

DEPARTMENT: Public Works – Solid Waste

BY: Jim Petropulos, PWD Director
PHONE: (209) 966-5356

RECOMMENDED ACTION AND JUSTIFICATION:

Accept findings of the Hilton Farnkopf & Hobson, LLC “Review of Mariposa County Total Waste Systems Results of Operations” and Authorize Total Waste Systems (TWS) to increase Mariposa franchise service rates by 4% percent with an additional 3% CPI increase as requested by TWS. The total increase is 7%.

Please review Attachments #1 and #2, correspondence regarding the increase request and a copy of the report, respectively. Total Waste Systems initially requested a 16.82 % increase. Hilton Farnkopf & Hobson, LLC was retained to analyze the books for all Total Waste Systems operations in Mariposa County, report their findings, and recommend any necessary rate increases. Total Waste Systems requested a 7% increase represented by 4% from the study and 3% CPI based increase. The Solid Waste Committee, County Council and the CAO have reviewed the request. The implementation date is January 1, 2004.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

On February 8, 2000 the Board of Supervisors authorized the Public Works Director to execute an agreement with Hilton, Farnkopf and Hobson, LLC for an independent assessment of solid waste collection rates. As you will note in the report, completion of this work was delayed due to difficulty in obtaining information. Also as you will note this action does not affect the Wawona Franchise Area.

ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:

Do not approve the rate increase, which could result in solid waste collection customers being charged an incorrect rate or experience service problems.

Financial Impact? () Yes (X) No	Current FY Cost: \$	Annual Recurring Cost: \$
Budgeted In Current FY? () Yes () No () Partially Funded		
Amount in Budget: \$ _____		Attachment #1 – Correspondence/Request
Additional Funding Needed: \$ _____		Attachment #2 – Review of Mariposa County Total
Source:		Total Waste Systems Results of Operations
Internal Transfer		Attachment #3- Excerpts from Franchise Agreement
		regarding fee increase process.
Unanticipated Revenue _____ 4/5's vote		
Transfer Between Funds _____ 4/5's vote		
Contingency _____ 4/5's vote		
() General () Other		

CLERK'S USE ONLY:

Res. No.: 03-465 Ord. No. _____
Vote – Ayes: _____ Noes: _____
Absent: _____
() Approved
(X) Minute Order Attached () No Action Necessary

The foregoing instrument is a correct copy of the original on file in this office.

Date: _____
Attest: MARGIE WILLIAMS, Clerk of the Board
County of Mariposa, State of California

By: _____
Deputy

COUNTY ADMINISTRATIVE OFFICER:

Requested Action Recommended
 No Opinion
Comments:

CAO: Rh



COUNTY of MARIPOSA

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MARIPOSA COUNTY BOARD OF SUPERVISORS

MINUTE ORDER

TO: JIM PETROPULOS, Public Works Director

FROM: MARGIE WILLIAMS, Clerk of the Board *MW*

SUBJECT: FINDINGS OF THE HILTON FARNKOPF & HOBSON, LLC "REVIEW OF MARIPOSA COUNTY TOTAL WASTE SYSTEMS RESULTS OF OPERATIONS" Resolution No. 03-465

THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA,

ADOPTED THIS Order on December 16, 2003

ACTION AND VOTE:

10:22 a.m. Jim Petropulos, Public Works Director;

PUBLIC HEARING: Accept the Findings of the Hilton Farnkopf & Hobson, LLC "Review of Mariposa County Total Waste Systems Results of Operations" and Authorize Total Waste Systems (TWS) to Increase Mariposa Franchise Service Rates by Four Percent with an Additional Three Percent Consumer Price Index (CPI) Increase as Requested by TWS, for a Total Increase of Seven Percent

BOARD ACTION: Jim Petropulos introduced the matter, and Steve Engfer, Solid Waste Manager, presented the staff report. Staff responded to questions from the Board relative to the status of the franchise fee for Wawona; and relative to tires and whether the scrapers and loaders are considered a part of the franchise.

The public portion of the hearing was opened and input was provided by the following:

- Jim Salyers, Total Waste Systems, advised that they have not had an increase since the franchise agreement was put in place. He advised that the service received in Wawona is for bins versus the 4-can residential service. He noted that the Farnkopf study separated out landfill costs from Total Waste Service costs. He responded to a question from Supervisor Bibby and advised that he does not know what amount of refuse the average household produces.

The public portion of the hearing was closed and the Board commenced with deliberations. Staff responded to questions from the Board as to whether the four percent rate increase and three percent CPI increase are compounded, and it was clarified that the total increase of seven percent will be applied; relative to the chart reflecting the increase; relative to the status of Total Waste Systems providing the information the County requested on its expenses and revenues and baseline costs; relative to the implementation date; relative to the exclusion of dozers in the study and the inclusion of other heavy equipment; and relative to services provided by Total Waste Systems. The Solid Waste Committee's efforts with solid waste issues were acknowledged. Steve Engfer responded to a question relative to the December deadline and an email that was received. Supervisor Bibby requested that she be provided with a copy of the email.

(M)Balmain, (S)Stetson, Res. 03-465 was adopted accepting the findings of the study with the corrections as discussed; and approving the increase in the Mariposa Franchise Service Rates by a total of seven percent, effective January 1, 2004. Supervisor Bibby asked if staff is comfortable with the management fees shown on page 21 of the package. Ayes: Unanimous. The hearing was closed.

cc: Rich Inman, County Administrative Officer
Jeff Green, County Counsel
Ken Hawkins, Auditor
Mary Hodson, Administrative Analyst
File