. cart	\$15.82	\$16.12	1.90%
90 gal. cart	\$20.29	\$20.68	1.90%
Add'l. cart	\$12.37	\$12.61	1.90%

TURLOCK SCAVENGER - FRANCHISE AREA #3

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
1 can	\$14.54	\$14.79	1.73%
2 cans	\$22.37	\$22.76	1.73%
Add'l. can	\$10.33	\$10.51	1.73%
60 gal. cart	\$14.54	\$14.79	1.73%
90 gal. cart	\$22.37	\$22.76	1.73%
Add'l. cart	\$14.54	\$14.79	1.73%

TURLOCK SCAVENGER - FRANCHISE AREA #4

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
1 can	\$15.63	\$15.92	1.85%
2 cans	\$22.36	\$22.77	1.85%
Add'l. can	\$11.18	\$11.39	1.85%
60 gal. cart	\$15.63	\$15.92	1.85%
90 gal. cart	\$22.36	\$22.77	1.85%
Add'l. cart	\$13.63	\$13.88	1.85%

PROPOSED COMMERCIAL BIN RATES
BERTOLOTTI DISPOSAL - FRANCHISE AREA #1

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
1 yd., 1 X week	\$ 59.11	\$ 60.23	1.89%
1 yd., 2 X week	\$ 118.20	\$ 120.43	1.89%
1 yd., 3 X week	\$ 177.32	\$ 180.67	1.89%
1 yd., 4 X week	\$ 236.42	\$ 240.89	1.89%
1 yd., 5 X week	\$ 295.52	\$ 301.11	1.89%
1 yd., 6 X week	\$ 354.62	\$ 361.32	1.89%
1 yd., 7 X week	\$ 413.73	\$ 421.55	1.89%
1.5 yd., 1 X week	\$ 74.61	\$ 76.02	1.89%
1.5 yd., 2 X week	\$ 149.22	\$ 152.04	1.89%
1.5 yd., 3 X week	\$ 223.83	\$ 228.06	1.89%
1.5 yd., 4 X week	\$ 298.42	\$ 304.06	1.89%
1.5 yd., 5 X week	\$ 373.04	\$ 380.09	1.89%
1.5 yd., 6 X week	\$ 447.65	\$ 456.11	1.89%
1.5 yd., 7 X week	\$ 522.27	\$ 532.14	1.89%
2 yd., 1 X week	\$ 87.15	\$ 88.80	1.89%
2 yd., 2 X week	\$ 174.29	\$ 177.58	1.89%
2 yd., 3 X week	\$ 261.44	\$ 266.38	1.89%
2 yd., 4 X week	\$ 348.57	\$ 355.16	1.89%
2 yd., 5 X week	\$ 435.72	\$ 443.96	1.89%
2 yd., 6 X week	\$ 522.87	\$ 532.75	1.89%
2 yd., 7 X week	\$ 609.99	\$ 621.52	1.89%
3 yd., 1 X week	\$ 102.36	\$ 104.30	1.89%
3 yd., 2 X week	\$ 204.74	\$ 208.61	1.89%
3 yd., 3 X week	\$ 307.08	\$ 312.89	1.89%
3 yd., 4 X week	\$ 409.45	\$ 417.19	1.89%
3 yd., 5 X week	\$ 511.81	\$ 521.49	1.89%
3 yd., 6 X week	\$ 614.17	\$ 625.78	1.89%
3 yd., 7 X week	\$ 716.55	\$ 730.10	1.89%
4 yd., 1 X week	\$ 126.90	\$ 129.30	1.89%
4 yd., 2 X week	\$ 253.79	\$ 258.59	1.89%
4 yd., 3 X week	\$ 380.68	\$ 387.88	1.89%
4 yd., 4 X week	\$ 507.58	\$ 517.18	1.89%
4 yd., 5 X week	\$ 634.48	\$ 646.47	1.89%
4 yd., 6 X week	\$ 761.37	\$ 775.76	1.89%
4 yd., 7 X week	\$ 888.28	\$ 905.07	1.89%
6 yd., 1 X week	\$ 175.96	\$ 179.29	1.89%
6 yd., 2 X week	\$ 351.92	\$ 358.57	1.89%
6 yd., 3 X week	\$ 527.88	\$ 537.86	1.89%
6 yd., 4 X week	\$ 703.83	\$ 717.14	1.89%
6 yd., 5 X week	\$ 879.79	\$ 896.42	1.89%
6 yd., 6 X week	\$ 1,055.75	\$ 1,075.71	1.89%
6 yd., 7 X week	\$ 1,231.71	\$ 1,254.99	1.89%

PROPOSED COMMERCIAL BIN RATES
GILTON SOLID WASTE MANAGEMENT - FRANCHISE AREA #2

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
1 yd., 1 X week	\$ 67.71	\$ 69.01	1.92%
1 yd., 2 X week	\$ 135.45	\$ 138.05	1.92%
1 yd., 3 X week	\$ 203.16	\$ 207.07	1.92%
1 yd., 4 X week	\$ 270.89	\$ 276.10	1.92%
1 yd., 5 X week	\$ 338.60	\$ 345.11	1.92%
1 yd., 6 X week	\$ 406.32	\$ 414.13	1.92%
1 yd., 7 X week	\$ 474.04	\$ 483.15	1.92%
1.5 yd., 1 X week	\$ 76.85	\$ 78.33	1.92%
1.5 yd., 2 X week	\$ 153.72	\$ 156.68	1.92%
1.5 yd., 3 X week	\$ 230.57	\$ 235.00	1.92%
1.5 yd., 4 X week	\$ 307.40	\$ 313.31	1.92%
1.5 yd., 5 X week	\$ 384.27	\$ 391.66	1.92%
1.5 yd., 6 X week	\$ 461.12	\$ 469.99	1.92%
1.5 yd., 7 X week	\$ 537.98	\$ 548.32	1.92%
2 yd., 1 X week	\$ 84.08	\$ 85.70	1.92%
2 yd., 2 X week	\$ 168.18	\$ 171.41	1.92%
2 yd., 3 X week	\$ 252.26	\$ 257.11	1.92%
2 yd., 4 X week	\$ 336.35	\$ 342.82	1.92%
2 yd., 5 X week	\$ 420.46	\$ 428.54	1.92%
2 yd., 6 X week	\$ 504.54	\$ 514.24	1.92%
2 yd., 7 X week	\$ 588.62	\$ 599.94	1.92%
3 yd., 1 X week	\$ 88.40	\$ 90.10	1.92%
3 yd., 2 X week	\$ 176.78	\$ 180.18	1.92%
3 yd., 3 X week	\$ 265.19	\$ 270.29	1.92%
3 yd., 4 X week	\$ 353.59	\$ 360.39	1.92%
3 yd., 5 X week	\$ 441.99	\$ 450.49	1.92%
3 yd., 6 X week	\$ 530.37	\$ 540.57	1.92%
3 yd., 7 X week	\$ 618.79	\$ 630.69	1.92%
4 yd., 1 X week	\$ 97.67	\$ 99.55	1.92%
4 yd., 2 X week	\$ 195.31	\$ 199.07	1.92%
4 yd., 3 X week	\$ 292.99	\$ 298.62	1.92%
4 yd., 4 X week	\$ 390.67	\$ 398.21	1.92%
4 yd., 5 X week	\$ 488.31	\$ 497.70	1.92%
4 yd., 6 X week	\$ 585.98	\$ 597.25	1.92%
4 yd., 7 X week	\$ 683.66	\$ 696.80	1.92%
6 yd., 1 X week	\$ 118.09	\$ 120.36	1.92%
6 yd., 2 X week	\$ 236.13	\$ 240.67	1.92%
6 yd., 3 X week	\$ 354.23	\$ 361.04	1.92%
6 yd., 4 X week	\$ 472.30	\$ 481.38	1.92%
6 yd., 5 X week	\$ 590.37	\$ 601.72	1.92%
6 yd., 6 X week	\$ 708.44	\$ 722.06	1.92%
6 yd., 7 X week	\$ 826.53	\$ 842.42	1.92%

PROPOSED COMMERCIAL BIN RATES
TURLOCK SCAVENGER - FRANCHISE AREA #3

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
1 yd., 1 X week	\$ 55.32	\$ 56.31	1.78%
1 yd., 2 X week	\$ 110.64	\$ 112.61	1.78%
1 yd., 3 X week	\$ 165.94	\$ 168.90	1.78%
1 yd., 4 X week	\$ 221.25	\$ 225.19	1.78%
1 yd., 5 X week	\$ 276.57	\$ 281.50	1.78%
1 yd., 6 X week	\$ 331.90	\$ 337.81	1.78%
1 yd., 7 X week	\$ 387.21	\$ 394.11	1.78%
1.5 yd., 1 X week	n/a	n/a	
1.5 yd., 2 X week	n/a	n/a	
1.5 yd., 3 X week	n/a	n/a	
1.5 yd., 4 X week	n/a	n/a	
1.5 yd., 5 X week	n/a	n/a	
1.5 yd., 6 X week	n/a	n/a	
1.5 yd., 7 X week	n/a	n/a	
2 yd., 1 X week	\$ 70.93	\$ 72.19	1.78%
2 yd., 2 X week	\$ 141.80	\$ 144.33	1.78%
2 yd., 3 X week	\$ 212.71	\$ 216.50	1.78%
2 yd., 4 X week	\$ 283.62	\$ 288.67	1.78%
2 yd., 5 X week	\$ 354.54	\$ 360.86	1.78%
2 yd., 6 X week	\$ 425.44	\$ 433.02	1.78%
2 yd., 7 X week	\$ 496.33	\$ 505.17	1.78%
3 yd., 1 X week	\$ 79.88	\$ 81.30	1.78%
3 yd., 2 X week	\$ 159.71	\$ 162.55	1.78%
3 yd., 3 X week	\$ 239.59	\$ 243.86	1.78%
3 yd., 4 X week	\$ 319.44	\$ 325.13	1.78%
3 yd., 5 X week	\$ 399.35	\$ 406.46	1.78%
3 yd., 6 X week	\$ 479.19	\$ 487.73	1.78%
3 yd., 7 X week	\$ 559.06	\$ 569.02	1.78%
4 yd., 1 X week	\$ 87.72	\$ 89.28	1.78%
4 yd., 2 X week	\$ 175.45	\$ 178.58	1.78%
4 yd., 3 X week	\$ 263.16	\$ 267.85	1.78%
4 yd., 4 X week	\$ 350.60	\$ 356.85	1.78%
4 yd., 5 X week	\$ 438.60	\$ 446.41	1.78%
4 yd., 6 X week	\$ 526.32	\$ 535.70	1.78%
4 yd., 7 X week	\$ 614.03	\$ 624.97	1.78%
6 yd., 1 X week	\$ 94.59	\$ 96.27	1.78%
6 yd., 2 X week	\$ 189.18	\$ 192.55	1.78%
6 yd., 3 X week	\$ 283.77	\$ 288.82	1.78%
6 yd., 4 X week	\$ 378.33	\$ 385.07	1.78%
6 yd., 5 X week	\$ 472.93	\$ 481.35	1.78%
6 yd., 6 X week	\$ 567.51	\$ 577.62	1.78%
6 yd., 7 X week	\$ 662.11	\$ 673.90	1.78%

PROPOSED COMMERCIAL BIN RATES
TURLOCK SCAVENGER - FRANCHISE AREA #4

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
1 yd., 1 X week	\$ 58.93	\$ 60.07	1.94%
1 yd., 2 X week	\$ 117.87	\$ 120.16	1.94%
1 yd., 3 X week	\$ 176.80	\$ 180.23	1.94%
1 yd., 4 X week	\$ 235.72	\$ 240.30	1.94%
1 yd., 5 X week	\$ 294.66	\$ 300.38	1.94%
1 yd., 6 X week	\$ 353.59	\$ 360.46	1.94%
1 yd., 7 X week	\$ 412.51	\$ 420.52	1.94%
1.5 yd., 1 X week	\$ 77.10	\$ 78.60	1.94%
1.5 yd., 2 X week	\$ 154.18	\$ 157.17	1.94%
1.5 yd., 3 X week	\$ 231.31	\$ 235.80	1.94%
1.5 yd., 4 X week	\$ 308.40	\$ 314.39	1.94%
1.5 yd., 5 X week	\$ 385.49	\$ 392.98	1.94%
1.5 yd., 6 X week	\$ 462.59	\$ 471.57	1.94%
1.5 yd., 7 X week	\$ 539.69	\$ 550.17	1.94%
2 yd., 1 X week	\$ 79.03	\$ 80.56	1.94%
2 yd., 2 X week	\$ 158.02	\$ 161.09	1.94%
2 yd., 3 X week	\$ 237.06	\$ 241.66	1.94%
2 yd., 4 X week	\$ 316.06	\$ 322.20	1.94%
2 yd., 5 X week	\$ 395.09	\$ 402.76	1.94%
2 yd., 6 X week	\$ 474.09	\$ 483.30	1.94%
2 yd., 7 X week	\$ 553.12	\$ 563.86	1.94%
3 yd., 1 X week	\$ 83.82	\$ 85.45	1.94%
3 yd., 2 X week	\$ 167.63	\$ 170.88	1.94%
3 yd., 3 X week	\$ 251.45	\$ 256.33	1.94%
3 yd., 4 X week	\$ 335.25	\$ 341.76	1.94%
3 yd., 5 X week	\$ 419.06	\$ 427.20	1.94%
3 yd., 6 X week	\$ 502.87	\$ 512.63	1.94%
3 yd., 7 X week	\$ 586.68	\$ 598.07	1.94%
4 yd., 1 X week	\$ 101.22	\$ 103.19	1.94%
4 yd., 2 X week	\$ 202.42	\$ 206.35	1.94%
4 yd., 3 X week	\$ 303.65	\$ 309.55	1.94%
4 yd., 4 X week	\$ 404.87	\$ 412.73	1.94%
4 yd., 5 X week	\$ 506.10	\$ 515.93	1.94%
4 yd., 6 X week	\$ 607.31	\$ 619.10	1.94%
4 yd., 7 X week	\$ 708.53	\$ 722.29	1.94%
6 yd., 1 X week	\$ 130.07	\$ 132.60	1.94%
6 yd., 2 X week	\$ 260.13	\$ 265.18	1.94%
6 yd., 3 X week	\$ 390.20	\$ 397.78	1.94%
6 yd., 4 X week	\$ 520.27	\$ 530.37	1.94%
6 yd., 5 X week	\$ 650.33	\$ 662.96	1.94%
6 yd., 6 X week	\$ 780.41	\$ 795.56	1.94%
6 yd., 7 X week	\$ 910.48	\$ 928.16	1.94%

PROPOSED MAXIMUM DROP-BOX HAUL CHARGES

BERTOLOTTI DISPOSAL - FRANCHISE AREA #1

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
10 - 19 yrd.	\$ 157.14	\$ 158.44	0.83%
20 - 29 yrd.	\$ 207.39	\$ 209.11	0.83%
30 yrd. & up	\$ 245.87	\$ 247.91	0.83%

GILTON SOLID WASTE MANAGEMENT - FRANCHISE AREA #2

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
10 - 19 yrd.	\$ 163.64	\$ 164.67	0.63%
20 - 29 yrd.	\$ 214.24	\$ 215.59	0.63%
30 yrd. & up	\$ 254.07	\$ 255.67	0.63%

TURLOCK SCAVENGER - FRANCHISE AREA #3

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
10 - 19 yrd.	\$ 197.55	\$ 199.00	0.74%
20 - 29 yrd.	\$ 197.55	\$ 199.00	0.74%
30 yrd. & up	\$ 197.55	\$ 199.00	0.74%

TURLOCK SCAVENGER - FRANCHISE AREA #4

Service	Approved Base Rates ('13-'14)	Proposed Rates ('14-'15)	Net Change (Current vs. Proposed)
10 - 19 yrd.	\$ 148.77	\$ 149.84	0.72%
20 - 29 yrd.	\$ 195.53	\$ 196.94	0.72%
30 yrd. & up	\$ 231.66	\$ 233.33	0.72%

THESE ARE FOR FRANCHISE AREA #3 ONLY

SPECIAL SERVICES - RESIDENTIAL "SPECIALS" & COMMERCIAL BINS

Service	Current Rates	Proposed Rates
3 yrd. Bin	\$66	\$80.21
4 yrd. Bin	\$72	\$87.50
6 yrd. Bin	\$78	\$94.79

Proposed Refuse Collection Rates 2014-2015

Jami Aggers, Director

Department of Environmental Resources and Parks & Recreation

June 24, 2014

Background

- The unincorporated portions of Stanislaus County are divided into four separate franchise areas, each of which contain a mixture of residential, commercial and drop box customers.

Background (cont'd.)

- In exchange for franchise fees, the franchise hauler receives the exclusive right to the residential and commercial accounts within their respective area.
- Stanislaus County retains the ability to regulate the haulers and set maximum refuse and haul rates.

Background (cont'd.)

- Staff worked with HF&H and the franchise companies to develop new “base” rates for refuse collection.
- On June 18, 2013, the Board adopted the new base rates that went into effect on July 1, 2013.

Background (cont'd.)

- For four consecutive years, these rates may only increase or decrease by the change in a series of price indexes.
- This is the first year of the index-based adjustments.

Rate Adjustment Components

RATE COMPONENT	% CHANGE
Labor Component	+1.05%
Fuel Component	-3.01%
Collections Component	+1.11%
FRLF Disposal Component	-2.27%
SRRF Disposal Component	+1.25%
Transfer Component	+5.00%
Interest Component	0%
Franchise Fee Component	n/c
Other Fees Component	n/c

Proposed Residential Rate Adjustments

- 24,522 subscribers to weekly service
 - 44% will see a 1.86% increase
 - 21% will see a 1.90% increase
 - 29% will see a 1.73% increase
 - 6% will see a 1.85% increase

Residential Basic Cart Service*

	Current	Proposed Base w/ Index Adjustments
Bertolotti Disposal (Area 1)	\$23.98	\$24.43
Gilton Solid Waste (Area 2)	\$20.29	\$20.68
Turlock Scavenger (Area 3)	\$22.37	\$22.76
Turlock Scavenger (Area 4)	\$22.36	\$22.77

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

Proposed Commercial Rate Adjustments

- 2,955 commercial bins in service
 - 42% will see a 1.89% increase,
 - 20% will see a 1.92% increase,
 - 24% will see a 1.78% increase, and
 - 13% will see a 1.94% increase.

2-yard Commercial Bin Service*

	Current	Proposed Base w/ Index Adjustments
Bertolotti Disposal (Area 1)	\$87.15	\$88.80
Gilton Solid Waste (Area 2)	\$84.08	\$85.70
Turlock Scavenger (Area 3)	\$70.93	\$72.19
Turlock Scavenger (Area 4)	\$79.03	\$80.56

*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 by .63% to .83%

Proposed 20-29 yard Drop-Box Haul Charge*

	Current	Proposed Base w/ Index Adjustments
Bertolotti Disposal (Area 1)	\$207.39	\$209.11
Gilton Solid Waste (Area 2)	\$214.24	\$215.59
Turlock Scavenger (Area 3)	\$197.55	\$199.00
Turlock Scavenger (Area 4)	\$195.53	\$196.94

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

Transfer Fee

- This fee pays for the handling and processing costs at transfer stations
- Adjustment of this rate component is based on the discretion of the County
- Has not been adjusted for more than 7 years
- Proposed 5% increase

Turlock Area 3 Special Services

- These are the 7-day rental charges of commercial bins
- These rates were approved for this franchise area and remained constant for 31.8 months
- Was inadvertently left out in the adjustment process from 2012 through 2014

Turlock Area 3

Special Services cont'd.

Service	Current Rates (FY 09-14)	Proposed Rates (FY 14-15)
3 yrd. bin	\$66	\$80.21
4 yrd. bin	\$72	\$87.50
6 yrd. bin	\$78	\$94.79

Staff Recommendation

- Approve the recommended adjustments to the Stanislaus County Franchise Maximum Rates for refuse collection services in Franchise Areas 1 - 4.

Questions?