


Agenda Report Reviewed by:
City Manager: 

CITY OF SEBASTOPOL
CITY COUNCIL
AGENDA ITEM

Meeting Date: June 21, 2022
To: Honorable Mayor and Honorable City Councilmembers
From: Toni Bertolero, Consultant, GHD
Subject: Sebastopol Solid Waste Collection Services Annual Rate Adjustment and possible Franchise Agreement Revisions by Recology Sonoma Marin
Recommendation: Review and Approval of the Sebastopol Solid Waste Collection Services Annual Rate Adjustments by Recology Sonoma Marin
Funding: Currently Budgeted: Yes No N/A
Net General Fund Cost: \$ none

Account Code/Costs authorized in City Approved Budget (if applicable) AK verified by Administrative Services Department

INTRODUCTION/PURPOSE:

This item is to request the Council approve the Sebastopol Solid Waste Collection Services Annual Rate Adjustment by the City’s Franchise Solid Waste Collector/Hauler, Recology Sonoma Marin (“Recology”). Annual rate adjustments are permitted upon City review and approval as per the provisions of the Franchise Agreement between the City and Recology.

A representative from Recology will be making a short presentation to Council regarding the proposed rates.

BACKGROUND:

On December 16, 2008 the Council adopted Resolution 5723 and entered into a Franchise Agreement (Agreement) with a local solid waste collection and hauling firm, Redwood Empire Disposal, also known as “The Ratto Group”. The Agreement covered solid waste, recyclable and compostable materials collection and street sweeping services. Subsequently, on September 19, 2017, the Council approved the assignment of the Agreement from Redwood Empire Disposal to Recology. The original Franchise Agreement was effective January 1, 2009 and is set to end by December 31, 2023.

On June 15, 2021 Council approved an Annual Rate Adjustment schedule effective July 1, 2021 for services provided by Recology.

On November 16, 2021, Council approved an Annual Rate Adjustment schedule effective July 1, 2022 for services provided by Recology pertaining to SB 1383 regulations.

The City received a letter from Recology dated April 1, 2022 (and updated on May 16, 2022) requesting an annual rate adjustment effective July 1, 2022. A copy of the letter is attached. The proposed rates incorporate the Council-approved increases pertaining to the SB 1383 regulations.

DISCUSSION:

Franchise Agreement Section 7.3 is titled “Adjustments to Maximum Collection Service Rates” which describes the fee elements and rate adjustment methodologies. In simple form, a “Refuse Rate Index”, or RRI, is calculated and applied to several service components, such as Single-Family Dwelling, Multi Family Dwelling, or Commercial Collection service rates (typically per bin or level of service per month) based on several factors affecting costs such as fuel rates or landfill tip fees, for example.

The Franchise holder is required to apply to the City for potential rate adjustments based on complex formulas described in the Agreement, which must be timed to allow changes to be effective July 1 of a given year. Recology submitted their new proposed rate sheets and supporting calculations on their letter dated April 1, 2022 (proposed annual rate adjustments included in letter, attached).

For July 1, 2022, the 32-gallon Residential cart rate will increase by 12.4% or \$2.93, and the 4 Yard Commercial bin will increase by 12.8% or \$68.37. Rates will increase by 12.8% on average based on the following changes by rate component:

1. Disposal Component - 3.65% applied only to the Disposal Component of each rate. a. Includes adjustment for the movement of the \$4.21 Gate Rate fee from the Disposal Component to the Collection Component (see the Rate Example attached for more detail).
2. Organics Processing - 5.40% applied only to the Organics Component of each rate.
3. RRI/Collection Component - 9.65% applied only to the Collection Component of each rate.
4. SB 1383 Related - 6.30% applied to the total rate including all components.

A summary listing of the proposed rates as compared with current rates is shown in the table below.

<i>Single Family Residential</i>	Current Rates	New Rates 7/1/2022	<i>Multi-Family & Commercial</i>	Current Rates	New Rates 7/1/2022
20 gallon	\$13.59	\$15.26	1.5 CY-1x/week	\$281.08	\$319.68
32 gallon	\$23.72	\$26.65	2 CY-1x/week	\$335.47	\$380.60
64 gallon	\$43.16	\$48.58	3 CY-1x/week	\$468.60	\$530.79
96 gallon	\$72.06	\$81.10	4 CY-1x/week	\$533.82	\$602.21
Rates not currently listed will increase by 13%			6 CY-1x/week	\$664.49	\$745.19

The largest and notable rate increase comes from the Organics Processing Increase Component, which passes through fees from the County level, which range from 8.79 – 10.03%. However, due to reduction in City organics volumes and other factors, the rate increase that will effectively be applied to residential rates will be at 2.52%. There are newly developed rates for additional services based on customer needs and those are shown in the attached letter from Recology.

PUBLIC COMMENT:

As of the writing of this staff report, the City has not received any public comment. However, staff anticipates receiving public comment from interested parties following the publication and distribution of this staff report. Such comments will be provided to the City Council as supplemental materials before or at the meeting. In addition, public comments may be offered during the public hearing.

PUBLIC NOTICE:

This item was noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to schedule meeting date. In addition, a Legal Notice was published on June 10, 2022 as required regarding the public hearing date, time and a brief description of the proposed rates.

FISCAL IMPACT:

None to City finances. The rate adjustments apply to residential and commercial customers.

RECOMMENDATION:

It is recommended that Council approve the Sebastopol Solid Waste Collection Services Annual Rate Adjustments by the City's Franchise Solid Waste Collector/Hauler, Recology Sonoma Marin.

ATTACHMENT:

Letter from Recology Sonoma Marin dated April 1, 2022 and Updated May 16, 2022



April 1, 2022
Updated May 16, 2022

Larry McLaughlin
City Manager
City of Sebastopol
7120 Bodega Avenue
Sebastopol, CA 95472

Dear Larry,

Per Section 7.3 of the franchise agreement and Section 10 of the First Amendment, please find attached the proposed adjustments to Recology Sonoma Marin (RSM) service rates using the refuse rate index (RRI) for rates effective July 1, 2022 through June 30, 2023, as well as the supporting information.

For July 1, 2022, the 32G Residential cart rate in Sebastopol will increase by 12.4% or \$2.93, and the 4 Yard Commercial bin will increase by 12.8% or \$68.37. Rates will increase by 12.8% on average based on the following changes by rate component.

1. Disposal Component - 3.65% - Applied only to the Disposal Component of each rate.
 - a. Includes adjustment for the movement of the \$4.21 Gate Rate fee from the Disposal Component to the Collection Component (see the Rate Example attached for more detail).
2. Organics Processing - 5.40% - Applied only to the Organics Component of each rate.
3. RRI/Collection Component - 9.65% - Applied only to the Collection Component of each rate.
4. SB1383 Related - 6.30% - Applied to the total rate including all components.

Following this letter is the rate application documentation including component increase calculations, a complete rate table, a chart comparing the new Sebastopol rates with surrounding areas, and an example of the calculation of the 32G Residential container, which shows how the SB1383 Related Increase (First Amendment – Section 10 – Step 3) and the move of Gate Rate (First Amendment – Section 10 – Steps 1 and 4) are incorporated. Attached in a separate document are the Recology Sebastopol Audited Financial Statements for FY2021.

Please contact me or Nikki Burke at 707-480-9384 or nburke@recology.com if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Fred Stemmler'.

Fred Stemmler
General Manager
Recology Sonoma Marin

cc: Nikki Burke
Celia Furber
Toni Bertolero

Recology Sonoma Marin
Sebastopol Rate Application - Summary Page
Rates Effective 7/1/2022

Summary Table for Key Rates - Effective July 1, 2022 - June 30, 2023*

Single Family Residential Cart Collection - Monthly Rate	7/1/2021	Rates Effective 7/1/2022	
	Rates	Rates	Increase
20 Gal	\$ 13.59	\$ 15.26	12.3%
32 Gal	23.72	26.65	12.4%
64 Gal	43.16	48.58	12.6%
96 Gal	72.06	81.10	12.5%

Multi-Family and Commercial Collection - Monthly Rate

1.5-CY Bin - 1x/week	\$ 281.08	\$ 319.68	13.7%
2-CY Bin - 1x/week	335.47	380.60	13.5%
3-CY Bin - 1x/week	468.60	530.79	13.3%
4-CY Bin - 1x/week	533.82	602.21	12.8%
6-CY Bin - 1x/week	664.49	745.19	12.1%

The new rates are calculated based on the methodology laid out in the franchise agreement plus the SB1383 increase approved by the City Council on 11/16/2021.

1. Disposal Component Increase - Impacts Disposal Component Only

	4/1/2021	4/1/2022	Increase	
			\$	%
Tip Fee	\$ 147.08	\$ 148.24	\$ 1.16	0.79%
		Plus: Gate Rate 4.21	4.21	2.86%
Adjusted 4/1/2022	\$ 152.45		\$ 5.37	3.65%

2. Organics Processing Increase Component - Impacts Organics Component Only

	4/1/2021	4/1/2022	Increase	
			\$	%
Organics Fee	\$ 96.43	\$ 101.64	\$ 5.21	5.40%

3. Collection Component Increase - Impacts Collection Component Only

Cost Category	FY2022 RSM Op. Expenses**	Expense % Weight	Index % Change for Annual 2021 / Annual 2020	Contract Limit	Weighted Percentage
Labor	\$774,344	51.97%	3.74%		1.94%
Fuel	105,582	7.09%	79.82%		5.66%
Vehicle Replacement	128,073	8.60%	5.37%		0.46%
Vehicle Maintenance	96,057	6.45%	10.55%		0.68%
All Other	385,902	25.90%	4.70%	75.00%	0.91%
Total Collection Component Increase					9.65%

4. SB1383 Increase - Impacts all Rate Components

SB1383 Additional Increase to Total Rates 6.30%

* Rates not currently listed on the table will increase by average overall rate increase of 12.8%. See Detailed Rate View for more rates.

** Based on RSM Audited Financial Statements.

Recology Sonoma Marin
Sebastopol Rate Application - Refuse Rate Index Calculation
Rates Effective 7/1/2022

Labor Index													
Series ID: cis201s00000000i Service Producing Industries													
	Q1	Q2	Q3	Q4	Annual Average								
2020	140.0000	140.7000	141.5000	142.5000	141.1750								
2021	144.2000	145.2000	147.4000	149.0000	146.4500								
	Percentage change		3.74%	Weight	51.97%	Weighted percentage			1.94%				
Fuel													
Series ID: wpu057303; Commodity Code 0573-03 #2 Diesel Fuel													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
2020	214.5000	193.3000	169.7000	123.6000	108.3000	137.8000	179.2000	191.0000	177.5000	187.3000	201.1000	224.6000	175.6583
2021	232.9000	264.4000	304.1000	282.0000	318.8000	317.8000	326.9660	322.2790	334.1750	374.1070	366.7310	346.2340	315.8743
	Percentage change		79.82%	Weight	7.09%	Weighted percentage			5.66%				
Vehicle Replacement													
BLS Series ID: pcu336211336211 Truck, bus, car and other vehicle bodies, for sale separately.													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
2020	258.4000	258.5000	258.8000	258.8000	259.5000	259.5000	260.5000	260.9000	262.8000	262.9000	263.0000	263.8000	260.6167
2021	264.6000	266.8000	267.2000	267.9000	269.1000	272.3000	276.4560	279.1910	280.5930	283.3440	283.5910	284.4100	274.6238
	Percentage change		5.37%	Weight	8.60%	Weighted percentage			0.46%				
Vehicle Maintenance													
BLS Series ID: pcu3339243339243 Parts and attachments for Industrial work trucks													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
2020	275.3000	277.2000	277.7000	277.0000	275.0000	275.0000	275.0000	275.0000	276.8000	277.3000	277.3000	277.7000	276.3583
2021	278.8000	279.3000	280.2000	284.8000	294.7000	314.8000	318.3590	318.3590	318.8630	324.4250	324.7570	328.8940	305.5214
	Percentage change		10.55%	Weight	6.45%	Weighted percentage			0.68%				
All Other													
Series ID: CUUR0000SA0 seventy five percent (75%) of Consumer Price Index, All Urban Consumers, All Items													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Avg.
2020	257.9710	258.6780	258.1150	256.3890	256.3940	257.7970	259.1010	259.9180	260.2800	260.3880	260.2290	260.4740	258.8112
2021	261.5820	263.0140	264.8770	267.0540	269.1950	271.6960	273.0030	273.5670	274.3100	276.5890	277.9480	278.8020	270.9698
	Percentage change		4.70%	75% of change--Contract Limit		3.53%	Weight	25.90%	Weighted percentage			0.91%	

Weighted Percentage Increase	9.65%
Section 7.3.2 Negative RRI Carryover from prior year	0.00%
Total Weighted Percentage Increase	9.65%

32G Example Rate Calculation

There are two extraordinary items to be included in the 7/1/2022 rates. First, the \$4.21 gate rate is being removed from the tip fee, but as approved in the SB1383 Amendment, will continue to be included in the franchise rate to continue to fund current (pre-SB1383) food waste programs. Second, the increase to cover new programs to comply with expanded food waste collection as required by SB1383. To include these extraordinary items, some additional steps must be taken in calculating the rates for 7/1/2022.

First, rates must be calculated as if the tip fee still includes the \$4.21 gate rate. (Steps 1 & 2)

Then, the resulting rates must be increased by the SB1383 increase to determine the final 7/1/2022 rates. (Step 3)

Lastly, rate components must be recalculated using the now current tip fee (excluding the \$4.21 gate rate) with any increase not accounted for by the Disposal, Organics, Utility Tax and Franchise fee components being allocated to the Collection component. (Steps 4 & 5)

This will establish all components as the basis for future rate calculation with no further extraordinary measures required for the gate rate removal or SB1383 increase going forward.

Step 1: Increase Disposal Tipping Fee by Gate Rate of \$4.21

4/1/2022 Disposal Tipping Fee	\$	148.24
Food Waste Gate Rate		4.21
Adjusted 4/1/2022 Disposal Tipping Fee	\$	152.45

Step 2: Calculate Rate with Disposal Tipping Fee from Step 1

<i>Disposal Component</i>	<i>(Adjusted 4/1/2022 Disposal Tipping Fee)</i>	x	<i>Material Generation Factor</i>	=	<i>Initial 2022 Disposal Component</i>
	\$ 152.45	x	0.0290	=	\$ 4.42
<i>Organic Processing Component</i>	<i>2021 Organic Processing Component</i>		<i>(1 + Organic Processing Fee Increase)</i>	=	<i>2022 Organic Processing Component</i>
	\$ 3.25		105.40%	=	\$ 3.43
<i>Collection Component</i>	<i>2021 Collection Component</i>	x	<i>(1 + RRI)</i>	=	<i>Initial 2022 Collection Component</i>
	\$ 12.67	x	109.65%	=	\$ 13.89
<i>Utility User Tax Component</i>	<i>Initial Disposal + Organic Processing + Collection Components</i>	x	<i>Utility User Tax Rate</i>	=	<i>Utility Users' Tax Component</i>
	\$ 21.74	x	3.75%	=	\$ 0.82
<i>Franchise Fee Component</i>	<i>(Initial Disposal + Organic Processing + Collection + Utility User Tax Components</i>	/	<i>(1 - Franchise Fee Rate))</i>	-	<i>Franchise Fee Component</i>
	(\$ 22.56 /		90.00%)	-	\$ 2.51
Total Rate Before SB1383					\$ 25.07

Step 3: Increase Rate by SB1383 Increase

Total Rate Before SB1383	\$	25.07
SB1383 Required Increase		1.58
Total 2022 Rate	\$	26.65

32G Example Rate Calculation

Step 4: Calculate Disposal Component using Disposal Tipping fee without the Gate Rate included.

<i>Disposal Component</i>	<i>(4/1/2022 Disposal Tipping Fee)</i>	<i>x</i>	<i>Material Generation Factor</i>	<i>=</i>	<i>2022 Disposal Component</i>
	\$ 148.24	x	0.0290	=	\$ 4.30

Step 5: Reallocate Rate Components

Total 2022 Rate	\$ 26.65
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<i>Remove Franchise Fee</i>	<i>Total 2022 Rate</i>	<i>x</i>	<i>(1 - Franchise Fee Rate)</i>	<i>=</i>	<i>2022 Rate without Franchise Fees</i>
	\$ 26.65	x	0.9	=	\$ 23.99

<i>Remove Utility Users' Tax</i>	<i>2022 Rate without Franchise Fees</i>	<i>/</i>	<i>(1 + Utility Users' Tax Rate)</i>	<i>=</i>	<i>2022 Rate without Franchise Fees or UUT</i>
	\$ 23.99	/	103.75%	=	\$ 23.12

<i>Calculate 2022 Collection Component</i>	<i>2022 Rate without Franchise Fees or UUT</i>	<i>-</i>	<i>2022 Disposal Component</i>	<i>-</i>	<i>2022 Organic Processing Component</i>	<i>=</i>	<i>2022 Collection Component</i>
	\$ 23.12	-	\$ 4.30	-	\$ 3.43	=	\$ 15.39

Total 2022 32 Gallon Residential	
Disposal Component	\$ 4.30
Organics Processing Component	3.43
Collection Component	15.39
Utility Users' Tax Component	0.87
Franchise Fee Component	2.67
Total 2022 32 Gallon Residential Rate	\$ 26.65

Rate Component Changes:		
	\$	Increase
Collection Component - RRI		9.65%
2022 Disposal Tip Fee	\$ 148.24	0.79%
Food Waste Gate Rate	\$ 4.21	2.86%
2022 Organic Processing Fee	\$ 101.64	5.40%
SB1383 Required Increase		6.30%

Sebastopol Rate Application - Rate Table

Rates Effective 7/1/2022

Sebastopol Refuse Rate Index Calculation - Including Gate Rate Component & SB1383

7/1/2021 Monthly Rate	Residential Disposal Generation Factor	Solid Waste Disposal Component Excl. Gate Ra	Organics ** Processing Fee Increase Component	Collection Component Incl. SB1383 & Gate Rate	Utility Users' Tax Component	Franchise Fee Component	7/1/2022 Monthly Rate Incl. SB1383
		\$148.24	5.40%	9.65%	3.75%	10.00%	
Residential							
20 G Can 1X Week	\$ 13.59	0.018	\$ 2.59	1.97	\$ 8.67	\$ 0.50	\$ 15.26
32 G Can 1X Week	23.72	0.029	4.30	3.43	15.39	0.87	26.65
64 G Can 1X Week	43.16	0.042	6.23	6.27	29.64	1.58	48.58
96 G Can 1X Week	72.06	0.074	10.97	10.45	48.93	2.64	81.10
2 - 32 G Can 1X Week	47.46	0.058	8.60	6.87	30.78	1.73	53.31
3 - 32 G Can 1X Week	71.13	0.087	12.90	10.30	46.13	2.60	79.92
4 - 32 G Can 1X Week	94.86	0.116	17.20	13.73	61.49	3.47	106.54
5 - 32 G Can 1X Week	118.57	0.145	21.49	17.16	76.90	4.33	133.20
64 G Can 1X Week	43.16	0.042	6.23	6.27	29.64	1.58	48.58
2 - 64 G Can 1X Week	86.31	0.084	12.45	12.52	59.32	3.16	97.17
3 - 64 G Can 1X Week	129.46	0.126	18.68	18.78	88.97	4.74	145.74
2 - 96 G Can 1X Week	144.13	0.148	21.94	20.90	97.84	5.28	162.18
Commercial							
1.5 YD 1X Week	\$ 281.08	*	\$ 96.36		\$ 180.95	\$ 10.40	\$ 319.68
1.5 YD 2X Week	495.54	*	192.72		294.88	18.28	562.09
1.5 YD 3X Week	715.04	*	289.08		413.82	26.36	810.29
1.5 YD 4X Week	961.13	*	385.44		559.56	35.44	1,089.38
1.5 YD 5X Week	1,207.86	*	481.80		705.95	44.54	1,369.21
2 YD 1X Week	335.47	*	128.74		201.42	12.38	380.60
2 YD 2X Week	591.53	*	257.48		322.94	21.77	669.10
2 YD 3X Week	856.99	*	386.22		453.89	31.50	968.46
2 YD 4X Week	1,231.58	*	514.96		694.67	45.36	1,394.43
2 YD 5X Week	1,530.66	*	643.70		859.47	56.37	1,732.82
3 YD 1X Week	468.60	*	192.71		267.73	17.27	530.79
3 YD 2X Week	829.47	*	385.42		427.08	30.47	936.63
3 YD 3X Week	1,188.23	*	578.13		584.29	43.59	1,340.01
3 YD 4X Week	1,548.06	*	770.84		742.55	56.75	1,744.60
3 YD 5X Week	1,910.00	*	963.55		902.95	69.99	2,151.66
3 YD 6X Week	2,275.03	*	1,156.26		1,066.48	83.35	2,562.32
4 YD 1X Week	533.82	*	256.68		265.72	19.59	602.21
4 YD 2X Week	1,029.54	*	513.36		493.10	37.74	1,160.22
4 YD 3X Week	1,479.97	*	770.04		674.87	54.18	1,665.66
4 YD 4X Week	1,930.30	*	1,026.72		856.58	70.62	2,171.02
4 YD 5X Week	2,313.52	*	1,283.40		970.70	84.53	2,598.48
4 YD 6X Week	2,750.04	*	1,540.08		1,138.49	100.45	3,087.80
6 YD 1X Week	664.49	*	385.42		261.01	24.24	745.19
6 YD 2X Week	1,250.37	*	770.84		442.93	45.52	1,399.21
6 YD 3X Week	1,841.94	*	1,156.26		630.56	67.01	2,059.81
6 YD 4X Week	2,433.20	*	1,541.68		817.89	88.48	2,720.06
6 YD 5X Week	3,026.84	*	1,927.10		1,007.61	110.05	3,383.07

Sebastopol Rate Application - Rate Table

Rates Effective 7/1/2022

Sebastopol Refuse Rate Index Calculation - Including Gate Rate Component & SB1383

7/1/2021 Monthly Rate	Residential Disposal Generation Factor	Solid Waste Disposal Component Excl. Gate Ra	Organics ** Processing Fee Increase Component	Collection Component Incl. SB1383 & Gate Rate	Utility Users' Tax Component	Franchise Fee Component	7/1/2022 Monthly Rate Incl. SB1383
		\$148.24	5.40%	9.65%	3.75%	10.00%	

Commercial (continued)

20 G Can 1X Week	23.02	0.04	5.56	17.28	0.86	2.63	26.33
32 G Can 1X Week	36.82	0.06	8.89	27.66	1.37	4.21	42.13
64 G Can 1X Week	50.14	0.13	19.27	30.08	1.85	5.69	56.89
64 G Can 2X Week	100.29	0.26	38.54	60.16	3.70	11.38	113.78
96 G Can 1X Week	73.26	0.19	28.17	43.94	2.70	8.31	83.12
2 - 2 YD 1X Week	670.94	*	257.48	402.84	24.76	76.12	761.20
2 - 3 YD 1X Week	937.22	*	385.42	535.52	34.54	106.16	1,061.64
2 - 3 YD 2X Week	1,658.97	*	770.84	854.17	60.94	187.33	1,873.28
2 - 4 YD 1X Week	1,067.63	*	513.36	531.43	39.18	120.44	1,204.41
2 - 4 YD 2X Week	2,059.08	*	1,026.72	986.18	75.48	232.04	2,320.42
2 - 4 YD 3X Week	2,959.94	*	1,540.08	1,349.77	108.37	333.14	3,331.35
2 - 4 YD 4X Week	3,857.21	*	2,053.44	1,709.72	141.12	433.81	4,338.09
2 - 1.5 YD 1X Week	562.19	*	192.72	361.92	20.80	63.94	639.38
3 - 2 YD 1X Week	1,006.38	*	386.22	604.24	37.14	114.18	1,141.78
3 - 3 YD 1X Week	1,405.84	*	578.13	803.30	51.80	159.25	1,592.48
3 - 4 YD 2X Week	3,202.92	*	1,540.08	1,594.30	117.54	361.32	3,613.24
4 - 2 YD 1X Week	1,343.53	*	514.96	807.35	49.59	152.43	1,524.33
4 - 3 YD 1X Week	1,874.39	*	770.84	1,071.01	69.07	212.32	2,123.24
5 - 3 YD 1X Week	2,343.02	*	963.55	1,338.78	86.34	265.41	2,654.08
2 - 32 G 1X Week	73.58	*	17.78	55.27	2.74	8.42	84.21
2 - 64 G 1X Week	100.26	*	38.54	60.13	3.70	11.38	113.75
2 - 96 G 1X Week	125.69	*	56.34	66.89	4.62	14.21	142.06
3 - 32 G Can 1X Week	110.40	*	26.67	82.93	4.11	12.63	126.34
3 - 96 G Can 1X Week	188.60	*	84.51	100.40	6.93	21.32	213.16
4 - 32 G Can 1X Week	147.18	*	35.56	110.54	5.48	16.84	168.42
4 - 64 G Can 1X Week	200.53	*	77.08	120.28	7.40	22.75	227.51
4 - 96 G Can 1X Week	251.43	*	112.68	133.84	9.24	28.42	284.18
4 - 96 G Can 2X Week	502.83	*	225.36	267.66	18.49	56.83	568.34
5 - 96 G Can 1X Week	314.29	*	140.85	167.31	11.56	35.52	355.24
7 - 32 G Can 1X Week	257.59	*	62.23	193.46	9.59	29.48	294.76
8 - 32 G Can 1X Week	294.39	*	71.12	221.11	10.96	33.69	336.88
9 - 96 G Can 1X Week	565.71	*	253.53	301.14	20.80	63.94	639.41
2 YD Compactor 1X Week	629.04	*	385.41	225.35	22.90	70.41	704.07
2 YD Compactor 2X Week	1,258.11	*	770.82	450.72	45.81	140.82	1,408.17
3 YD Compactor 2X Week	1,638.82	*	1,156.26	426.13	59.34	182.41	1,824.14

Sebastopol Rate Application - Rate Table

Rates Effective 7/1/2022

Sebastopol Refuse Rate Index Calculation - Including Gate Rate Component & SB1383

7/1/2021 Monthly Rate	Residential Disposal Generation Factor	Solid Waste Disposal Component Excl. Gate Ra	Organics ** Processing Fee Increase Component	Collection Component Incl. SB1383 & Gate Rate	Utility Users' Tax Component	Franchise Fee Component	7/1/2022 Monthly Rate Incl. SB1383
		\$148.24	5.40%	9.65%	3.75%	10.00%	

Other Rates

Cleanup Bin (3 days)	\$ 276.30				\$ 230.99	\$ 10.33	\$ 31.76	\$ 317.59
Extra Recycling Cart (per month)	21.02				21.18	0.79	2.44	24.41
Extra Yard Waste Cart (per month)	25.44			3.67	21.39	0.94	2.89	28.89
Extra Recycling Bin (per month)	126.16				127.00	4.76	14.64	146.40
Extra Yard Waste Bin (per month)	152.66			22.01	128.39	5.64	17.34	173.38
Replacement Cart (after 1x per year)	127.20				128.02	4.80	14.76	147.58
Replacement Bin (after 1x per year)	381.59				384.05	14.40	44.27	442.72
Return Trip Charge	25.43				25.60	0.96	2.95	29.51
Contaminated YW/RRY Cart	33.92				34.15	1.28	3.94	39.37
Contaminated RRY/ORG Bin (per yard)	91.91				92.50	3.47	10.66	106.63
Overflowing Cart Charge	9.04	0.03	4.30	3.43	0.62	0.31	0.96	9.62
Overflowing Bin Charge	110.21		96.36		8.98	3.95	12.14	121.43
Push Rate (per trip per 25 feet - bin)	76.23				76.73	2.88	8.85	88.45
Walk-in Charge (per trip per 25 feet-cart)	12.06				12.14	0.46	1.40	13.99
Lock Charge (per lock)	11.53				11.66	0.44	1.34	13.44
Extra Bags	5.04				5.08	0.19	0.59	5.86
Extra 1 YD	55.57		14.82		40.25	2.07	6.35	63.49
Extra 2 YD	109.62		29.64		78.98	4.07	12.52	125.21
Extra 3 YD	138.82		44.46		92.69	5.14	15.81	158.10
Extra 4 YD	152.49		59.28		90.75	5.63	17.30	172.96
Extra 1.5 YD	97.75		22.23		74.88	3.64	11.19	111.94
Extra 6 YD	184.08		88.92		91.21	6.75	20.76	207.64
10-40 Yard Box (pull rate only)	\$ 489.63				\$ 492.81	\$ 18.48	\$ 56.81	\$ 568.10
10-40 Yard Compactor (pull rate only)	600.81				604.71	22.68	69.71	697.10
Trip Charge (for service with no dump)	244.81				246.40	9.24	28.40	284.04
Compactor Cleaning Charge	489.63				492.81	18.48	56.81	568.10
Relocation Fee	244.81				246.40	9.24	28.40	284.04
Monthly Box Rental (if no dump in month)	172.92				174.85	6.56	20.16	201.57

*Commercial Conversion Factor 200.00

Clarified service title

Disposal Fee	\$148.24
Utility Users Tax	5.56
Franchise Fee	17.09
	<hr/>
Disposal Rate To Be Charged	<u>\$170.89</u>

**Sebastopol Rate Application - Rate Table
 Rates Effective 7/1/2022
 Bulky Item Rate Schedule**

Tip Fee	\$ 148.24
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For each item after one, subtract \$22.00 from per item rate.

Category	Item Description	Monthly Rate Including SB1383				Per Item Rate
		Collection	Disposal	UUT	FF	
Furniture	Twin (per set)	\$ 49.17	\$ 49.30	\$ 3.69	\$ 11.35	\$ 113.52
	Double (per set)	49.17	49.30	3.69	11.35	113.52
	Queen (per set)	49.17	49.30	3.69	11.35	113.52
	King (per set)	49.17	49.30	3.69	11.35	113.52
	Bed Frame	52.39	19.72	2.70	8.31	83.13
	Couch (under 6 feet)	52.39	19.72	2.70	8.31	83.13
	Upholstered Chairs	52.39	19.72	2.70	8.31	83.13
	Wooden Chairs	52.39	19.72	2.70	8.31	83.13
	Dinette Tables	52.39	19.72	2.70	8.31	83.13

Household Items	Rug (9'x12')	\$ 52.39	\$ 19.72	\$ 2.70	\$ 8.31	\$ 83.13
	Vacuum	52.39	19.72	2.70	8.31	83.13

Appliances	Water Heater: 35 gallons	\$ 52.39	\$ 19.72	\$ 2.70	\$ 8.31	\$ 83.13
	Water Heater: 40 - 50 gallons	52.39	19.72	2.70	8.31	83.13
	Water Heater: 100 gallons	52.39	19.72	2.70	8.31	83.13
	Oven	51.32	29.58	3.03	9.33	93.26
	Oven (Stove Top)	51.32	29.58	3.03	9.33	93.26
	Oven - Stove Unit	51.32	29.58	3.03	9.33	93.26
	Microwave	52.39	19.72	2.70	8.31	83.13
	Garbage Compactor	52.39	19.72	2.70	8.31	83.13
	Dishwasher	52.39	19.72	2.70	8.31	83.13
	Refrigerator	49.17	49.30	3.69	11.35	113.52
	Freezer	49.17	49.30	3.69	11.35	113.52
	Air Conditioner	49.17	49.30	3.69	11.35	113.52
	Washing Machine	51.32	29.58	3.03	9.33	93.26
	Dryer	51.32	29.58	3.03	9.33	93.26

Building Materials	Household Doors	\$ 52.39	\$ 19.72	\$ 2.70	\$ 8.31	\$ 83.13
	Sink	52.39	19.72	2.70	8.31	83.13
	Toilet	52.39	19.72	2.70	8.31	83.13
	Windows (less than 3'x4' only)	52.39	19.72	2.70	8.31	83.13

Yard and Garden	Gas Mower (must be drained of gal and oil)	\$ 52.39	\$ 19.72	\$ 2.70	\$ 8.31	\$ 83.13
	Barbeque	52.39	19.72	2.70	8.31	83.13
	Ping Pong Table	52.39	19.72	2.70	8.31	83.13
	Exercise Bike	52.39	19.72	2.70	8.31	83.13
	Swing Sets	52.39	19.72	2.70	8.31	83.13
	Bicycle	52.39	19.72	2.70	8.31	83.13

**Sebastopol Rate Application - Rate Table
 Rates Effective 7/1/2022
 Bulky Item Rate Schedule**

Tip Fee	\$ 148.24
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For each item after one, subtract \$22.00 from per item rate.

		Monthly Rate Including SB1383				
Category	Item Description	Collection	Disposal	UUT	FF	Per Item Rate
Electronics	Computer Monitor	\$ 52.39	\$ 19.72	\$ 2.70	\$ 8.31	\$ 83.13
	Television	52.39	19.72	2.70	8.31	83.13
	Console Television	66.03	19.72	3.22	9.88	98.85
	Stereo Equipment	66.03	19.72	3.22	9.88	98.85
	VCR/Home Entertainment	52.39	19.72	2.70	8.31	83.13
	Printer/Fax	52.39	19.72	2.70	8.31	83.13
	Copier (table top)	52.39	19.72	2.70	8.31	83.13
	Copier (stand alone) minimum charge	38.42	147.91	6.99	21.48	214.80
	Oversized Office Equipment	68.46	price varies			price varies

minimum

Car Parts	Engine Block (completely drained of fluids)	\$ 52.39	\$ 19.72	\$ 2.70	\$ 8.31	\$ 83.13
	Car Seat	52.39	19.72	2.70	8.31	83.13
	Bumper/Grill etc.	52.39	19.72	2.70	8.31	83.13
	Passenger Vehicle Tire	52.39	19.72	2.70	8.31	83.13
	Truck or Tractor Tire	52.39	19.72	2.70	8.31	83.13

Additional Items	Items under 60#	\$ 52.39	\$ 19.72	\$ 2.70	\$ 8.31	\$ 83.13
	Items over 60#	68.46	price varies			price varies
	Items requiring special handling or disposal	68.46	price varies			price varies

**Recology Sonoma Marin
 Sebastopol Rate Application - Financial Information
 Rates Effective 7/1/2022**

	<u>FY2022</u>	<u>Category</u>		<u>FY2022</u>	<u>% Total</u>
Total Expenses			Category Totals		
Payroll & Related	\$ 774,344	Labor	Labor	\$ 774,344	51.97%
Liability Insurance	40,254	Other	Fuel	105,582	7.09%
Disposal (Including Organics)	898,559	Not Included	Replacement	128,073	8.60%
Recycling Processing Fee	419,532	Not Included	Maintenance	96,057	6.45%
Rent & lease	1,322	Other	All Other	<u>385,902</u>	<u>25.90%</u>
Supplies	27,538	Other		\$ 1,489,957	100.00%
Repairs & Maintenance	96,057	Maintenance			
Fuel & Oil	105,582	Fuel			
Buildings & Facilities	6,560	Other	<u>Expenses Not Included in RRI Calculation</u>		
Licenses & Permits	12,490	Other	Disposal	\$ 898,559	
Utilities	1,717	Other	Recycling Processing Fee	419,532	
Freight	2,566	Other	Amortization & Gain/(Loss)	<u>93,104</u>	
Recycling & COGS	-	Other	Total Expenses Not Included	\$ 1,411,195	
Professional Services	28,111	Other	Allowed Expenses	<u>1,489,957</u>	
Bad Debt	13,230	Other	AFS Sebastopol Expenses	\$ 2,901,152	
Travel, meals & entertainment	703	Other			
Office expenses	15,871	Other			
Taxes	7,509	Other			
Regional Allocations	136,760	Other			
Corporate Allocations	75,790	Other			
Other Operating Expenses	15,482	Other			
Depreciation & Depletion	36,402	Replacement			
Amortization	92,944	Not Included			
(Gain)/loss on sale	160	Not Included			
I/C equipment & property	<u>91,671</u>	Replacement			
Total Expenses	\$ 2,901,152				

Recology Sonoma Marin
Sebastopol Rate Application - SB1383
Rates Effective 7/1/2022

Additional Annual Expenses	Sebastopol	
	Quant.	Total Cost \$
Amortized Capital Costs - 10 years -See spending detail below		\$ 11,332
FTE Driver(s)	0.18	28,699
Commercial compost tip fees (per year)-Incremental tonnage only*		5,714
Compost collection truck fuel (per year)		14,267
Contamination mailers + postage (per year) \$.40 each	400	184
Contamination tags (per year) \$.40 each	400	184
FTE Waste Zero Specialist(s) (salary = \$60k, full compensation = \$90k)	25%	25,875
Incr. Cost of Curr. Comm'l FW Program**		32,393
TOTAL COSTS		\$118,648
Plus: Profit	10%	10,983
City Fees		19,805
TOTAL Required Revenue		\$149,435
Projected Annual Revenue for Rate Year 2021		\$2,358,470
SB1383 Increase (Approved by City Council on 11/16/2021)		6.3%

Capital Resources	Quant.	Total Cost \$
2yd. compost bins w/ labels	8	\$ 6,640
96 gallon compost carts w/ labels	67	5,494
Additional FL compost collection trucks	0.05	19,300
Additional SL compost collection trucks	0.13	48,490
Capital Costs (Amortized Above)		\$ 79,924

	Primary	Comparative									
	New Sebastopol Rates	Santa Rosa	% Incr over Primary	South Sonoma County	% Incr over Primary	Windsor (Comm. MSW & RCY)	% Incr over Primary	Healdsburg	% Incr over Primary	Cotati	% Incr over Primary
<i>Date Rates Effective:</i>	7/1/2022	1/1/2022		4/1/2022		Cost Rec. Est.		1/1/2022		1/1/2022	
<i>Next Rate Adjustment:</i>	7/1/2023	1/1/2023		4/1/2023		TBD		1/1/2023		1/1/2023	
<i>Franchise Fee %:</i>	13.4%	14.0%		11.0%		10.0%		10.0%		23.0%	
	So. Co. LF	So. Co. LF		So. Co. LF				So. Co. LF		So. Co. LF	
<i>MSW Disposal Rate/Ton:</i>	\$148.57	\$148.57		\$143.74		So. Co. LF		\$148.57		\$148.57	
<i>SB1383 Included:</i>	includes SB1383	before SB1383		includes SB1383		before SB1383		before SB1383		before SB1383	
Residential											
20 gallon	\$ 15.26	\$ 31.24	104.7%	\$ 36.61	139.9%	\$ 21.07	38.1%	\$ 20.27	32.8%	\$ 16.98	11.3%
32 gallon	26.65	35.02	31.4%	42.89	60.9%	28.30	6.2%	26.76	0.4%	23.87	-10.4%
64 gallon	48.58	50.43	3.8%	81.42	67.6%	44.73	-7.9%	38.21	-21.3%	62.58	28.8%
96 gallon	81.10	76.38	-5.8%	120.06	48.0%	69.10	-14.8%	51.73	-36.2%	96.44	18.9%
Commercial											
32 gallon	39.63	46.69	17.8%	42.89	8.2%	NA	NA	38.47	-2.9%	34.38	-13.2%
64 gallon	53.52	93.38	74.5%	81.42	52.1%	NA	NA	59.63	11.4%	68.72	28.4%
96 gallon	78.19	140.21	79.3%	120.06	53.5%	183.69	134.9%	73.18	-6.4%	103.09	31.8%
1.5 yard	319.68	386.20	20.8%	360.13	12.7%	447.85	40.1%	337.81	5.7%	272.30	-14.8%
2 yard	380.60	471.90	24.0%	450.98	18.5%	552.83	45.3%	423.69	11.3%	360.19	-5.4%
3 yard	530.79	578.94	9.1%	563.73	6.2%	822.92	55.0%	582.06	9.7%	450.60	-15.1%
4 yard	602.21	725.51	20.5%	670.70	11.4%	1,036.41	72.1%	726.29	20.6%	536.65	-10.9%
6 yard	745.19	986.01	32.3%	1,090.99	46.4%	NA	NA	928.74	24.6%	851.84	14.3%
Average % of Primary:			34.4%		43.8%		41.0%		4.1%		5.3%
Residential Average % of Primary:			33.5%		79.1%		5.4%		-6.1%		12.1%
Commercial Average % of Primary:			34.8%		26.1%		69.5%		9.2%		1.9%