



Agenda Date: 6/29/2020

Agenda Placement: 6C

## Upper Valley Waste Management Agency Board Agenda Letter

---

**TO:** Board of Directors  
**FROM:** Steven Lederer - Manager  
Upper Valley Waste Management Agency  
**REPORT BY:** Alice Ramirez, Senior Office Assistant - 259-6716  
**SUBJECT:** PUBLIC HEARING: Upper Valley Disposal Service and Clover Flat Landfill Rates

---

### **RECOMMENDATION**

#### **PUBLIC HEARING: UPPER VALLEY DISPOSAL SERVICE AND CLOVER FLAT LANDFILL RATES**

REQUESTED ACTION: Approval and authorization for the Chair to sign:

- | Agency Resolution #20-02 setting rates for solid waste handling and disposal services at the Clover Flat Landfill; and
- | Agency Resolution #20-03 setting rates for services by Upper Valley Disposal Service.

### **EXECUTIVE SUMMARY**

Clover Flat Landfill: After a review of the proposed rates, a proposed increase in rates of 2.59% is recommended. This is primarily driven by the Consumer Price Index (CPI).

UVDS - Rate Package: After an extensive review, an increase in rates of 7.33% is recommended.

### **FISCAL & STRATEGIC PLAN IMPACT**

Is there a Fiscal Impact? No

County Strategic Plan pillar addressed:

### **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**

This item is specifically exempt from the voting requirements of Article XIII C and D of the California Constitution (Propositions 26 and 218) because (1) the fees are not imposed by the Agency, (2) the fees fund a specific government service provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs for providing the services, and (3) the fees are not imposed as an incident of property ownership and are not a property-related service because service is voluntary and not mandatory.

Prior to the public hearing, the Agency published notice of the proposed rates and related information in a newspaper of general circulation on June 11 and 18, 2020 pursuant to Government Code Sections 66016, 66018, and 6062a and other applicable law.

**Clover Flat Landfill**

Information: Clover Flat Landfill (CFL) submitted a rate package on May 1, 2020, in accordance with Agreement Number 95-06 (Agreement). CFL requested that rates at the landfill be increased by 2.59%. The Per Ton for landfill disposed waste and waste going across the C&D line includes a surcharge of \$7.50 per ton of refuse in accordance with the Board action taken in December, 2019. One dollar (\$1) of the surcharge amount collected per ton is designated for the Household Hazardous Waste Disposal Program. The remainder funds are for administrative activities of the Agency.

In accordance with the Agreement, CFL is allowed to adjust rates annually by 89% of the Consumer Price Index (CPI) for San Francisco-Oakland-San Jose, CA over the previous twelve (12) months from February. In addition, Bartle Wells, an outside accounting firm retained through our Legal Counsel's contract, performed a review on the rate package submitted by CFL. No adjustments were required.

Recommendation: Staff recommends the increase of rates at CFL by 2.59% as set forth in Attachment J.

**Upper Valley Disposal Services**

Information on Rate Package: Upper Valley Disposal Services (UVDS) submitted a rate package on May 1, 2020, in accordance with Agreement Number 95-09 proposing a 7.62% increase of rates for each jurisdiction. The increase is largely driven by 1) the decrease in revenues from the sale of recycled products; 2) depreciation on the purchase of 5 new trucks, which were required to meet CARB air quality regulations; and 3) salary increases required to remain competitive with labor costs in this area.

Bartle Wells performed a review of the rate package. Specific attention was given to the Major Allowable and Major Recoverable Expense Categories. The Major Allowable category encompasses Wages, Related Wage Benefits, Depreciation and similar expenses for the Construction and Demolition (C & D) Program. The Major Recoverable category encompasses Landfill fees, Interest Expense on Debt and similar expenses for the Construction and Demolition Program. Attachment A provides a summary of Bartle Wells' review. Adjustments were made to account for proper allocation of vehicles between the various entities commonly owned by UVDS ownership, resulting in the final recommendation of 7.33%.

Recommendations:

Rate Package - After an extensive review, Staff recommends an increase in rates of 7.33%.

Extra Service Rates - Commercial and Residential Customers - Staff recommends the adoption of the rates listed on Attachment D.

Rates for each Jurisdiction - Staff recommends the adoption of the rates listed on Attachment E through I.

Conclusion

The Agency Manager considers this proposal to be fair and balanced for both the companies and the rate payer and recommends adoption of the rates as shown in the Attachments.

**SUPPORTING DOCUMENTS**

- A . Bartle Wells Analysis Memo
- B . Reso 20-02 Approving CFL Rates
- C . Reso 20-03 Approving UVDS Rates
- D . Extra Service Rate Tables
- E . Calistoga Rate Tables
- F . County Rate Tables
- G . Pope Valley Rate Tables
- H . St. Helena Rate Tables
- I . Yountville Rate Tables
- J . CFL Rate Table

Recommendation: Approve

Reviewed By: Steven Lederer