



DEPARTMENT OF PUBLIC WORKS

People serving people.

Robert Beaumont
DIRECTOR

December 18, 2012

Marin County Board of Supervisors
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SUBJECT: Schedule Public Hearing for January 8, 2013 at 10:30 a.m. for the Ratto Group of Companies, Inc. Request for Rate Increase

Dear Board Members:

RECOMMENDATIONS:

1. Schedule a public hearing for January 8, 2013 at 10:30 a.m. The purpose of the hearing is to consider a 3.25% rate increase request by the Ratto Group of Companies Inc. (Redwood Empire Disposal) for the West Marin Franchise Area No. 1.
2. Instruct your Clerk to advertise this rate hearing in a local publication.

SUMMARY: The Ratto Group of Companies, Inc. has the exclusive franchise for refuse and recycling in West Marin for Franchise Area No. 1. This franchise area includes the West Marin coast area with the exception of Bolinas and Stinson Beach.

The franchise agreement with the Ratto Group of Companies, Inc. (Redwood Empire Disposal) establishes a rate setting methodology based on a Refuse Rate Index (RRI). The RRI is a price indexing method designed specifically for adjusting waste collection rates based on changes on fuel, labor and vehicle maintenance and replacement expenses. The agreement calls for an automatic RRI adjustment on January 1 of each year for three years, and a full audit every fourth year. The agreement states 2013 will be an RRI adjustment year and the company is requesting a 3.25% increase. There are several factors supporting the rate increase, with a 7.95% increase in the cost of fuel as the major reason and is reflected in the RRI.

The monthly cost to a residential West Marin customer for this rate increase is \$.83 for a standard 32 gallon container.

FISCAL IMPACT: There is no net increase in County Cost to the General Fund.

REVIEWED BY:	[]	Department of Finance	[X]	N/A
	[X]	County Counsel	[]	N/A
	[]	Human Resources	[X]	N/A

Respectfully submitted,

Michael Frost
Deputy Director

- Accounting
- Airport
- Building Maintenance
- Capital Projects
- Certified Unified Program Agency (CUPA)
- Communications Maintenance
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- Disability Access
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