

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

(1) DEPARTMENT Auditor - Controller	(2) MEETING DATE 3/6/2012	(3) CONTACT/PHONE Brian Spaulding / 788-2963	
(4) SUBJECT Request to approve a tipping fee increase to the Commercial Compacted rate for Franchised Haulers, proposed by Chicago Grade Landfill			
(5) RECOMMENDED ACTION It is recommended that the Board approve the rate increase (as detailed in Exhibit A) of \$1.00 per ton to the commercial compacted rate for Franchised Haulers at Chicago Grade Landfill, to be effective as of April 1, 2012.			
(6) FUNDING SOURCE(S) Rate Payers	(7) CURRENT YEAR FINANCIAL IMPACT \$0.00	(8) ANNUAL FINANCIAL IMPACT \$0.00	(9) BUDGETED? N/A
(10) AGENDA PLACEMENT <input 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 type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A		(12) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A	
(13) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(14) W-9 <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes	
(15) LOCATION MAP N/A	(16) BUSINESS IMPACT STATEMENT? No	(17) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A Date _____	
(18) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(19) SUPERVISOR DISTRICT(S) All Districts -			

County of San Luis Obispo



TO: Board of Supervisors

FROM: Auditor - Controller / Brian Spaulding / 788-2963

DATE: 3/6/2012

SUBJECT: Request to approve a tipping fee increase to the Commercial Compacted rate for Franchised Haulers, proposed by Chicago Grade Landfill

RECOMMENDATION

It is recommended that the Board approve the rate increase (as detailed in Exhibit A) of \$1.00 per ton to the commercial compacted rate for Franchised Haulers at Chicago Grade Landfill, to be effective as of April 1, 2012.

DISCUSSION

Chicago Grade Landfill is requesting Board of Supervisors approval for an increase to their tipping fee schedule. This fee increase is needed to cover rising operating costs as well as recent reductions in tonnage. It has been four years since Chicago Grade Landfill has received an increase in tipping fees. The last increase was approved by the Board of Supervisors on November 20, 2007, and became effective January 1, 2008.

Chicago Grade Landfill management has presented the Auditor-Controller with a proposed increase of \$1.00 per ton to the commercial compacted rate for Franchised Haulers (see Exhibit A). The Auditor-Controller's staff has reviewed the previous five years of financial records provided by Chicago Grade Landfill. Our review consisted of a financial analysis of revenues and expenses as well as discussions with management on the present operational status of the Landfill. Based on our review, the Auditor-Controller supports and recommends the proposed increase to the commercial compacted rate for Franchised Haulers, as detailed in Exhibit A, to be effective as of April 1, 2012.

OTHER AGENCY INVOLVEMENT/IMPACT

This rate increase was discussed with the County's Solid Waste Coordinator.

BUSINESS IMPACT STATEMENT

None.

FINANCIAL CONSIDERATIONS

There should be no material impact on County revenues or costs.

RESULTS

The net effect of this rate increase is to allow Chicago Grade Landfill to maintain a reasonable profit margin over increasing operating costs. The impact of this increase will be subject to future review when the next comprehensive rate analysis for Chicago Grade is performed.

ATTACHMENTS

1. Exhibit A - Chicago Grade Landfill proposed rate schedule, effective April 1, 2012