



**NAPA-VALLEJO WASTE
MANAGEMENT AUTHORITY**

Agenda Date: 1/11/2007

Agenda Placement: 6B

Napa-Vallejo Waste Management Authority Board Agenda Letter

TO: Board of Directors
FROM: Trent Cave - Manager
Napa-Vallejo Waste Management Authority
REPORT BY: Belinda Yamate, Secretary, 253-4471
SUBJECT: Public Hearing: Rates

RECOMMENDATION

PUBLIC HEARING: RATES

REQUESTED ACTION: Approval of Authority Resolution #07-01, setting disposal rates for the Devlin Road Transfer Station.

EXECUTIVE SUMMARY

The attached resolution would place a \$2 charge for each non-franchise vehicle in addition to regular charges, increase the penalty for untarped loads on customers charged by volume from \$2 to \$5, and increase special handling charges. New rates will be effective February 1, 2007.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	The proposed resolution would increase Authority revenues to better reflect the cost of doing business.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	If the resolution is not adopted the Authority will spend down its reserves to an unsafe level.

Is the general fund affected? Yes

Future fiscal impact: The proposed resolution would result in additional revenues to the Authority in the current fiscal year and beyond.

Consequences if not approved: If not approved, the Authority may not be able to cover its expenses.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is exempt from CEQA per State CEQA Guidelines Section 15273 (Rates, Tolls, Fares and Charges) because the proposed fee increases would recover the operating costs associated with providing services.

BACKGROUND AND DISCUSSION

The \$2 vehicle surcharge is in response to a Notice of Violation by State regulators concerning the amount of vehicles entering the facility. Approximately 45% waste processed by the Authority comes from non-franchise haulers accounting for over 80% of the vehicles. A \$2 per vehicle surcharge will provide an additional economical incentive to use franchise haulers or haul larger loads to the Devlin Road Transfer Station. Both would result in less vehicles entering the transfer station. In addition the charge will generate additional revenue for the Authority of over \$300,000, approximately the cost of scale house and road improvements proposed to decrease queuing time for both franchise and non franchise vehicles.

Additional changes included 1) increasing the penalty for untarped loads on volume-charged loads from \$2 to \$5 per vehicle (Currently the penalty is \$2 per vehicle for volume-charged loads and \$2 per ton for weigh-charged), and 2) special handling charges and fees have been increase as a result in increased costs of processing and labor.

SUPPORTING DOCUMENTS

A . Authority Resolution #07-01

Manager: Approve
Reviewed By: Belinda Yamate