



AGENDA ITEM NO.
D-14

COUNTY OF HUMBOLDT

For the meeting of: June 21, 2016

Date: May 31, 2016

To: Board of Supervisors

From: *RM* Thomas K. Mattson, Public Works Director

Subject: Amendments to Solid Waste Collection Franchise, Container Site and Transfer Station Agreements for Fiscal Year 2016-17

RECOMMENDATION(S): That the Board of Supervisors:

1. Approves the attached amendments to the solid waste collection franchise agreements with Arcata Garbage Company, Eel River Disposal Company, Inc., Humboldt Sanitation Company, Inc. and Recology Humboldt County;
2. Approves the attached amendments to the operation and maintenance agreements with Eel River Disposal Company, Inc. for the southern solid waste container sites and the Redway Transfer Station;
3. Approves the amendment to the operation and maintenance agreement with Humboldt Sanitation Company, Inc. for the northern solid waste container sites effective July 1, 2016; and
4. Directs the Clerk of the Board to return two (2) fully executed copies of the attached amendments to the Department of Public Works for distribution.

SOURCE OF FUNDING: General Fund – Solid Waste (1100438)

Prepared by Thomas K. Mattson/jg

CAO Approval *Karen Clowers*

REVIEW:	Auditor <i>AD</i>	County Counsel <i>Sm</i>	Human Resources <i>AD</i>	Other
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TYPE OF ITEM:

Consent

Departmental

Public Hearing

Other

BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT

Upon motion of Supervisor *Sundberg* Seconded by Supervisor *Fennell*

Ayes *Sundberg, Fennell, Lovelace, Bohn, Bass*

Nays

Abstain

Absent

PREVIOUS ACTION/REFERRAL:

Board Order No. _____

Meeting of: _____

and carried by those members present, the Board hereby approves the recommended action contained in this Board report.

Dated: *June 21, 2016*

By: *[Signature]*

Kathy Hayes, Clerk of the Board

DISCUSSION:

Franchise Agreements

Section 521-8(b) of the Humboldt County Code provides that rate changes which occur as a result of annual index-based adjustments, changes in the franchise fee and/or the recycling percentage and changes in disposal and/or processing costs set forth in a solid waste collection franchise agreement may be implemented without action of the Board of Supervisors, if authorized by the franchise agreement, when the total annual rate increase does not exceed eight percent (8%). Such rate changes may be implemented by amendment to the franchise agreement executed by the Franchise Contract Administrator. All other rate changes shall be approved by the Board of Supervisors, after the holding of a public hearing.

All of the rate adjustments set forth in the attached franchise amendments' fall below the eight percent (8%) threshold. The rate adjustments for the standard weekly residential 30-gallon pick-up service set forth in the County's solid waste collection franchise agreements are as follows:

- Arcata Garbage Company – Unincorporated Arcata Area: Fee adjustment will increase the rate by \$0.25 from \$25.54 per month to \$25.79 per month or less than 1%. This adjustment includes Arcata Garbage Company's cost to provide two (2) 18-cubic yard bins for community clean-up activities during the course of the fiscal year.
- Eel River Disposal Company, Inc./Tom's Trash – Willow Creek Area: Fee adjustment will increase the rate by \$0.09 from \$26.54 per month to \$26.63 per month or less than 1%.
- Humboldt Sanitation Company, Inc. – Northwestern Area of Humboldt County: Fee adjustment will decrease the rate by \$0.15 from \$27.45 per month to \$27.30 per month or less than 1%.
- Recology of Humboldt County – Unincorporated Eureka Area: Fee adjustment will decrease the rate by \$0.14 from \$30.52 per month to \$30.38 per month or less than 1%.

The rate adjustments for the weekly residential 32-gallon pick-up service set forth in the County's solid waste collection franchise agreement with Eel River Disposal Company, Inc. are as follows:

- Fortuna/Ferndale Areas – Fee adjustment will decrease the rate by \$0.32 from \$25.19 per month to \$24.87 per month or a little over 1%.
- Weott/Myers Flat – Fee adjustment will increase the rate by \$0.12 from \$30.65 per month to \$30.77 per month or less than 1%.

The attached amendments to the County's solid waste franchise agreements also propose to replace the solid waste collection quarterly and annual franchise reports currently attached to the relevant franchise agreements with revised versions thereof. The revised solid waste collection quarterly and annual franchise reports include data required of all California jurisdictions by the California Department of Resources Recycling and Recovery ("CalRecycle"). Humboldt Waste Management Authority ("HWMA") is currently under contract with the County to handle the submittal of data pertaining to the disposal and handling of solid waste and recyclable materials to CalRecycle. HWMA is retaining its current disposal fee of \$129.01 per ton.

Transfer Station & Solid Waste Container Sites

The reimbursement rates for the Redway Transfer Station and the solid waste container sites located in Humboldt County are calculated each year by adding the annual index-based adjustments, as set forth in the County's solid waste container site agreements, plus any changes in the operators' disposal, processing and operation costs. The reimbursement rate adjustments for the Redway Transfer Station and the solid waste container sites located in Humboldt County are as follows:

- Eel River Disposal Company, Inc. – Redway Transfer Station: Reimbursement rate adjustment will result in a decrease of \$2,105.27 or 14% from the prior year's reimbursement of \$14,621.34.
- Eel River Disposal Company, Inc. – Southern Solid Waste Container Sites: Reimbursement rate adjustment will result in an increase of \$420.70 or less than 5% from the prior year's reimbursement of \$8,605.17.
- Humboldt Sanitation Company, Inc. – Northern Solid Waste Container Sites: Reimbursement rate adjustment will result in a decrease of \$62.02 or less than 1% from the prior year's reimbursement of \$18,906.32.

The attached amendments to the County's operation and maintenance agreements for the Redway Transfer station and the solid waste container sites also include additional quarterly and annual reporting requirements pertaining to the submission of data required of all California jurisdictions by CalRecycle.

FINANCIAL IMPACT: County reimbursement to Eel River Disposal Company, Inc. and Humboldt Sanitation Company, Inc. for operation and maintenance of the Redway Transfer Station and the solid waste container sites located in Humboldt County is projected at \$484,635 for Fiscal Year 2016-17. Funds to cover these reimbursement costs have been incorporated in the proposed Fiscal Year 2016-17.

The recommended action conforms to the Board of Supervisors' Core Roles of encouraging local enterprise and ensuring proper operation of markets, as identified in the Board of Supervisors' 2016 Strategic Framework. Such action also provides core services in ways that provide community-appropriate levels of service.

OTHER AGENCY INVOLVEMENT: None.

ALTERNATIVES TO STAFF RECOMMENDATIONS: Board discretion.

ATTACHMENTS:

- Attachment 1: Seventh Amendment to the Solid Waste Collection Franchise Agreement with Arcata Garbage Company for the Unincorporated Arcata Area of Humboldt County
- Attachment 2: Third Amendment to the Solid Waste Collection Franchise Agreement with Eel River Disposal Company, Inc. for the Willow Creek Area of Humboldt County
- Attachment 3: Seventh Amendment to the Solid Waste Collection Franchise Agreement with Humboldt Sanitation Company, Inc. for the Northwestern Area of Humboldt County
- Attachment 4: Eighth Amendment to the Solid Waste Collection Franchise Agreement with Recology Humboldt County for Areas of Humboldt County (Unincorporated Eureka Area)

- Attachment 5: Eighth Amendment to the Solid Waste Collection Franchise Agreement with Eel River Disposal Company, Inc. for Fortuna and Ferndale Areas of Humboldt County
- Attachment 6: Seventh Amendment to the Solid Waste Collection Franchise Agreement with Eel River Disposal Company, Inc. for the Weott/Myers Flat Areas of Humboldt County
- Attachment 7: Seventh Amendment to the Operation and Maintenance Agreement with Eel River Disposal Company, Inc. for the Redway Transfer Station
- Attachment 8: Eighth Amendment to the Operation and Maintenance Agreement with Eel River Disposal Company, Inc. for the Southern Solid Waste Container Sites
- Attachment 9: Sixth Amendment to the Operation and Maintenance Agreement for the Operation of the Willow Creek, Orick, Redwood Valley and Orleans Solid Waste Container Sites, and the Hauling of Refuse from the Willow Creek, Orick, Redwood Valley, Orleans, and Weitchpec Container Sites