



Mendocino County

Legislation Text

File #: 17-0590, Version: 1

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
Waste Management	\$571,594.88	\$570,913.74	\$605,724.98	\$610,000.00
TOTAL Franchise Fees:	\$765,581.26	\$835,834.19	\$873,018.02	\$880,000.00
New FF (total)	2017 (estimate)	net increase (over		
13%	\$953,333.33	\$73,333.33		
14%	\$1,026,666.67	\$146,666.67		
15%	\$1,100,000.00	\$220,000.00		
16%	\$1,173,333.33	\$293,333.33		
17%	\$1,246,666.67	\$366,666.67		

18%	\$1,320,000.00	\$440,000.00		
19%	\$1,393,333.33	\$513,333.33		
20%	\$1,466,666.67	\$586,666.67		
24%	\$1,760,000.00	\$880,000.00		
25%	\$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: