



**SOLID WASTE
DEPARTMENT
COUNTY OF TULARE
AGENDA ITEM**

BOARD OF SUPERVISORS

ALLEN ISHIDA
District One
PETE VANDER POEL
District Two
PHILLIP A. COX
District Three
J. STEVEN WORTHLEY
District Four
MIKE ENNIS
District Five

AGENDA DATE: December 15, 2015

Public Hearing Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Scheduled Public Hearing w/Clerk	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Published Notice Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Advertised Published Notice	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Meet & Confer Required	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Electronic file(s) has been sent	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
Budget Transfer (Aud 308) attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Personnel Resolution attached	Yes	<input type="checkbox"/>	N/A	<input checked="" type="checkbox"/>
Agreements are attached and signature line for Chairman is marked with tab(s)/flag(s)	Yes	<input checked="" type="checkbox"/>	N/A	<input type="checkbox"/>
CONTACT PERSON: Bryce Howard PHONE: 624-7190				

SUBJECT: Mid Valley Disposal Waste Disposal Agreement

REQUEST(S):

That the Board of Supervisors:

1. Approve a Waste Disposal Agreement with Mid Valley Disposal, retroactive to October 1, 2014 through September 30, 2019, to coincide with the 100% commitment of waste volume by Mid Valley Disposal to County landfills, and to increase and secure disposal tonnage and revenue that will allow for a more predictable Solid Waste Enterprise Fund.
2. Find that the Board had authority to enter into the proposed agreement as of October 1, 2014, and that it was in the County's best interest to enter into the agreement on that date.
3. Authorize the Chairman to sign four copies of the Agreement

SUMMARY:

Mid Valley Disposal landfills approximately 34,000 tons of waste generated within Tulare County into the County owned landfills, per year. 19,000 of those tons result from waste collected within the incorporated cities of Exeter, Farmersville, Lindsay, and Woodlake through waste disposal agreements between the hauler and each city. The remaining 15,000 tons are collected in the unincorporated area of the County, per the Solid Waste Franchise Agreement No. 27190.

Prior to October 1, 2014, all of the waste collected by Mid Valley Disposal from the incorporated cities was delivered to Tulare County Recycling, a facility owned and

SUBJECT: Mid Valley Disposal Waste Disposal Agreement
DATE: December 15, 2015

operated by Waste Management, and then transferred to the Kettleman Hills Landfill, also owned and operated by Waste Management. In September 2014, the County and Mid Valley entered into a verbal agreement, with the approval of the then County Administrative Officer, in which all waste collected by Mid Valley from the incorporated cities would be disposed of in County landfills beginning October 1, 2014, in exchange for a reduced tipping fee of \$28 per ton on all in county generated waste collected by Mid Valley. Mid Valley Disposal has honored that verbal agreement and has disposed of all waste collected within Tulare County in the County owned and operated landfills. Due to the time taken to negotiate the terms of the Waste Disposal Agreement (WDA), it is the desire of the Solid Waste Department to honor the verbal agreement, and grant the \$28 per ton tipping fee retroactive to the October 1, 2014 start date, through September 30, 2019.

Staff recommends a reduction in tip rate of \$6, from \$34 to \$28, per ton, which is the same rate as the cities of Porterville's, Tulare's, Visalia's, and in-County rate as the Pena's WDA for 100% commitment of waste disposal. For this reduction in tip rate Mid Valley will commit 100% of their disposal of waste to the County. The term of the agreement is five (5) years and there is no price rate escalator or CPI as part of the agreement.

The additional estimated net revenue associated with entering into this agreement is \$2,210,000, based upon the following calculation:

Additional Volume Revenue = 19k tons/year x 5 years x \$28/ton = \$2,660,000

Revenue Reduction on Existing Volume = 15k tons/year x 5 years x (\$34 - \$28)/ton = \$450,000

Net Revenue = \$2,660,000 - \$450,000 = \$2,210,000

The total estimated revenue for the term of the agreement totals \$4,760,000.

FISCAL IMPACT/FINANCING:

The total estimated net revenue for the term of the agreement is an addition of \$2.21 million to the Solid Waste Enterprise Fund. These funds have been accounted for in the FY 2015/16 budget, and there is no net County cost associated with this agreement.

LINKAGE TO THE COUNTY OF TULARE STRATEGIC BUSINESS PLAN:

The County's five-year strategic plan includes the Organizational Performance Initiative to provide for the stability of County operations through periods of economic fluctuations and changing priorities and service demands. The WDA with Mid Valley helps fulfill this initiative by ensuring that there is a consistent stream of tonnage and revenue into the Solid Waste Enterprise Fund.

SUBJECT: Mid Valley Disposal Waste Disposal Agreement

DATE: December 15, 2015

ADMINISTRATIVE SIGN-OFF:

Bryce Howard, Solid Waste Director
Solid Waste Department

Cc: Auditor-Controller
County Counsel
County Administrative Office (2)

Attachment(s) Mid Valley Disposal Waste Disposal Agreement

**BEFORE THE BOARD OF SUPERVISORS
COUNTY OF TULARE, STATE OF CALIFORNIA**

**IN THE MATTER OF MID VALLEY)
DISPOSAL WASTE DISPOSAL) Resolution No. _____
AGREEMENT) Agreement No. _____**

UPON MOTION OF SUPERVISOR _____, SECONDED BY
SUPERVISOR _____, THE FOLLOWING WAS ADOPTED BY THE
BOARD OF SUPERVISORS, AT AN OFFICIAL MEETING HELD _____
_____, BY THE FOLLOWING VOTE:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST: MICHAEL C. SPATA
COUNTY ADMINISTRATIVE OFFICER/
CLERK, BOARD OF SUPERVISORS

BY: _____
Deputy Clerk

* * * * *

1. Approved a Waste Disposal Agreement with Mid Valley Disposal, retroactive to October 1, 2014 through September 30, 2019, to coincide with the 100% commitment of waste volume by Mid Valley Disposal to County landfills, and to increase and secure disposal tonnage and revenue that will allow for a more predictable Solid Waste Enterprise Fund.
2. Found that the Board had authority to enter into the proposed agreement as of October 1, 2014, and that it was in the County's best interest to enter into the agreement on that date.
3. Authorized the Chairman to sign four copies of the Agreement.