



Upper Valley Agency
WASTE MANAGEMENT

Agenda Date: 12/11/2006
Agenda Placement: 6A
Continued From: October 16, 2006

Upper Valley Waste Management Agency **Board Agenda Letter**

TO: Board of Directors
FROM: Steven Lederer - Manager
Upper Valley Waste Management Agency
REPORT BY: Belinda Yamate, Secretary, 253-4471
SUBJECT: Rate Methodology Update

RECOMMENDATION

RATE METHODOLOGY UPDATE

DISCUSSION AND POSSIBLE ACTION: Agency Manager to present a report on the status of the rate methodology negotiations.

EXECUTIVE SUMMARY

At our last meeting, the Board heard a report from staff on a conceptual agreement related to the methodology update and authorized staff to continue moving forward with this process. One issue raised at the Board meeting was the applicability of proposition 218 to possible rate changes. As discussed below, it appears that we are moving towards resolution of this issue.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

At the Board meeting of October 16, 2006, agency counsel questioned whether a Proposition 218 vote would be required prior to each and every annual consumer price index (CPI) rate adjustment. Counsel opined that Proposition 218 might be applicable because one of our Members (Calistoga) has a provision in their Code requiring mandatory garbage service for all property owners. The other three Members of the agency do not have the mandatory service provision in their codes.

On November 21, 2006, the agency manager made a presentation to the Calistoga City Council explaining the issue and requesting that the Council consider deleting the mandatory garbage service requirement from their Code. After deliberations, the Council directed Calistoga staff to prepare an ordinance amendment to delete the requirement. City staff indicates that the change will come before the City Council for a first reading on December 19, 2006.

On the assumption that the Calistoga Code change is adopted and takes effect as scheduled, staff is prepared to bring an agenda item before the Agency Board for approval to adopt the new rate methodology at our February 2007 meeting.

SUPPORTING DOCUMENTS

None

Recommendation: Approve

Reviewed By: Belinda Yamate