

SANTA BARBARA COUNTY BOARD AGENDA LETTER



Clerk of the Board of Supervisors
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Agenda Number:
Prepared on: 4/18/06
Department Name: Public Works
Department No.: 054
Agenda Date: 5/16/06
Placement: Administrative
Estimate Time:
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Phillip M. Demery, Director, ext. 3010
Public Works Department

STAFF CONTACT: Mark Schleich, Deputy Director, ext. 3603

SUBJECT: Solid Waste Tipping Fees, Collection Rates and Parcel Fees for Fiscal Year 2006/2007
All Supervisorial Districts

Recommendation(s):

That the Board of Supervisors:

Set a Public Hearing for June 6, 2006 for 30 minutes to consider the proposed solid waste disposal and collection fee schedules, as follows:

- a) Adopt a resolution (Exhibit 1), effective July 1, 2006, setting the fee schedules for solid waste handling and disposal fees at County facilities (Attachment A) and solid waste collection rates in the unincorporated area (Attachment B);
- b) Adopt a resolution (Exhibit 2), effective July 1, 2006, setting the Parcel Fee Schedule for the Cuyama Valley for Fiscal Year 2006-07;
- c) Approve the Notice of Exemption pursuant to the County's California Environmental Quality Act Guidelines (Exhibit 3);

Alignment with Board Strategic Plan:

The recommendation(s) are primarily aligned with Goal No. 2. A Safe and Healthy Community in Which to Live, Work, and Visit.

Executive Summary and Discussion:

Each year your Board adopts solid waste handling/disposal and collection fees in accordance with Chapter 17 of the Santa Barbara County Code. Current franchise agreements with the solid waste collectors require the County to increase the collection portion of the rates each year by specified percentages of the Consumer

Price Index (CPI) as well as incorporate any increases in tipping or handling fees associated with the material collected by the service providers.

Disposal Fees – Landfill and Transfer Stations

After a review of facility costs and revenues, the Public Works Department is making the following recommendations. Staff is proposing to maintain the current tipping fee of \$52.50/ton. A \$4.50 increase to the minimum load charge for trash brought to the Santa Ynez Valley Recycling and Transfer Station (SYVRTS), from the current \$10.50/load to \$15.00/load is recommended in order to better reflect the cost of operations. A \$1.50/load reduction of the minimum load charge for trash brought to the South Coast Recycling and Transfer Station (SCRTS), from the current \$17.50/load to \$16.00/load is also proposed. Finally, a \$5.00/ton increase to the Post Construction and Demolition (C&D) Processing Tailings Handling Fee charged at the Tajiguas Landfill, from the current \$4.00/ton to \$9.00/ton is proposed. All these proposed increases are summarized in Attachment A. For the period FY 1999/2000 to 2005/2006, the County's tipping fee increased from \$45.00 to \$52.50/ton, an increase of 17%. The Cities of Lompoc and Santa Maria also did not increase their per ton tipping fees, which currently stand at \$64.10/ton and \$69.89/ton, respectively.

Collection Rates – Consumer Price Index

Annually, your Board sets the rates charged by the solid waste collectors to residential and commercial customers in the unincorporated area and the City of Goleta. FY 2006/07 rates will be affected by the annual CPI to the service providers and any increases in tipping fees. The CPI that was used to adjust the rates this fiscal year is 5.1% and was calculated using the U.S. Department of Labor Los Angeles-Riverside CPI from February 2005 to February 2006. This CPI adjustment is only made on the portion of the rate that reimburses the haulers for the collection of waste materials, which ranges from 60-75% of the total cost depending upon the service provided, and applies to all collection zones. For the period FY 1999/2000 to 2005/2006, the average CPI was 3%, and the Collection portion of the rates has increased 22%.

Collection Rates – California Air Resources Board Diesel Emission Regulation Cost

In 2004, the California Air Resources Board (CARB) passed new waste collection vehicle regulations that require all solid waste collection vehicles to meet new diesel emission standards. The regulations are set up in order to phase in compliance over the course of six years, with vehicles divided into groups based upon their year of manufacture, and requirements that a certain percentage of each group be brought into compliance by specific deadlines. By December 31, 2005, 25% of all Group I trucks (1988-2002 models) and 15% of all Group II trucks (1960-1987 models) were required to be brought into compliance with the new standards.

In passing these regulations, the CARB stated it intends and expects municipalities and service providers to work together to amend or renegotiate contracts as needed so service fees reflect the service providers' costs for compliance. County staff requested each of the haulers to track the costs of meeting the December 31, 2005 deadline, with the intention of incorporating those costs into the 2006/2007 rates. Those costs for which the County is responsible for reimbursing apply to all collection zones, and have been distributed over the rate base within each of the collection zones. The impact of this distribution ranges between \$0.02 and \$0.04 per month for residential and commercial accounts.

Rate Examples

Proposed residential and commercial rates are shown in Attachment B. The following table provides an example of the monthly rate increases for residential customers, including the increased collection costs discussed above, using a standard service level consisting of 60 gallons of trash and/or green waste service and up to 90 gallons of recyclables collected for each zone.

Residential Rates

	2005/2006 rate	2006/2007 rate	Percent increase
Zone 1 (MarBorg: Carpinteria, Summerland, Montecito)			
High Density	\$36.15	\$37.65	4%
Low Density	\$48.84	\$50.99	4%
Zone 2 (BFI: Goleta north of Hollister)	\$28.08	\$29.23	4%
Zone 3 (MarBorg: Goleta South of Hollister)			
Goleta/Mission Canyon/IV	\$28.20	\$29.36	4%
Hope Ranch	\$36.93	\$38.53	4%
IV Multifamily	\$36.26	\$37.65	4%
Zone 4 (Health Sanitation Services: Lompoc Valley)	\$29.80	\$31.07	4%
Zone 5 (Health Sanitation Services)			
Santa Ynez	\$28.28	\$29.48	4%
Santa Maria	\$23.85	\$24.79	4%

The following table provides an example of the proposed monthly rate increases using a 2 cubic yard commercial container serviced once per week in the different service areas. Again, the percent increase also includes the CPI increase on the collection portion of the rate.

Commercial Rates

	2005/2006 rate	2006/2007 rate	Percent Increase
Zone 1	\$109.90	\$112.19	2%
Zone 2	\$95.43	\$97.53	2%
Zone 3			
Regular	\$93.70	\$95.52	2%
Isla Vista	\$99.42	\$102.62	3%
Zone 4	\$92.77	\$95.79	3%
Zone 5			
Santa Ynez	\$124.66	\$130.55	5%
Santa Maria	\$103.47	\$106.70	3%

Other Rates and Fees – Cuyama Valley Parcel Fees

Finally, the Cuyama Valley is served by two County operated transfer stations built in 1996, which replaced the local landfills upon their closure. MarBorg Industries is contracted by the County to transport waste from the transfer stations to the Tajiguas Landfill. MarBorg Industries also provides solid waste collection

service to a small number of residents and businesses in the Cuyama Valley. In accordance with Section 25830 of the California Government Code, property owners in the Cuyama Valley pay for solid waste disposal services through parcel fees according to a schedule that was established with the adoption of a resolution by the Board of Supervisors in 1982 (Resolution Number 82-360). The fee schedule was established to generate revenue to offset the operation and maintenance costs for solid waste disposal services in Cuyama Valley.

The Department is proposing no increase in rates for 2006/2007. The single-family occupied dwelling rate will be \$77.00 for the year. Other fees are based on a waste generation factor, established in 1982, comparing the single family dwelling rate to that of waste generated by other land uses. The Public Works Department requests that the Treasurer-Tax Collector continue to bill and collect the current fee as part of the regular County property tax system. In 2004/2005 the fee schedule for Cuyama Valley generated \$31,459 in revenue from the 594 parcels in the district. However, this amount did not cover the cost of service for Cuyama Valley residents, which was \$250,520. The unreimbursed cost was covered through North County program fees and/or revenues realized from the sale of recyclables collected in North County. Any increase to the tax assessment requires approval by Cuyama Valley voters, per Proposition 218.

Like many other remote, rural areas, providing solid waste collection services in the Cuyama Valley and Ventucopa area is challenging due to the low population density and the relatively long transportation distances involved. As is often the case with the provision of government mandated services to these areas, those services must often be subsidized by other sectors of the economy. Staff recently evaluated the current system of servicing this area and there are no more cost-effective options at this time except to reduce the level of service provided.

Mandates and Service Levels:

There will be no changes in service levels.

Fiscal and Facilities Impacts:

Tipping fees & collection rates are being increased consistent with consumer price index, and regulatory mandates.

Special Instructions:

Please direct the Clerk of the Board to publish a Notice of Public Hearing in the Santa Barbara News Press, North County and South Coast editions, and the Bakersfield Californian, five (5) and ten (10) days prior to the hearing, as per Government Code Section 6062a. Please send an executed copy of the Resolutions and a Minute Order to Brenda Farrell & Leslie Wells in the Resource Recovery and Waste Management Division of the Public Works Department.

Concurrence:

Auditor Controller
County Counsel

Board letter authored by: Everett H. King, Senior Program Specialist