



# Mendocino County

## Legislation Details (With Text)

**File #:** 17-0590      **Version:** 1      **Name:**

**Type:** Approval      **Status:** Agenda Ready

**File created:** 6/30/2017      **In control:** Solid Waste

**On agenda:** 7/10/2017      **Final action:**

**Title:** Discussion and Possible Direction to Staff Regarding Increasing the Solid Waste Franchise Fee as a Potential Source of Road Maintenance Funds

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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**To: Board of Supervisors Public Health, Safety, and Resources Committee**

**From:** Solid Waste

**Meeting Date:** July 10, 2017

**Department Contact:** Louisa Morris      **Phone:** 468-9710  
**CEO Resource/ Contact:** Janelle Rau      **Phone:** 463-4441

**Time Allocated for Item:** 30 min

**Agenda Title:**

Discussion and Possible Direction to Staff Regarding Increasing the Solid Waste Franchise Fee as a Potential Source of Road Maintenance Funds

**Recommendation:**

Consider various percent increase amounts, potential revenue realized, road maintenance funding needs/shortfalls; and provide direction to staff.

**Previous Board/Board Committee Actions:**

On June 6, 2017, the Board of Supervisors referred this matter to the Public Health, Safety, and Resources Committee for review.

**Summary of Referral:**

County Solid Waste Staff has prepared a table (see below) that shows estimated increased revenue that could be realized by increasing the franchise fee percentage for the County’s four solid waste contracts, with haulers Solid Waste of Willits (Franchise Areas 1, 3, and 4) and Empire Waste Management (Franchise Area 2).

Mendocino County	Franchise Fees (FF) Paid (12%)			
	2014	2015	2016	2017 (estimate)
Solid Wastes of Willits	\$193,986.38	\$264,920.45	\$267,293.04	\$270,000.00

<b>Waste Management</b>	\$571,594.88	\$570,913.74	\$605,724.98	\$610,000.00
<b>TOTAL Franchise Fees:</b>	<b>\$765,581.26</b>	<b>\$835,834.19</b>	<b>\$873,018.02</b>	<b>\$880,000.00</b>
<b>New FF (total)</b>	<b>2017 (estimate)</b>	<b>net increase (over)</b>		
<b>13%</b>	\$953,333.33	\$73,333.33		
<b>14%</b>	\$1,026,666.67	\$146,666.67		
<b>15%</b>	\$1,100,000.00	\$220,000.00		
<b>16%</b>	\$1,173,333.33	\$293,333.33		
<b>17%</b>	\$1,246,666.67	\$366,666.67		
<b>18%</b>	\$1,320,000.00	\$440,000.00		
<b>19%</b>	\$1,393,333.33	\$513,333.33		
<b>20%</b>	\$1,466,666.67	\$586,666.67		
<b>24%</b>	\$1,760,000.00	\$880,000.00		
<b>25%</b>	\$1,833,333.33	\$953,333.33		

Franchise Area 1: The contract for Area One, Franchise Fee Section 16 (A) would need to be amended.  
 Franchise Area 2: The contract for Area Two, Franchise Fee Section 16(A), would need to be amended.  
 Franchise Area 3: The contract for Area Three, Franchise Fee Section 16(A), would need to be amended.  
 Franchise Area 4: The contract for Area Four, Franchise Fee Section 16(A), would need to be amended.

**Supplemental Information Available Online at:** N/A

**Fiscal Impact:**

**Source of Funding:** Solid waste franchise fee increase

**Budgeted in Current F/Y:** No

**Current F/Y Cost:** N/A

**Annual Recurring Cost:** N/A

**Supervisory District:** All

**CEO Liaison:** Janelle Rau, Deputy CEO

**CEO Review:** Yes

**Comments:**