



AGENDA ITEM NO.


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COUNTY OF HUMBOLDT

For the meeting of: May 15, 2018

Date: April 30, 2018

To: Board of Supervisors

From:  Thomas K. Mattson, Public Works Director

Subject: Consolidation of the Unincorporated Garberville, Holmes/Redcrest, Fortuna/Ferndale and Weott/Myers Flat Solid Waste Collection Franchise Areas

RECOMMENDATIONS:

That the Board of Supervisors:

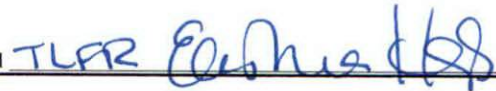










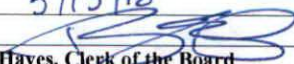
1. Review the proposed service options for the Unincorporated Garberville, Holmes/Redcrest, Fortuna/Ferndale and Weott/Myers Flat solid waste collection franchise areas;
2. Direct staff to prepare a consolidated solid waste collection franchise agreement pertaining to the above-referenced franchise areas which includes any and all additional services that will be provided thereunder for the period of July 1, 2018 through June 30, 2030; and
3. Direct staff to return to the Board for approval of the consolidated solid waste collection franchise agreement and any cost adjustments resulting from additional services that will be provided thereunder.

SOURCE OF FUNDING:

General Fund – Solid Waste (1100438).

DISCUSSION:

On April 26, 2011 (Item L-1), the County of Humboldt entered into solid waste collection franchise agreements with Recology Humboldt County for the handling and disposal of solid waste and recyclables in the

Prepared by	Charlotte Merkel	CAO Approval	
REVIEW:			
Auditor		County Counsel	
	Human Resources		Other
TYPE OF ITEM:		BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT	
<input type="checkbox"/>	Consent	Upon motion of Supervisor  Seconded by Supervisor 	
<input checked="" type="checkbox"/>	Departmental	Ayes  ,  ,  , 	
<input type="checkbox"/>	Public Hearing	Nays	
<input type="checkbox"/>	Other	Abstain	
PREVIOUS ACTION/REFERRAL:		Absent 	
Board Order No.	K-2; K-3; L-1; C-24		
Meeting of:	10/14/08; 10/26/10; 4/26/11; 7/25/17		
		and carried by those members present, the Board hereby approves the recommended action contained in this Board report.	
Dated:	5/15/18		
By:			
	Kathy Hayes, Clerk of the Board		

unincorporated Garberville and Holmes/Redcrest franchise areas for the period of July 1, 2011 through December 31, 2020.

On July 25, 2017 (Item C-24), in anticipation of Recology’s acquisition of the outstanding shares of Eel River Disposal, the County of Humboldt and Recology entered into a “Consent to Change Control of Eel River Disposal Company, Inc.” regarding the solid waste collection franchise agreements for the unincorporated Fortuna/Ferndale and Weott/Myers Flat franchise areas. As a part of such consent to change control, Eel River Disposal was rebranded “Recology Eel River.” The franchise agreement for the Fortuna/Ferndale franchise area ends on June 30, 2018. The franchise agreement for the Weott/Myers Flat franchise area ends on June 30, 2020.

Recognizing that the Fortuna/Ferndale, Weott/Myers Flat, Holmes/Redcrest and Garberville franchise areas are contiguously located, but services for those areas are not the same, it is proposed that services provided by Recology Humboldt County and Recology Eel River be standardized. In order to accomplish such standardization of services, the agreements pertaining to the above-referenced franchise areas would be consolidated into one (1) franchise agreement effective July 1, 2018 through June 30, 2030. The standardization and consolidation of services will provide for the efficient use of manpower, equipment and information related to the collection of solid waste in the above-referenced franchise areas.

Even though other franchise areas provide a twenty (20) gallon senior service option, such option is not offered in any of the above-referenced franchise areas. Automated garbage, recycling and bulky item pick-up services are currently offered for the Garberville and Holmes/Redcrest franchise areas. The Fortuna/Ferndale and Weott/Myers Flat franchise areas currently have non-automated weekly garbage and recycling collection every other week. The waste industry has long recognized that this method is not only inefficient but unsafe. The Fortuna/Ferndale franchise area is the only franchise area in the county in which manual waste collection occurs.

There are currently two (2) recycling centers located within the above-referenced franchise areas. However, such facilities are not consistently used by the residents of certain franchise areas due to the location thereof. Weekly curbside recycling provides an easy means for such residents to participate in a waste diversion program.

Recology has provided the following standardized service options for the above-referenced franchise areas:

1. Retain existing separate agreements for the four (4) franchise areas referenced above with no service additions and extend the Fortuna/Ferndale and Weott/Myers Flat agreements to June 30, 2030.

Franchise Area	Service Type	FY 2017-2018 Monthly Rates	FY 2018-2019 Monthly Rates	Difference in Rates	Increase in Rates
Garberville	30 g-residential	\$30.29	\$31.24	+\$0.95	+3.14%
	1 yd-commercial	\$134.26	\$137.44	+\$3.18	+2.37%
	Recycle tote	\$4.00	\$4.17	+\$0.17	+4.14%
Fortuna/Ferndale	30 g-residential	\$25.64	\$26.60	+\$0.96	+3.74%
	1 yd-commercial	\$139.47	\$142.60	+\$3.13	+2.24%
	Recycle	\$7.07	\$7.36	+\$0.29	+4.14%
Redcrest/Holmes	30 g-residential	\$30.29	\$31.24	+\$0.95	+3.14%
	1 yd-commercial	\$134.26	\$137.44	+\$3.18	+2.37%
	Recycle tote	\$4.00	\$4.17	+\$0.17	+4.14%
Weott/Myers Flat	30 g-residential	\$31.30	\$31.81	+\$0.51	+1.60%
	1 yd-commercial	\$198.89	\$202.11	+\$3.22	+1.62%
	Recycle	\$7.07	\$7.36	+\$0.29	+4.14%

2. Consolidate the agreements pertaining to, and provide standardized automated garbage, bulky item pick-up and weekly recycling in the four (4) franchise areas referenced above effective July 1, 2018 through June 30, 2030.

Franchise Area	Service Type	FY 2017-2018 Monthly Rates (with COLA*)	FY 2018-2019 Monthly Rates	Difference in Rates	Rate Increases and Decreases
Garberville	30 g-residential	\$31.24	\$30.58	-\$0.66	-2.11%
	1 yd-commercial	\$137.44	\$134.53	-\$2.91	-2.12%
	Recycle	\$4.17	\$4.54	+\$0.37	+8.87%
Fortuna/Ferndale	30 g-residential	\$26.60	\$30.58	+\$3.98	+14.9%
	1 yd-commercial	\$142.60	\$134.53	+\$8.07	+5.66%
	Recycle	\$7.36	\$4.54	-\$2.82	-38.3%
Recrest/Holmes	30 g-residential	\$31.24	\$30.58	-\$0.66	-2.11%
	1 yd-commercial	\$137.44	\$134.93	-\$2.91	-2.12%
	Recycle	\$4.17	\$4.54	+\$0.37	+8.87%
Weott/Myers Flat	30 g-residential	\$31.81	\$30.58	-\$1.28	-3.87%
	1 yd-commercial	\$202.11	\$134.93	-\$67.18	-33.2%
	Recycle	\$7.36	\$4.54	-\$2.82	-38.3%

3. Consolidate the agreements pertaining to, and provide standardized automated garbage, bulky item pick-up, weekly recycling and twenty (20) gallon senior services in the four (4) franchise areas referenced above effective July 1, 2018 through June 30, 2030.

Franchise Area	Service Type	FY 2017-2018 Monthly Rates (with COLA*)	FY 2018-2019 Monthly Rates	Difference in Rates	Rate Increases and Decreases
Garberville	30 g-residential	\$31.24	\$30.67	-\$0.57	-1.82%
	20 g-senior	\$0	\$13.87	+\$13.87	+100%
	1 yd-commercial	\$137.44	\$134.93	-\$2.51	-1.83%
	Recycle	\$4.17	\$4.54	+\$0.37	+8.87%
Fortuna/Ferndale	30 g-residential	\$26.60	\$30.67	+\$4.07	+15.3%
	20 g-senior	\$0	\$13.87	+\$13.87	+100%
	1 yd-commercial	\$142.60	\$134.93	-\$7.67	-5.37%
	Recycle	\$7.36	\$4.54	-\$2.82	-38.3%
Redcrest/Holmes	30 g-residential	\$31.24	\$30.67	-\$0.57	-1.82%
	20 g-senior	\$0	\$13.87	+\$13.87	+100%
	1 yd-commercial	\$137.44	\$134.93	-\$2.51	-1.83%
	Recycle	\$4.17	\$4.54	+\$0.37	+8.87%
Weott/Myers Flat	30 g-residential	\$31.81	\$30.67	-\$1.14	-3.58%
	20 g-senior	\$0	\$13.87	+\$13.87	+100%
	1 yd-commercial	\$202.11	\$134.93	-\$67.18	-33.2%
	Recycle	\$7.36	\$4.54	-\$2.82	-38.3%

Under option number 3 above, the Garberville and Holmes/Redcrest franchise areas will have lower overall rates and include the twenty (20) gallon senior service option. In addition, the Fortuna/Ferndale and Weott/Myers Flat franchise areas will also include the senior service option as well as automated weekly recycling, garbage and bulky item pick-up. If option number 3 is selected, the monthly rates for each franchise area will be as follows:

Service Type	Garberville, Holmes/Redcrest	Weott/Myers Flat	Fortuna/Ferndale
30 g-residential	\$30.67	\$30.67	\$30.67
20 g-senior	\$13.87	\$13.87	\$13.87
1 yd-commercial	\$134.93	\$134.93	\$134.93
Recycling	\$4.54	\$4.54	\$4.54
Total	\$35.21	\$35.21	\$35.21
Difference from Current Rate	-\$0.22	-\$4.41	+\$0.80

Accordingly, it is recommended that the Board direct staff to prepare a consolidated solid waste collection franchise agreement pertaining to the above-referenced franchise areas which includes all of the additional services set forth in option number 3 for the period of July 1, 2018 through June 30, 2030.

FINANCIAL IMPACT:

It should be noted that the rate increases shown for option numbers 2 and 3 above reflect rates with allowable Consumer Price Index (CPI) or Cost of Living Allowance (COLA) adjustments by the year over year percentage change in the Producer Price Index for fuel, labor and not otherwise specified costs. Increases to disposal costs have not yet been determined and are not included in the rate adjustments set forth herein. Should a disposal increase occur, the rates set forth herein will be adjusted accordingly. Effective July 1, 2018, any and all agreements pertaining to the above-reference franchise areas will include COLA adjustments and any other adjustments resulting from the addition of new services, if applicable. The recommended actions will not have a financial impact on the Humboldt County General Fund.

The requested actions support the Board’s Strategic Framework by providing community-appropriate levels of service and managing resources to ensure sustainability of services.

OTHER AGENCY INVOLVEMENT:

None.

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board Discretion.

ATTACHMENTS:

1. Garberville Area Solid Waste Collection Franchise Agreement Dated April 26, 2011
2. Holmes/Redcrest Area Solid Waste Collection Franchise Agreement Dated April 26, 2011
3. Fortuna/Ferndale Area Solid Waste Collection Franchise Agreement Dated October 14, 2008
4. Weott/Myers Flat Area Solid Waste Collection Franchise Agreement Dated October 26, 2010

5. Consent to Change in Control of Eel River Disposal Company, Inc. Dated July 25, 2017