



COUNTY OF HUMBOLDT

For the meeting of: 7/18/2023

File #: 23-965

To: Board of Supervisors

From: Public Works

Agenda Section: Public Hearing

Vote Requirement: Majority

SUBJECT:

Amendments to the Solid Waste Collection Franchise Agreements and Solid Waste Container Site and Transfer Station Agreements for Fiscal Year 2023-24.

RECOMMENDATION(S):

That the Board of Supervisors:

1. Open the public hearing and receive comments on the proposed rate adjustment for solid waste collection for the unincorporated areas of Humboldt County;
2. Close the public hearing;
3. Approve the attached amendments to the solid waste collection franchise agreements with Recology Humboldt County, Recology Eel River, and Humboldt Sanitation Company, Inc.;
4. Approve the amendment to the operation and maintenance agreement with Recology Eel River for the Redway Transfer Station effective July 1, 2023;
5. Approve the amendment to the operation and maintenance agreement with Recology Eel River for the southern solid waste container sites effective July 1, 2023;
6. Approve the amendment to the operation and maintenance agreement with Humboldt Sanitation Company, Inc. for the northern solid waste container sites effective July 1, 2023; and
7. Direct the Clerk of the Board to return one (1) fully executed copies of the attached amendments to the Public Works Department for distribution

SOURCE OF FUNDING:

Solid Waste (3691438)

DISCUSSION:
Franchise Agreements

Section 521-8(b) of the Humboldt County Code provides that rate changes which occur as a result of annual index-based adjustments, changes in the franchise fee and/or the recycling percentage and changes in disposal and/or processing costs set forth in a solid waste collection franchise agreement may be implemented without action of the Board of Supervisors, if authorized by the franchise agreement, when the total annual rate increase does not exceed 8%. Such rate changes may be implemented by amendment to the franchise agreement executed by the Franchise Contract Administrator. All other rate changes shall be approved by the Board of Supervisors, after the holding of a public hearing.

The increase in the below rates is due to the increase in Cost-of-Living Indices (CPI) for labor 4.0645%, waste collection 9.7212%, and diesel fuel 16.3735% for Recology and 21.4450% for Humboldt Sanitation. Humboldt Waste Management Authority ("HWMA") increase to the disposal fee to haulers.

The rate adjustments for the standard weekly residential 30-gallon pick-up service set forth in the county's solid waste collection franchise agreements are as follows:

- Recology Humboldt County - Blue Lake / Fieldbrook, Unincorporated Arcata Area: Fee adjustment will increase the rate by \$5.60 from \$39.63 per month to \$45.23 per month or 14.13%.
- Recology of Humboldt County - Unincorporated Eureka Area: Fee adjustment will increase the rate by \$6.03 from \$43.06 per month to \$49.09 per month or 14%.
- Recology Eel River - Garberville, Holmes, Fortuna, Ferndale, Weott/Mvers Flat: Fee adjustment will increase the rate by \$4.69 from \$35.55 per month to \$40.24 per month or 13.19%.
- Humboldt Sanitation Company, Inc. - Northwestern Area of Humboldt County: Fee adjustment will increase the rate by \$3.45 from \$31.30 per month to \$34.75 per month or 11.02%.

HWMA is currently under contract with the county to handle the submittal of data pertaining to the disposal and handling of solid waste and recyclable materials to the California Department of Resources Recycling and Recovery ("CalRecycle"). HWMA is increasing its current disposal fee to \$170.41 per ton an increase of \$1.00.

Transfer Station & Solid Waste Container Sites

The reimbursement rates for the Redway Transfer Station and the solid waste container sites located in Humboldt County are calculated each year by adding the annual index-based adjustments, as set forth in the county’s solid waste container site agreements, plus any changes in the operators’ disposal, processing and operation costs. The reimbursement rate adjustments for the Redway Transfer Station and the solid waste container sites located in Humboldt County are as follows:

- Recology Eel River - Redway Transfer Station: Reimbursement rate adjustment will result in an increase of \$6,722.59 or 25.33% per month from the prior year’s reimbursement of \$26,543.52.
- Recology Eel River - Southern Solid Waste Container Sites: Reimbursement rate adjustment will result in an increase of \$1,494.67 or 11.64% per month from the prior year’s reimbursement of \$12,842.89.
- Humboldt Sanitation Company, Inc. - Northern Solid Waste Container Sites: Reimbursement rate adjustment will result in an increase of \$5,282.24 or 20.79% per month from the prior year’s reimbursement of \$25,413.00.

FINANCIAL IMPACT:

| Expenditures (Fund, Budget Unit) | FY23-24 Projected | FY24-25 Projected |
|--|---------------------------|---------------------------|
| Budgeted Expenses | \$929,586.92 | \$1,003,954.00 |
| Total Expenditures | \$929,586.92 | \$1,003,954.00 |
| Funding Sources (Fund, Budget Unit) | FY23-24 Projected* | FY24-25 Projected* |
| Fees/Other | \$929,586.92 | \$1,003,954.00 |
| Total Funding Sources | \$929,586.92 | \$1,003,954.00 |

**Projected amounts are estimates and are subject to change.*

Narrative Explanation of Financial Impact:

County reimbursement to Recology Eel River and Humboldt Sanitation Company, Inc. for operation and maintenance of the Redway Transfer Station and the solid waste container sites located in Humboldt County including recycling and illegal dumping clean-up through the contractors is projected at \$929,586.92 for fiscal year (FY)2023-24. Funds to cover these reimbursement costs have been incorporated in the proposed FY 2023-24 budget.

STAFFING IMPACT:

Narrative Explanation of Staffing Impact:

N/A

STRATEGIC FRAMEWORK:

This action supports the following areas of your Board’s Strategic Framework.

Core Roles: Create opportunities for improved safety and health
New Initiatives: Provide community-appropriate levels of service
Strategic Plan: N/A

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may choose not to approve the attached services for Solid Waste Collection Franchise Agreements and Solid Waste Container Site and Transfer Station Agreements. However, this alternative is not recommended since it would result in non-compliance with Humboldt County Code.

ATTACHMENTS:

1. Thirteenth Amendment to Recology Redway Transfer Station Agreement
2. Fourteenth Amendment to Recology Southern Container Site Agreement
3. Twelfth Amendment Humboldt Sanitation Northern Container Site Agreement
4. Fifteenth Amendment to the Solid Waste Collection Franchise Agreement with Humboldt Sanitation Company, Inc. for the Unincorporated Northwestern Area of Humboldt County
5. Sixteenth Amendment to the Solid Waste Collection Franchise Agreement with Recology of Humboldt County for the Unincorporated Eureka, Arcata, Blue Lake and Fieldbrook Areas of Humboldt County
6. Fifteenth Amendment to the Solid Waste Collection Franchise Agreement with Recology of Humboldt County for the Unincorporated Fortuna/Ferndale, Holmes/Redcrest, Weott/Myers Flat and Garberville Areas of Humboldt County

PREVIOUS ACTION/REFERRAL:

Board Order No.: D-23, D-20, C-22, I-1, C-18, C-21

Meeting of: 7/12/22, 7/9/21, 9/15/20, 6/25/19, 9/25/18, 6/13/17

File No.: 22-848, 21-877, 20-1084, 19-822, 18-1180, 17-1972