



COUNTY OF NEVADA
COMMUNITY DEVELOPMENT AGENCY
DEPARTMENT OF PUBLIC WORKS
950 MAIDU AVENUE, NEVADA CITY, CA 95959-8617
(530) 265-1411 FAX (530) 265-9849 www.mynevadacounty.com

Trisha Tillotson
Community Development Agency Director

Heba El-Guindy
Director of Public Works

NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: June 13, 2023

TO: Board of Supervisors

FROM: **Heba El-Guindy, Director of Public Works**

SUBJECT: Public Hearing to Consider Acceptance of a Rate Study for Unincorporated Eastern Nevada County Solid Waste Parcel Charges and an Ordinance Amending Subsection A of Section G-IV 8.26 of Article 8 of Chapter IV of the General Code of the County of Nevada Establishing a Schedule of Parcel Charges within Eastern Nevada County Effective July 13, 2023.

RECOMMENDATION:

1. Receive a presentation.
2. Hold the public hearing.
3. Determine if a majority of property owners protest if no majority protest:
 - a. Adopt the attached Resolution accepting Rate Study for Eastern Nevada County Solid Waste Parcel Charges.
 - b. Introduce, waive further reading and adopt an Ordinance Amending Subsection A, of Section G-IV 8.26 of Article 8, of Chapter IV of the General Code of the County of Nevada Establishing a Schedule of Parcel Charges within Eastern Nevada County Effective July 13, 2023.

FUNDING: The Fiscal Year 2023/24 Solid Waste Eastern Budget shall be amended during first quarter budget amendments based on the approval of this public hearing. No budget amendment is required at this time and there is no impact to the General Fund.

BACKGROUND: The Solid Waste Division (Division) of the County's Public Works Department provides solid waste support services for unincorporated eastern Nevada County by administering the refuse collection franchise agreement with Tahoe Truckee Sierra Disposal (TTSD) and overseeing the Hirschdale Landfill post-closure activities. The County is responsible for collecting the residential tax roll revenue and remitting the agreed upon compensation to TTSD. A portion of the parcel charge is retained by the County to cover administrative and post closure costs. The current annual parcel charge (\$311.76 per year) for solid waste services has not been adequate to fully fund solid waste activities within eastern unincorporated Nevada County. The Division budget has been experiencing annual revenue shortfalls and has seen its reserve fund balance decrease from \$250,000 in FY 2014/15 to \$54,000 as of June 30, 2022. The reserve fund balance is projected to continue to decrease by \$20,000 by the end of FY 2022/23 (i.e., June 30, 2023). The current reserve fund balance is

not sufficient for cash-flow purposes, e.g., ongoing administrative costs and extraordinary cost increases, projected expenses such as future contract negotiations and rate studies, and we are currently below our state mandated reserve for post-closure liability for the Hirschdale Landfill.

FINDINGS AND RECOMMENDATIONS

A rate study was completed by the County’s consultant, HF&H Consultants LLC., to determine whether current charges would provide sufficient revenues to fund the County’s solid waste activities. The study found increases in annual revenues were necessary. The study calculated the necessary changes in the annual parcel charges to cover the County and TTSD’s anticipated ongoing operating and capital expenses, and to maintain adequate reserves to withstand unexpected cost increases and future projects.

Table 1: Summarizes the Current and Proposed Change in Parcel Charges.

Fiscal Year	Annual Charge	Change from Prior Year	
		Annually	Monthly
Current	\$311.76		
FY 2023-24 (7/1/2023 - 6/30/2024)	\$333.58	\$21.82	\$1.82
FY 2024-25 (7/1/2024 - 6/30/2025)	\$356.93	\$23.35	\$1.95
FY 2025-26 (7/1/2025 - 6/30/2026)	\$378.35	\$21.42	\$1.78
FY 2026-27 (7/1/2026 - 6/30/2027)	\$401.05	\$22.70	\$1.89
FY 2027-28 (7/1/2027 - 6/30/2028)	\$425.11	\$24.06	\$2.01
7/1/2028 and all future years thereafter	Annual rate to be calculated based on the producer price index for solid waste, published* in February of each year, with 3% minimum and 5% maximum effective July 1 of each year.		

It should be noted that revenue from the annual parcel charges is only used to fund solid waste activities in unincorporated Eastern Nevada County and cannot be used for other County expenses. Any revenue collected which exceeds the actual costs is held within a separate solid waste fund to cover future cost increases.

Item Initiated by: David A. Garcia, Jr., Solid Waste Program Manager
Approved by: Heba El-Guindy, Director of Public Works

Submittal Date: May 18, 2023
Revision Date: May 22, 2023