



DEPARTMENT OF PUBLIC WORKS

Quality, Excellence, Innovation

January 27, 2015

Raul M. Rojas
DIRECTOR

Marin County Board of Supervisors
3501 Civic Center Drive
San Rafael, CA 94903

Administration
PO Box 4186
San Rafael, CA 94913-4186
415 473 6528 T
415 473 3799 F
415 473 3232 TTY
CRS Dial 711
www.marincounty.org/pw

SUBJECT: Hold Public Hearing for a Ratto Group of Companies Rate Increase

Dear Board Members:

RECOMMENDATIONS: 1) Hold a public hearing to consider a 1.79% rate increase by the Ratto Group of Companies Inc. (Redwood Empire Disposal) for the West Marin Franchise Area No. 1; and 2) approve amended agreement.

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. 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 in 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 that 2015 will be an RRI adjustment year and the established methodology shows that a 0.79% increase is warranted.

To further comply with the County's zero waste goals, a second "bulky item" pickup is being added to the residential service for an additional 1% increase in the rates. In addition, an increased reporting provision for street sweeping is being added to better comply with stormwater protection reporting requirements. The amended agreement documents the two service changes being implemented.

FISCAL IMPACT: There is an estimated increase of approximately \$5,200 in General Fund franchise fees associated with the proposed rate increase. There is no additional impact to the General Fund.

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

Respectfully submitted,

Steve Devine
Program Manager

Attachment: First Amendment to Agreement.

- Accounting
Airport
Building Maintenance
Capital Projects
Certified Unified Program Agency (CUPA)
Communications Maintenance
County Garage
Disability Access
Engineering & Survey
Flood Control & Water Resources
Land Development
Purchasing
Real Estate
Reprographic Services
Road Maintenance
Stormwater Program
Transportation & Traffic Operations
Waste Management