

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 4/12/2016	(3) CONTACT/PHONE John Diodati, Deputy Director of Public Works (805) 788-2832	
(4) SUBJECT Request to approve a Solid Waste Collection Franchise Agreement with Paso Robles Country Disposal. District 1.			
(5) RECOMMENDED ACTION It is recommended that the Board approve the attached Solid Waste Collection Franchise Agreement with Paso Robles Country Disposal.			
(6) FUNDING SOURCE(S) Waste Management, Fund Center 130	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT \$121,000.00 in revenue	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ___) <input type="checkbox"/> Board Business (Time Est. ___)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input checked="" type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A    Date: 7/7/15 #19	
(17) ADMINISTRATIVE OFFICE REVIEW David E. Grim			
(18) SUPERVISOR DISTRICT(S) District 1			

Reference: 16APR12-C-4

# County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works

John Diodati, Deputy Director of Public Works

DATE: 4/12/2016

SUBJECT: Request to approve a Solid Waste Collection Franchise Agreement with Paso Robles Country Disposal. District 1.

## **RECOMMENDATION**

It is recommended that the Board approve the attached Solid Waste Collection Franchise Agreement with Paso Robles Country Disposal.

## **DISCUSSION**

Paso Robles Country Disposal is a family-owned solid waste collection company that serves customers in the northern unincorporated portions of San Luis Obispo County. The franchise territory extends approximately 6 miles east and 10 miles west from the City of Paso Robles. Since 2007, the company has had a Solid Waste Collection Franchise Agreement. Your Board approved an extension to that Agreement in July 2015, allowing staff time to finish the negotiations for the franchise before you today.

The proposed Franchise Agreement with Paso Robles Country Disposal is based on the agreements for the other solid waste collection companies and previously approved by your Board. Similar to those franchises, and in keeping with your Board policy of consistency with surrounding jurisdictions, this Agreement is for a term of 15 years. If approved, all County franchise agreements will now have a term of 15 years.

With the new longer term franchise, Paso Robles Country Disposal will be implementing food waste collection within two years of approval.

The significant changes between the 2007 Franchise Agreement and the proposed Agreement are summarized here:

- a) Term – With your approval, the new Solid Waste Collection Franchise Agreement will have a 15 year term and terminate in 2031.
- b) Insurance – the insurance provisions have been updated to reflect the current County standards.
- c) Right to Perform Services - Article 11, called County Right to Perform Services includes the process through which the County can operate or arrange for others to operate franchisee's equipment, and service its customers.

- d) Rate Increase Standard – if the company’s rate increases exceed the cumulative consumer price index for the same period, the County has the right to terminate the Agreement.

Other revisions to the document include sections being rearranged or reformatted to provide clarity for both Franchisee and County staff and changes to reflect operation differences in carts and containers.

### **OTHER AGENCY INVOLVEMENT/IMPACT**

The office of County Counsel, the Auditor-Controller and the Integrated Waste Management Authority were involved in this franchise renewal.

### **FINANCIAL CONSIDERATIONS**

Approximately \$121,000 of total \$937,000 budgeted in the County General Fund for garbage company franchise fees is anticipated from Paso Robles Country Disposal. With the renewal of this Agreement today, the franchise fees will continue to be received.

### **RESULTS**

Approval of the recommended action will result in a new Agreement for this franchisee, as discussed above, which will help lead to a healthy and livable community.

### **ATTACHMENTS**

1. Solid Waste Collection Franchise Agreement

File: CF 755.100.30.01A Paso Robles Country Disposal - Franchise Agreement

Reference: 16APR12-C-4

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