

VENTURA REGIONAL SANITATION DISTRICT

1001 PARTRIDGE DRIVE, SUITE 150 ■ VENTURA, CA 93003-0704



December 29, 2010

Board of Directors
Ventura Regional Sanitation District
Ventura, California

PROPOSED ADJUSTMENT OF BIOSOLIDS FEE

Contracts between the Ventura Regional Sanitation District (VRSD) and the Cities of Thousand Oaks, Oxnard, Ventura, Santa Paula, and Fillmore provide for transportation, treatment, and disposition of Biosolids at the Ventura Regional Sanitation District's (VRSD) Biosolids Drying Facility and landfill. The initial fee established was \$52 per ton for Thousand Oaks and Oxnard, and \$51 per ton for Ventura, and Fillmore. Last year the VRSD Board approved a 3.5% programmed fee increase. Consistent with the Biosolids Drying Facility pro-forma and as provided in section 5(a) of the Agreements, VRSD staff will be recommending a fee increase of three and one-half percent (3.5%) to all five contracts at your regularly scheduled February 17, 2011 Board meeting. This will bring the rate to \$55.70 for Thousand Oaks and Oxnard, and \$54.64 for Ventura, Santa Paula, and Fillmore. As specified by the Contract, the Cities will be notified by letter at least 30 days prior to the proposed meeting. Your Board will consider taking action at your February 17, 2011 meeting as to whether the Biosolids fees should be adjusted.

The Contracts outline the process for "Adjustment of Biosolids Fee", section 5(b), summarized below.

VRSD will provide written notice to customers at least 30 days prior to Board action to increase the fee, effective July 1. The contract requirement states that action must occur four months prior to the July 1 effective date based on the following elements:

1. An annual increase, if any, not to exceed three and one-half percent (3.5%);
2. Any increase in the actual cost to District of providing the services under this Agreement, caused by: (a) any new regulatory fee or tax or additional fees imposed by other governmental agencies after the date of this Agreement, (b) any new or revised statutory or regulatory requirement, modified or

adjusted permit conditions, or administrative action, judicial actions or judgment, imposed after the date of this Agreement, including, but not limited, to costs for additional technical or environmental studies, associated attorney and consultant fees, costs of new mitigation and/or monitoring requirements, and costs of new operational requirements, and/or (c) costs of new capital improvement requirements. Notwithstanding any provision of this paragraph, there shall be no Biosolids Fee increase for costs incurred as a result of violations of law or regulations arising from District's negligence in the operation of the Facility; and


3. Any adjustment required to reflect the then current actual cost of hauling services as described above in Section 5(a).

Staff will be recommending a 3.5% increase to fees, as provided for in the Biosolids Drying Facility pro-forma, and allowed in element 1 above. Staff will be presenting an updated pro-forma at the February 17, 2011 meeting that will reflect additional activities on the Biosolids project and associated costs.

If you have any questions, please call me at 658-4600.

MARK LAWLER – GENERAL MANAGER

APPROVED FOR JANUARY 6, 2011 AGENDA



Mark Lawler – General Manager

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