



NRWS Franchise Extension & Street Sweeping

FEBRUARY 14, 2016



Background

- In 2007, the Town of Paradise approved a comprehensive Franchise Agreement with Northern Recycling and Waste Services (NRWS)
 - Collection Services
 - Solid Waste
 - Vegetative Waste
 - Recycling
 - Other Services
 - Household Hazardous Waste Facility
 - Reuse Center
 - Vegetative Waste Yard



Background

- Current Franchise Agreement expires April 30, 2017
- Current Franchise Agreement has a three-year extension beyond April 2017 if certain conditions of operation are met.
- Current Franchise Agreement allows NRWS to request additional extensions based on performance and services provided
- NRWS is requesting an extension through 2027
 - Provides needed financing authority
 - Aides in decisions for existing and new fleet



Background

- Committee formed consisting of Town staff, NRWS staff and two Town Councilmembers
- Met continuously throughout the last 12 months
- Objectives of the Committee were to consider conditions for granting an extension which provide benefits to NRWS and the Town of Paradise community

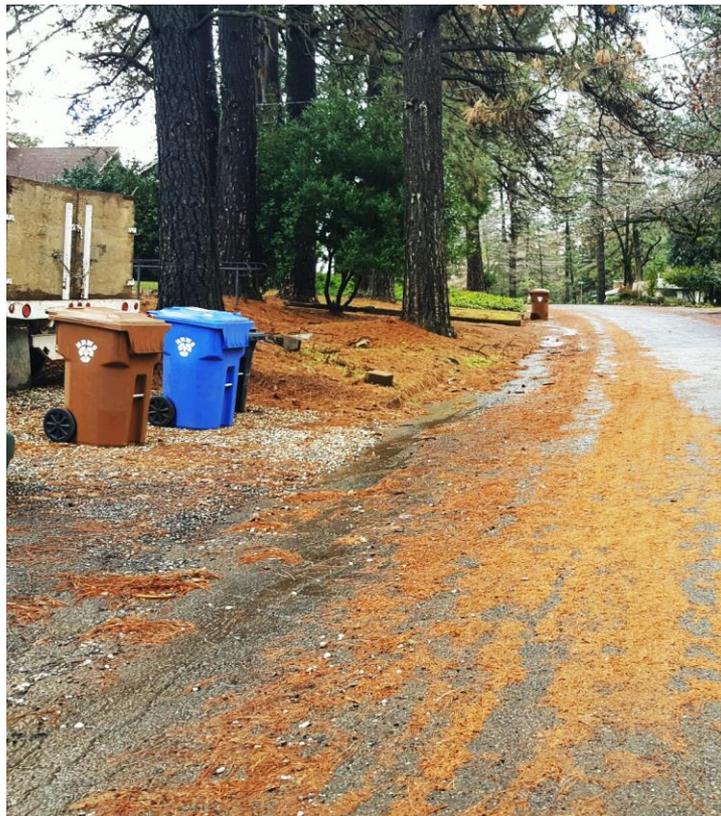


NRWS Performance Review

- NRWS staff has consistently provided a high level of service and recently received a 97% satisfaction rating
- Consistently donates bins at many community events
- Educates the public on tire and oil recycling, hazardous waste disposal, composting, and construction recycling.
- NRWS has received grants on behalf of the Town and has funded the construction and operation of the Household Hazardous Waste Center and Reuse Center
- The Reuse Center is open once a month for the free give away of Hazardous Household Waste products that are new or in high quality condition.



Additional Services



- Committee discussions also centered on a new opportunity for NRWS to serve the community – street sweeping
- Streets and roads are the single most important and expensive asset owned by the public



Additional Services

- The lack of a street sweeping program has a threefold impact:
 - Solid Waste litter remains on streets
 - Vegetative Waste is forced into drainage ditches and inlets, clogging pipes and causing localized flooding
 - Compromised safety for crosswalks, reflective markers, center lines and edge lines





NRWS Sweeping Program



- 1,300 annual miles of street sweeping programmed over 8 months per year
- 80 hours of on-call sweeping or drainage inlet vacuuming



Draft Sweeping Calendar

Month	Schedule A Sweep Arterials & Collectors Only	Schedule B Sweep All Public Roads
January		X
February	X	
March		X
April	X	
May		
June		
July		X
August		
September		
October	X	
November		X
December	X	

Schedule A Sweep
112 Lane Miles
4 days to complete

Schedule B Sweep
211 Lane Miles
9 days to complete

10 days (80 hours) of
on-call sweeping or
drainage inlet cleaning

Public Roads only

*List of roads to be swept for each schedule is included in staff report



Benefits of Sweeping Program

- Removes litter and debris from roads
- Reduces storm hazards and localized flooding
- Keeps road reflective markers visible
- Keeps road center and edge lines visible
- Protects water quality in local streams and creeks



Why NRWS?

- NRWS would already manage the solid and vegetative waste collecting by street sweeping – regardless of who sweeps
- NRWS currently has the business infrastructure to administer a street sweeping contract or implement with own forces
- Keeping the community clean and safe aligns with NRWS' core mission



Sweeping Program Funding

- Both the Town of Paradise and NRWS has explored all options for funding a new street sweeping program
- Town of Paradise
 - General Fund
 - Measure C
 - Gas Taxes
 - Franchise Fees
- NRWS
 - Existing fees
 - New fees



NRWS Cost Considerations

- As these new services cannot be performed under the existing rate structure, NRWS analyzed cost effective options:

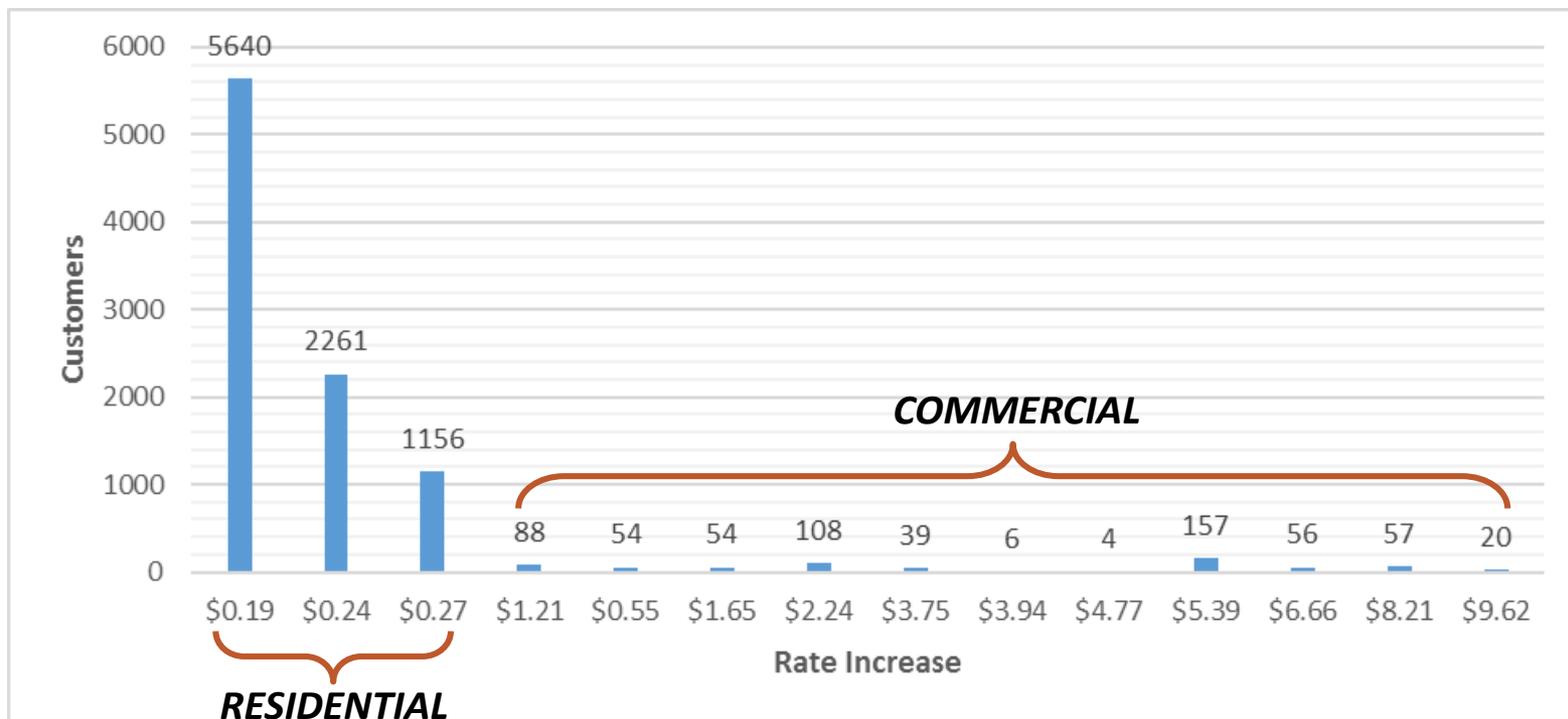
1. Perform services with own forces (at least two sweepers ready to operate, staff and ongoing maintenance) \$81,000 per year

2. Contract directly with regional company, owned locally in Paradise (leverages staff and equipment with company that operates sweepers every day throughout northern California) \$67,000 per year



NRWS Rate Increase Structure

- 100% of rate increase will be attributable to directly providing this new service





NRWS Rate Increase Structure

	Rate Type	Current Rate	Proposed Rate	Percent Increase	Amount Increase
Residential	35 Gallon	\$24.75	\$24.94	0.75%	\$0.19
	65 Gallon	\$32.17	\$32.41	0.75%	\$0.24
	95 Gallon	\$35.88	\$36.15	0.75%	\$0.27
Commercial	35 Gallon	\$24.75	\$25.96	4.89%	\$1.21
	35 Gallon MF	\$11.18	\$11.73	4.89%	\$0.55
	65 Gallon	\$33.78	\$35.43	4.89%	\$1.65
	95 Gallon	\$45.91	\$48.15	4.89%	\$2.24
	(2) 95 Gallon	\$76.73	\$80.48	4.89%	\$3.75
	1 Yard	\$80.67	\$84.61	4.89%	\$3.94
	1.5 Yard	\$97.45	\$102.22	4.89%	\$4.77
	2 Yard	\$110.25	\$115.64	4.89%	\$5.39
	3 Yard	\$136.13	\$142.79	4.89%	\$6.66
	4 Yard	\$167.95	\$176.16	4.89%	\$8.21
6 Yard	\$196.81	\$206.43	4.89%	\$9.62	



Committee Recommendation

- Following consideration of all information, the NRWS-TOP Committee unanimously agreed to move this extension and street sweeping option for Council consideration





Council Action Requested

Authorize Northern Recycling and Waste Services (NRWS) to mail a Proposition 218 Notice to all property owners and ratepayers relating to the following:

- Extend the existing Franchise Agreement between the Town of Paradise and NRWS for ten years effective May 1, 2017 through April 30, 2027, adding a small charge for street sweeping services



What is Proposition 218?

- Relating to property-related services provided by the Town or subsequent franchisee, substantial changes must be approved by the voters through a public notice, public hearing and written protest voting process.
- Town Attorney has determined that a 218 Notice, Hearing and Protest Vote is required for:
 - 10 year franchise extension
 - Fee increase for new street sweeping program



What is Next (If Approved)

- NRWS will send out a mailer to all customers (separate from regular billing) this week
- Contents of mailer will include the following:
 - Notice of Public Hearing (2 pages)
 - Protest Ballot (1 page)
 - Informational Flyer (1 Page)



Notice of Public Hearing

The franchise agreement has been in effect since January 18, 2007. As proposed, the current franchise agreement would be extended until April 30, 2027. The existing basic terms of the proposed extension would not change except as follows:

Addition of street sweeping program by NRWS which would include 1,300 annual sweeping miles for Town public roadways and 80 hours of on-call sweeping and/or drainage inlet vacuuming.

**TOWN OF PARADISE
NOTICE OF PUBLIC HEARING CONCERNING AN EXTENSION OF THE
NORTHERN RECYCLING AND WASTE SERVICE FRANCHISE AGREEMENT**
February 17, 2017

On April 11, 2017, at 6:00 p.m., or as soon thereafter as possible, the Town Council of the Town of Paradise will hold a public hearing at 5555 Skyway, Paradise, California, to consider extending the solid waste, recyclable materials and yard waste collection processing and disposal services Franchise Agreement between the Town and Northern Recycling and Waste Service (NRWS) and the Town of Paradise (TOWN).

The franchise agreement has been in effect since January 18, 2007. As proposed, the current franchise agreement would be extended until April 30, 2027. The existing basic terms of the proposed extension would not change except as follows:

1. Addition of street sweeping program by NRWS which would include 1,300 annual sweeping miles for Town public roadways and 80 hours of on-call sweeping and/or drainage inlet vacuuming.

All proposed fees for collection and disposal of waste are correlated with the sizes of collection containers and cost to provide the street sweeping program. Collection fees charged for services would be subject to increasing annually based on pass through increases in either the Consumer Price Index for ALL ITEMS FOR ALL URBAN CONSUMERS WEST URBAN AREA or the fees charged by Butte County for its gate rate at its disposal site (Pass Through Adjustments) as part of the extension of the Franchise Agreement. In no event shall the Pass Through Adjustments exceed 5% per annum.

NRWS CURRENT AND PROPOSED FEES

Rate Type	Current Monthly Rate	Proposed Monthly Rate	Percent Increase	Amount Increase	Customers Affected	
Residential	35 Gallon	\$24.75	\$24.94	0.75%	\$0.19	5,640
	65 Gallon	\$32.17	\$32.41	0.75%	\$0.24	2,261
	95 Gallon	\$35.88	\$36.15	0.75%	\$0.27	1,156
Commercial	35 Gallon	\$24.75	\$25.96	4.89%	\$1.21	88
	35 Gallon Mfr	\$11.19	\$11.73	4.89%	\$0.55	24
	65 Gallon	\$33.70	\$35.43	4.89%	\$1.65	54
	95 Gallon	\$45.91	\$48.15	4.89%	\$2.24	108
	(2) 95 Gallon	\$76.73	\$80.48	4.89%	\$3.75	39
	1 Yard	\$80.67	\$84.61	4.89%	\$3.94	6
1.5 Yard	\$97.45	\$102.22	4.89%	\$4.77	4	
2 Yard	\$110.25	\$115.64	4.89%	\$5.39	157	
3 Yard	\$136.13	\$142.79	4.89%	\$6.66	56	
4 Yard	\$167.95	\$176.16	4.89%	\$8.21	57	
6 Yard	\$196.61	\$206.43	4.89%	\$9.62	20	

After written protests against NRWS for solid waste services, the franchise agreement with NRWS, the Town will not approve any services, that tenant who is directly affected by the proposed extension of the franchise agreement, that tenant may also protest be accepted for each

Before the conclusion of the public hearing, written protests and fax transmittals will not be accepted. The property owner or tenant must identify the property owner or tenant in protest of the proposed extension of the franchise agreement.

Written protests must be submitted and heard and oral comments at the public hearing. Oral comments at the public hearing will be considered. At the public hearing, the Town will determine whether to adopt the proposed extension of the franchise agreement.

If, after the close of the public hearing, written protests against the proposed extension of the Franchise Agreement as outlined above are not presented by a majority of the record owners or tenant customers of record of the identified parcels, the Town Council will consider whether to approve the extension of the Franchise Agreement, including the Pass Through Adjustments and increases associated with street sweeping services by NRWS.

If you have any questions regarding the information provided in this notice, or the rate applicable to your property, please contact Northern Recycling & Waste Services at (530) 876-3340.



Protest Ballot

I do hereby protest the proposed ten-year extension of the Franchise Agreement between the Town of Paradise and Northern Recycling and Waste Services for solid waste collection in the Town of Paradise, with additional charges for proposed street sweeping by Northern Recycling and Waste Services.

Property Owner: _____

Address: _____, Paradise, CA

Assessor's
Parcel Number _____

Signature:



Protest Ballot

- One vote per property
- Ballot must be delivered by U.S. mail or hand to the Town Clerk before the close of the Town Council public hearing on April 11, 2017 relating to the proposed extension of the franchise agreement and the proposed increases in charges for solid waste collection services.

Information Flyer

NRWS Street Sweeping Program

- Currently no street sweeping program in Paradise exists
- Program will sweep 1,300 public road miles annually
- Street sweeping removes litter and debris from roads
- Street sweeping reduces storm hazards and flooding
- Street sweeping keeps road reflective markers visible
- Street sweeping keeps road center and edge lines visible
- Street sweeping protects water quality in local creeks

Why is NRWS Considering Street Sweeping?

- NRWS already manages solid waste and vegetative waste
- Street sweeping aligns with NRWS' core mission of keeping the community clean and safe

What will this new service cost individual ratepayers?

- Rate increases vary by the size of your collection container
- Residential average increase is \$0.21/month (see attached)
- Commercial average increase is \$3.94/month (see attached)
- 100% of cost increase goes to new street sweeping service

What are the next steps before this program is considered?

- If you agree with this new service and fee, no action is required
- If you would like to protest this new service and fee, please complete a written protest ballot (see attached) and submit to the Town of Paradise
 - All written protests must be received by the Town Clerk before 6:00 PM on April 11, 2017

Who can I contact with questions about this program?

- Questions may be directed to the Town of Paradise at 872-6291 ext. 125 or mmatttox@townofparadise.com





Public Hearing

- April 11, 2017 at 6:00 PM (Regular Council Meeting)
- Receive public comments
- Tabulate written protests
- If protests are received from 50% + 1 properties, the extension and street sweeping will not be approved
 - In this scenario, a second Prop 218 process may be required to only consider the extension
- If less than 50% protests are received, the extension and street sweeping will be approved and effective immediately.



Closing

- Street sweeping improves safety by reducing localized flooding during storm events
- Street sweeping improves safety by ensuring crosswalks, center and edge lines remain visible to motorists
- NRWS is willing to take on this service
- This proposal to move forward with a 218 Rate Increase through NRWS was not taken lightly and only concluded after every other funding option was exhausted



Council Action Requested

Authorize Northern Recycling and Waste Services (NRWS) to mail a Proposition 218 Notice to all property owners and ratepayers relating to the following:

- Extend the existing Franchise Agreement between the Town of Paradise and NRWS for ten years effective May 1, 2017 through April 30, 2027, adding a small charge for street sweeping services

Allow property owners / rate payers the opportunity to decide if a street sweeping program in Paradise is a value for an average cost of \$0.21 residential or \$3.94 commercial per month