



Upper Valley Waste Management Agency Board Agenda Letter

TO: Board of Directors

FROM: Steven Lederer - Manager
Upper Valley Waste Management Agency

REPORT BY: Steven Lederer, DIR OF PUB WKS/DIST ENGINEER - 259-8228

SUBJECT: Public Hearing: Seventh Amendment to UVDS Franchise

RECOMMENDATION

PUBLIC HEARING: SEVENTH AMENDMENT TO UVDS FRANCHISE AGREEMENT

1. Staff recommends Board grant approval and authorization for the Chair to sign the Seventh Amendment to Agency Agreement #95-09 (Upper Valley Disposal Service) to allow for a 6 month delay in rate setting for UVDS, in order to allow time to evaluate a potential Franchise Agreement extension; and
2. Grant approval for the Agency Manager to negotiate and sign a contract with a consultant to assist in review of the proposal.

EXECUTIVE SUMMARY

After discussion at the April and May Board meetings, staff was requested to draft an amendment to the UVDS Franchise Agreement which would provide for delaying rate setting for 6 months to allow the Board and staff to fully analyze the Company's proposal to provide several additional services and projects to the rate payer in return for a contract extension. The attached seventh amendment to the UVDS Franchise Agreement has been drafted accordingly. The company and the Auditor are in agreement with this proposed amendment.

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

Should the Board choose to adopt this amendment, UVA staff will commence analyzing the Company's proposal, which will include requesting detailed information for each of the projects proposed. Staff is also requesting authority for the Agency Manager to retain a consultant to assist in this effort. Recommended scope for the consultant would include:

- | Review of proposed projects, including feasibility, cost, and value (both financial and environmental)
- | A comparison of current UVDS/CFL rates as compared to similar jurisdictions
- | Review of the Distance Factor applied to the member jurisdictions during the rate setting process
- | Provide an opinion on the benefits and risks of extending the contracts versus attempting a bid process
- | Other issues as they may arise

While ultimately the cost of the contract will be a function of the final scope, Staff is proposing that \$35,000 be allocated in the budget for this work.

SUPPORTING DOCUMENTS

A . UVDS Seventh Amendment

Recommendation: Approve

Reviewed By: Steven Lederer