



Board Agenda Item 10

DATE: February 26, 2019

TO: Board of Supervisors

SUBMITTED BY: Steven E. White, Director
Department of Public Works and Planning

SUBJECT: Amendment to Master Schedule of Fees - Solid Waste

RECOMMENDED ACTION(S):

- 1. Conduct first hearing to amend the Master Schedule of Fees, Charges, and Recovered Costs Ordinance by amending Subsection 2801 of Section 2800 - Solid Waste; waive reading of the Ordinance in its entirety and set second hearing for March 26, 2019;**
- 2. Designate County Counsel to prepare a fair and adequate summary of the proposed ordinance; and,**
- 3. Direct the Clerk of the Board to post and publish the required summary in accordance with Government Code, section 25124(b)(1).**

Approval of the recommended actions will initiate the process to revise existing fees in the Master Schedule of Fees, Charges, and Recovered Costs (MSF) based on Department of Public Works and Planning costs to handle and dispose of loads weighing 640 pounds or less (minimum loads), hard-to-handle loads, and tires at American Avenue Disposal Site (AADS). This item is countywide.

ALTERNATIVE ACTION(S):

Your Board may deny the recommended actions; however, if denied, AADS will not recover 100% of the cost for these specified waste handling and disposal services.

FISCAL IMPACT:

There is no increase in Net County Cost associated with the recommended actions. The proposed fees for handling and disposal of minimum loads, hard-to-handle loads, and tires has been calculated to recover 100% of the cost for these specified waste handling and disposal services. Sufficient appropriations and estimated revenues are included in the Department's - AADS Org 9026 FY 2018-19 Adopted Budget.

DISCUSSION:

On December 16, 2014, the County and City of Fresno entered into Landfill Use Agreement No. 14-737; developed with the assistance of a consultant that was acceptable to both parties, HF&H Consultants, LLC. Key elements incorporated into the agreement include a tiered rate structure for general refuse based on the amount of tons delivered and a 2.5% increase each year over the 20-year term.

In 2015, these elements became the basis for the general refuse rates adopted in the County's MSF Subsection 2801 of Section 2800. Most fees for the remaining categories of waste listed in Subsection 2801, with the exception of green waste, have not been adjusted for many years.

Hard-to-Handle

Hard-to-Handle loads contain materials that require special handling by site personnel to be adequately compacted and covered. The rate for Hard-to-Handle loads, currently \$31.10 per ton, has remained the same since March 1, 2012. The proposed amendment increases the Hard-to-Handle Load Fee as of July 1, 2019 by 5% or \$1.56 to \$32.66 per ton. The fee will increase each July 1, beginning 2020 and ending in 2034, by 2.5% annually, as is the case with the general refuse rate, which in turn is consistent with the provisions of Landfill Use Agreement No. 14-737.

Minimum Load Fee (640 pounds or less)

The original intent of the Minimum Load Fee, currently \$6.85 per ton, was to assess a minimum charge of 32% of the rate for disposal of one ton of general refuse. However, as the general refuse rate increased, the Minimum Load Fee has remained the same since its adoption in 2005. The proposed amendment increases the Minimum Load Fee as of July 1, 2019 by 16% or \$1.10 to \$7.95 per ton, which is 32% of the current rate to dispose of a ton of general refuse. Additionally, the fee will increase each July 1, beginning 2020 and ending in 2034, by 2.5%, commensurate with the fee increase for disposal of one ton of general refuse.

Tires (Passenger, Truck, Tractor, Bulk, Shredded, Rubber Tracks)

Although whole tires are accepted at AADS, disposal in California landfills is banned by the California Tire Recycling Act of 1989. The whole tires accepted at AADS are taken off-site by a contractor and processed for recycling into other products or altered so that they are suitable to landfill. The proposed fee increases for tires are calculated to recover the cost for Department staff to handle the tires and for the contractor to pick them up. Fees for disposal of tires at AADS are among the lowest when compared to other entities that accept tires, see Attachment A.

The proposed amendment increases the fees for tire disposal as of July 1, 2019, as follows:

- Passenger Car Tire: \$2.11 each, currently \$1.50 each, a 41% increase
- Truck: \$8.44 each, currently \$5.85 each, a 44% increase
- Tractor: \$12.66 each, currently \$7.50 each, a 69% increase
- Bulk Tires: \$210.93 per ton, currently \$137.50 per ton, a 53% increase

The proposed increase for tractor tires is based on a weight of approximately 120 pounds. Tires in excess of 120 pounds shall be charged at the bulk tires rate.

The tire products that may be placed in the disposal site are shredded tires and rubber tracks. Two new fees are proposed for this material based on its special handling requirements and its density relative to general refuse:

- Shredded Tires (< 2"): \$37.25 per ton
- Rubber Tracks (cut to sections not > 4'): \$45.15 per ton

The methodology and calculations for determining rates for all categories of tires and rubber tracks are detailed in Attachment B. Fees for all categories of tires and rubber tracks will increase annually, by 2.5% on each July 1, beginning 2020 and ending in 2034, which is the same annual percentage increase as is applicable to the general refuse rates.

The recommended updates to the MSF for Section 2800 - Solid Waste are detailed in Attachment C. The proposed fees ensure 100% cost recovery and have been reviewed by the Auditor-Controller/Treasurer-Tax Collector.

With your Board's approval, the new rates will take effect on July 1, 2019 and will be posted at AADS.

REFERENCE MATERIAL:

BAI #44, April 17, 2018
BAI #13, April 3, 2018
BAI #6, December 16, 2014

ATTACHMENTS INCLUDED AND/OR ON FILE:

Attachment A - C
Ordinance
On file with Clerk - Ordinance Summary

CAO ANALYST:

Sonia M. De La Rosa