



A Tradition of Stewardship  
A Commitment to Service

Agenda Date: 2/2/2010  
Agenda Placement: 9A  
Set Time: 9:10 AM PUBLIC HEARING  
Estimated Report Time: 5 Minutes

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors

**FROM:** Britt Ferguson for Nancy Watt - County Executive Officer  
County Executive Office

**REPORT BY:** Greg Pirie, Local Enforcement Agency Coord - 253-4144

**SUBJECT:** Public Hearing to consider adoption of a resolution setting rates for collection of solid waste for Garbage Zone Two

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### **RECOMMENDATION**

County Executive Officer requests adoption of a resolution setting new rates for garbage collection for 10, 15, 17, and 30 cubic yard containers, effective February 2, 2010, for the operational cost associated with the collection of solid waste applicable to Garbage Zone Two located generally in the unincorporated area of Lake Berryessa in conformance with the approved Rate Methodology under Board Agreement No. 7230, Exhibit B.

### **EXECUTIVE SUMMARY**

On November 24, 2009, the Board authorized a rate increase for the operational cost associated with the collection of solid waste by Berryessa Garbage Service, Inc.(BGS), the current franchisee for Garbage Zone Two, located in the unincorporated area of Lake Berryessa. The rates, which became effective December 1, 2009, did not include rates for 10,15, 17 and 30 cubic yard containers. BGS has now applied for an amendment to set rates for the additional container sizes pursuant to Agreement No. 7230-Exhibit B, the Franchise Zone 2 Rate Methodology. The proposed rates are set forth in the attached resolution, Exhibit 1 - Amended, page 3.

### **PROCEDURAL REQUIREMENTS**

1. Open Public Hearing.
2. Staff reports.
3. Public comment.
4. Close Public Hearing.
5. Motion, second, discussion and vote on the item.

**FISCAL IMPACT**

Is there a Fiscal Impact?                      No

**ENVIRONMENTAL IMPACT**

The approval of rate increases is exempt from the application of the California Environmental Quality Act. [Title 14, California Code of Regulations, Section 15273]

**BACKGROUND AND DISCUSSION**

On June 2, 2009, the Board of Supervisors approved Napa County Agreement No. 7230 (Agreement), a new franchise agreement for solid waste collection and disposal for Franchise Zone 2, between Napa County and Berryessa Garbage Service, Inc.(BGS). As part of the Agreement, service rates and the Franchise Zone 2 Rate Methodology, Exhibit B of the Agreement (Rate Methodology), were established. The Rate Methodology is attached to the agenda.

On November 24, 2009, the Board adopted rates for the operational cost associated with the collection of solid waste, effective December 1, 2009 - including the rate for a 20 cubic yard debris container. These rates are shown in attachment Exhibit 1-Amended, under Current 12/1/2009 column and were established in accordance with the approved Rate Methodology. The Rate Methodology establishes rates based on allowable costs plus a gross operating ratio of expenditures to revenue of 89% and limited expenses.

BGS has now applied for an amendment, effective February 2, 2010, to establish new service levels and the associated fees for 10, 15, 17, and 30 cubic yard containers, which were not included in the rate increase back in December. The proposed service and associated rates will allow customers several additional options for container service. These containers, also known as "debris boxes" are used for residential homeowners or commercial business that desire routine year-round service or onetime debris pickup and disposal service. All proposed rates were calculated by prorating the rate for the 20 cubic yard container effective December 1, 2009 based on container size.

The proposed rates and service to be provided by the franchisee includes a reduced rate for the 15, 17, and 30 cubic yard service if the material includes source-separated recyclables such as wood or metal. The proposed rate for this service will be 75% of the proposed rate for the 15, 17, and 30 cubic yard container of municipal solid waste (or garbage). The discount is due to the garbage company requiring less time to process recyclables that are pre-sorted.

The proposed rates are identified in attachment Exhibit 1 - Amended page 3, under "Effective 2/2/2010" column.

**SUPPORTING DOCUMENTS**

- A . Resolution for Adjusting Rates in Garbage Zone Two
- B . Rate Methodology

CEO Recommendation: Approve

Reviewed By: Maiko Klieman