



**NAPA-VALLEJO WASTE
MANAGEMENT AUTHORITY**

Agenda Date: 5/4/2006

Agenda Placement: 6A

Napa-Vallejo Waste Management Authority Board Agenda Letter

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

RECOMMENDATION

PUBLIC HEARING: RATES

REQUESTED ACTION: Approval of Authority Resolution #06-01, setting disposal rates for the Devlin Road Transfer Station.

EXECUTIVE SUMMARY

The attached resolution would raise rates prior to July 1st for all user except the member franchise haulers. Franchise haulers increase would occur January 1 allowing time to recover the addition cost in their rates. The January increase of \$2 would equal the \$1 increase recommended for July 1st. Other increases would occur prior to July 1 mitigating the 6 month delay in revenue from the franchise haulers increase.

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 it's expenses.

Additional Information: None

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

At its last meeting the Board discussed a rate increase to begin to develop cash reserves and reduce its reliance on rate stabilization. Several franchise representatives were concerned about an increase taking effect on July 1, 2006, since they would be unable to recover the increased cost until their rates had been adjusted later in the year. The Board directed staff to work with the representatives and return to the Board next month. Attached is a resolution which would raise rates prior to July 1st for all users except the member franchise operators. The member franchise increase would occur January 1 allowing time to recover the additional cost in their rates. The January increase of \$2 would equal the \$1 increase recommended for July 1st.

SUPPORTING DOCUMENTS

A . DRTS Fee Resolution

Manager: Approve
Reviewed By: Jill Pahl