

DEPARTMENT: Public Works

BY: Jim Petropulos  
PHONE: 966-5356

**RECOMMENDED ACTION AND JUSTIFICATION:**

Approve an increase to the Solid Waste Tip Fee from \$64 dollars a ton to \$70 dollars a ton in order to cover the increased costs for the operations of the landfill, composting facility and associated USDA loan debt service, *effective December 1, 2003*

(See Attachment "1" for additional information)

**BACKGROUND AND HISTORY OF BOARD ACTIONS:**

No other action has occurred on this matter.

**ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:**

Negative action would result in non-compliance with the USDA loan and grant conditions that would jeopardize the funding for the Composting Project.

Financial Impact? (x) Yes ( ) No	Current FY Cost: \$	Annual Recurring Cost: \$
Budgeted In Current FY? ( ) Yes ( ) No ( ) Partially Funded		
Amount in Budget: \$ _____		List Attachments, number pages consecutively
Additional Funding Needed: \$ _____		1. Report
Source:		2. Solomon to Petropulos memo dated 11/10/03 and comparable fee schedule
Internal Transfer _____		_____
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.: 03-429 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: PAH

## BOARD REPORT FOR CONSIDERATION OF TIP FEE INCREASE

11/25/03

The California State Legislature adopted Assembly Bill 939 in 1989 requiring diversion of 50 percent of all solid waste from landfills. The County of Mariposa has, since 1994, been exploring alternative methods of compliance with AB 939 and has determined that the most cost effective and reliable method of achieving compliance is to employ composting technology.

Composting will not only result in compliance with AB 939 but will increase the useful life of the current landfill cell. If we continue to use the landfill for solid waste disposal without employing a diversion plan, the current cell is expected to be full in about 6 years. Using composting technology will result in an estimated 30 year useful life of the current cell. The cost to open the final remaining cell at the landfill is estimated to exceed the cost of constructing and operating a compost facility.

The cost to construct the proposed compost facility is \$7.2 million, approximately one-half of which is in the form of outright grants from the United States Department of Agriculture (\$1,800,000) and the National Park Service (\$1,712,000). The balance of the funds needed for the project are through a loan of \$3.2 million from the United States Department of Agriculture (USDA) and \$500,000 budgeted by the County.

The landfill is operating near a break-even point at this time and the Tip Fee is \$64 per ton. The cost of operation and maintenance of the landfill will increase with the operation of the proposed compost facility. The additional cost for composting is estimated to be \$6 per ton which includes debt service on the USDA loan. Accordingly, an increase in the tip fee from \$64 per ton to \$70 per ton is needed.

Failure to employ a diversion technology could result in Tip Fee (cost to dispose of solid waste) to Mariposa residents exceeding \$115 per ton, the cost to create a transfer station at the current landfill site and transport of waste to a composting or other processing facility outside of Mariposa. Any facility to which Mariposa's waste is transported must comply with diversion requirements. Transport of our waste as suggested has been determined to be the least cost alternative to an on-site compost facility. This alternative is clearly not affordable. In addition to the \$115 Tip Fee under this alternative, the County may be required to close the current cell at the landfill at a cost estimated to be \$4,000,000.

Failure to construct the compost facility will result in the loss of in excess of \$3.5 million in grants and will also result in non-compliance with AB 939. The County is subject to a fine by the California Integrated Waste Management Board (CIWMB) of \$10,000 per day for each day of non-compliance with AB 939. (By way of illustration of the commitment of its enforcement of AB 939, the CIWMB, at its meeting of September 16, 2003 issued a compliance order to the City of Gardena requiring the City to undertake an agreed upon course of action for compliance and included a \$70,000 fine for non-compliance.) Even in the face of a CIWMB compliance order, Mariposa County will still be required to implement a plan for diversion of its solid waste but will have lost the opportunity presented by the USDA and NPS grants to reduce the cost to Mariposa County residents.

It is clear that the Board of Supervisors must proceed with the construction and operation of a compost facility at the landfill. What then is the impact of an increase in the Tip Fee by \$6 on residents and others? For each 33 gallon container (can or plastic bag) taken to the landfill, one will experience a fee difference of about \$0.15. The fee for commercial haulers and those who landfill in large quantities, such as construction companies, will increase 10%, the same ratio as the increase in the Tip Fee. The attached exhibit illustrates the current and proposed landfill fees.

The construction of the compost facility presents increased opportunities for recycling through built-in sorting elements of the design, thereby increasing the capture of recyclable items. A new buy back center is also to be constructed with areas for the disposal of batteries, oil, paint, e-waste and appliances. The County is working with the Waste Reduction Education Partnership to foster awareness, participation in recycling and diversion, and establishing programs to serve the recycling needs of the more remote areas of the County. There are programs under study to reduce the impact of the cost of waste disposal.

There is a direct relationship between the increased opportunities for recycling and the cost of disposal. The County's plans for programs to increase opportunities for recycling and construct a more user friendly system should motivate individual users to do more recycling, thereby reducing the amount of waste subject to the Tip Fee and reducing the cost of disposal. Commercial customers can reduce their cost of disposal through source separation of recyclables such as cardboard, paper, and other material thereby reducing disposal costs.

The increase in the Tip Fee requires a published notice and conduct of a public hearing which has been done. It is recommended that the Board of Supervisors authorize an increase in the Tip Fee for the disposal of solid waste of \$6 per ton at its meeting of November 25, 2003.



# COUNTY of MARIPOSA

P.O. Box 784, Mariposa, CA 95338 (209) 966-3222

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## MARIPOSA COUNTY BOARD OF SUPERVISORS

### MINUTE ORDER

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TO: JIM PETROPULOS, Public Works Director  
FROM: MARGIE WILLIAMS, Clerk of the Board *MWJ*  
SUBJECT: PUBLIC HEARING TO CONSIDER AND APPROVE AN INCREASE  
TO THE SOLID WASTE TIP FEE  
Resolution No. 03-429

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THE BOARD OF SUPERVISORS OF MARIPOSA COUNTY, CALIFORNIA,

ADOPTED THIS Order on November 25, 2003

#### ACTION AND VOTE:

**10:27 a.m.** Jim Petropulos, Public Works Director;

A) PUBLIC HEARING to Consider and Approve an Increase to the Solid Waste Tip Fee from \$64 Per Ton to \$70 Per Ton in Order to Cover the Increased Costs for the Operations of the Landfill, Composting Facility, and Associated United States Department of Agriculture (USDA) Loan Debt Service

**BOARD ACTION:** Jim Petropulos presented the staff report. Jim and Steve Engfer, PWD/Solid Waste Manager, responded to questions from the Board relative to impacts on the residential rates.

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

- Fred Youngren, Operations Manager for Total Waste Systems of Mariposa, stated he understands the need for the fee increase; however, he feels they and Yosemite Concession Services should have received better notification.

The public portion of the hearing was closed and the Board commenced with deliberations. Staff responded to questions from the Board relative to notification to Total Waste and Yosemite Concession Services; relative to consideration of awarding the commercial rate payers for separating the recyclable items; timeframes for implementing the fee increase; and change of tonnage to cubic yardage issues with the fee structure. Rich Inman, County Administrative Officer, responded to a question from the Board relative to the timeframes for implementing the increase to satisfy the USDA requirements for the compost project.

(M)Parker, (S)Balmain, Res. 03-429 was adopted approving the increase as recommended, effective December 1, 2003. Jeff Green, County Counsel, responded to a question from the Board relative to the contractor passing the rate increase to the customer and the provision in the contract. Staff responded to questions from the Board relative to the status of receiving information from Total Waste relative to their cost of providing service in Wawona, and clarified that this action only allows Total Waste to pass on the cost of the tip fee and not the operation costs to the customer. Ayes: Unanimous.

Following further discussion, (M)Balmain, (S)Parker, direction was given to require Total Waste to justify the portion of their fee that is the tip fee prior to any increase in their rates for their customers. Fred Youngren commented on their rates. Ayes: Unanimous. The hearing was closed.

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