

January 3, 2022

Carl Brown, Utilities Manager
City of Turlock
156 S. Broadway, Suite 270
Turlock, CA 95380

submitted via email: CBrown@turlock.ca.us

Report on Solid Waste Rate Study

Dear Mr. Brown,

R3 Consulting Group, Inc. (R3) is pleased to submit this Solid Waste Rate Study (Rate Study) to the City of Turlock (City). The City has a Franchise Agreement (Agreement) with Turlock Scavenger (TS) through October 29, 2036.

Objectives

The Rate Study was undertaken in collaboration with City staff and TS pursuant to following objectives:

- Review and evaluate operating cost projections for exclusive solid waste collection services, provided by TS for fiscal years (FYs) 2020-21 and 2021-22.
- Forecast operating costs for the coming five years, including collection and post-collection costs, operational and maintenance costs, staffing changes, inflationary factors, capital and other expenses.
- Estimate costs for implementing unfunded State mandates including AB 341, AB 1826 and SB 1383.
- Calculate the solid waste rates needed to fund projected operating costs, including revenues for a reasonable rate of return for TS, City franchise fees, and unfunded State mandates.
- Compare the resultant City solid waste rates to others in Stanislaus County and the region.
- Recommend new solid waste rates for consideration and potential adoption by the City.
- Recommend an approach for annual index-based rate adjustment that allow for conditional, automatic changes to solid waste rates (Refuse Rate Index or RRI).

Findings

The aforementioned objectives have been accomplished, and with R3 establishing the following findings:

1. The City's solid waste rates have not changed since December 1, 2015.
2. The City's residential solid waste rates are well below – \$2.91 to \$7.95 per month less (7% to 17% lower) than – the average of such rates in comparable communities in early 2021.¹ Rates in comparable communities are known to have been increasing in late 2021 and early 2022, which further increases the difference between the City's rates and the rates in those other communities.
3. The City's commercial solid waste rates are also well below – over 50% lower than – the average rates in comparable communities.

¹ Ceres, Davis, Lodi, Los Banos, Manteca, Merced, Modesto, Stockton and Tracy.

4. TS's operations in the City broke even, without earning a profit, in FY 2019-20, and earned a small (less than 1%) profit in FY 2020-21.
5. TS's rate revenues would need to increase significantly in order to meet the projected costs (including a reasonable rate of return) for providing solid waste service for Calendar Year (CY) 2022, which includes adjustments to collection operations necessary to implement unfunded State mandates, but not the potential increases in organic refuse recycling costs, which are presently unknown, and which require further study and evaluation in 2022.
6. The City and TS intend to change to a flat rate structure wherein all residential customers receive and pay for 95-gallons of refuse weekly, which may reduce contamination in recycling and organic refuse containers as well as illegal dumping throughout the City, and also provide efficiencies in collection operations.

Recommendations

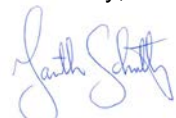
In consideration of the objectives of this Rate Study and its findings, and with the understanding that the Agreement provides the City with the sole discretion to make reasonable changes in the rates for the collection of solid waste in the City, R3 recommends that the City consider the following adjustments to solid waste rates.

1. Implement a CY 2022 flat rate 95-gallon garbage container service level for residential customers at a rate of \$33.01, effective April 1, 2022, and increase those rates on January 1 annually by 10.6% in CY 2023, 6.6% in CY 2024, 1.2% (plus RRI) in CY 2025, and 1.8% (plus RRI) in CY 2026.
2. Adjust maximum commercial rates for CY 2022 by 41.7% effective April 1, 2022, enforce municipal code provisions requiring subscription to recycling and organic refuse service by commercial customers in 2022, and adjust those maximum rates on January 1 annually by 14.2% in CY 2023, 5.7% in CY 2024, 1.3% (plus RRI) in CY 2025, and 1.8% (plus RRI) in CY 2026.
3. Adjust maximum drop box per pull rates to \$430.77 per pull hauling fee in CY 2022 (effective April 1, 2022) and adjust those maximum rates on January 1 annually by 10.9% in CY 2023, 5.7% in CY 2024, 1.1% (plus RRI) in CY 2025, and 1.7% (plus RRI) in CY 2026. Drop box costs to customers will also include the applicable per ton disposal charges at actual costs incurred by TS for such service, which will be grossed up by the City's 15% Franchise Fee.
4. Amend the Agreement with TS to establish a mechanism for annually adjusting maximum collection rates for all customers starting in CY 2025 accordance with an RRI methodology and also establish a methodology for a detailed rate review to establish rates based on the cost of providing service for CY 2027.
5. Conduct further research and analysis into organic refuse recycling opportunities, costs and potential rate impacts in 2022 with the objective of providing direction to TS regarding organics recycling opportunities available without adjustment to rates in CY 2022, 2023 and 2024. Changes in organics costs for CY 2025 and CY 2026 would be captured by the RRI rate adjustment mechanism.

* * * * *

R3 appreciates the opportunity to be of service to the City.

Sincerely,



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Section 1: Overview of Unfunded State Mandates

Findings from an R3-completed study for the City in 2019 indicated that the City faced significant compliance shortfalls related to key solid waste and recycling laws and was also underprepared to meet future requirements of additional legislation. The City (with R3's assistance) has since made significant progress towards compliance by engaging in a coordinated effort to reach compliance via planning and partnership with TS. Detailed below are the laws, their associated obligations, and steps the City has taken over the past 18 months towards ensuing compliance:

AB 341 (Mandatory Commercial Recycling) and AB 1826 (Mandatory Commercial Organic Recycling)

Adopted in 2012, AB 341 increased the statewide diversion goal to 75% and instituted mandatory recycling service for all businesses, multi-family properties (5 units or more) and public entities that generate more than four cubic yards of solid waste per week. The Bill also requires that education and outreach programs be implemented to inform generators of their obligations related to regulation. For compliance purposes, CalRecycle requires the submittal of an annual report that details commercial recycling programs, including education, outreach, and monitoring to comply with this policy.

AB 1826

AB 1826 extended mandatory commercial and multi-family residential recycling requirements to include diversion requirements for organic waste. Passed in 2014, it requires that businesses meeting specific solid waste generation thresholds arrange for organic waste recycling services and undergo outreach/education and compliance monitoring. As with AB 341, CalRecycle requires reporting on program offerings and compliance efforts. Organic waste covered includes food waste, green (landscaping/yard) waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with food waste.

To ensure timely and effective progress towards improved recycling programs and compliance with AB 341 and AB 1826, the City and TS entered into a Memorandum of Understanding (MOU) in early 2020. Developed by R3, the MOU clearly articulated the scope and objectives of a cooperative and coordinated effort to bring the City into compliance, and focused specifically on the following areas:

- Business and Multi-Family Covered Generator Identification and Data Collection
- Education and Outreach to Covered Generators
- Development and Implementation of a Progress and Compliance Monitoring System
- Enforcement Measures

SB 1383

In 2016 an additional State law (SB 1383) designed to keep organic waste out of the landfills was passed, requiring a 50 percent reduction in organic waste disposal by 2020 and 75 percent by 2025. Final rulemaking was completed in November 2020 with regulations set to go into effect January 1, 2022. Under the new law, jurisdictions will be required to provide organic waste recycling services to all residents and businesses, establish an edible food recovery program (targeting 20% percent of currently disposed edible food for human consumption by 2025), procure recyclable and recovered organic products, secure access to organic waste recycling capacity, monitor compliance, and conduct enforcement.

The City also engaged R3 to provide an assessment of the City's current compliance status relative to SB 1383 by comparing the City's Agreement with TS to current legislation and pending changes. From this, a pathway towards compliance (*SB 1383 Preparedness Action Plan*) was created, identifying the key tools and resources to be developed and utilized, and providing recommended next steps for the City. A list of are nine (9) key compliance actions that the City needed to address to ensure compliance with SB 1383 were detailed, existing gaps were identified, and recommendation and next steps were provided.

Key among the recommendations was the suggestion that the City engage TS directly on the identified SB 1383 requirements to determine what TS may feasibly provide (given the current Agreement), identify requirements existing outside of the parameters of the current Agreement that may require contract and/or rate negotiation, and explore amendment of the current contract (if necessary).

Section 2: Rate Study Purpose and Methodology

The purpose of conducting this Rate Study was to provide the City with findings and recommendations regarding solid waste service rates that will cover the cost of solid waste services, including consideration for a reasonable profit for TS, payment of the City's franchise fee, and the costs to fulfill unfunded State mandates.

This section describes the methodology employed by R3 to project rate revenues at current rates and projected expenses for solid waste services. This effort included a thorough review of TS's financial statements for City operations, allocations of those financials by service type (Carts, Bins and Drop Box), TS's projected costs for CY 2022, current rates and service levels for City customers, and projected costs for compliance with unfunded State mandates, primarily SB 1383 which goes into effect on January 1, 2022. Revenue and expense projections resulting from this analysis are described below and are provided in Attachment 1.

CY 2022 Revenue Projections at Current Rates

TS allocates rate revenues and operating expenses into three categories: Carts (which are primarily residential customers); Bins (which are commercial and multi-family dwelling customers), and; Drop Box (which are larger containers used primarily by commercial customers).

Using current residential subscription levels and the available rates, R3 projected CY 2022 revenues for Carts, Bins and Drop Box collection at current 2015 rates (prior to implementation of adjustments) and at current service subscription levels. Via this analysis, R3 projected Cart revenues for the coming fiscal year at **\$6.72 million**, Bins at **\$2.85 million**, and Drop Box at **\$1.62 million**, for total annual revenues at current rates and subscription levels at **\$11.19 million**.

CY 2022 Expense Projections

Projected expenses for CY 2022 are also divided into Cart, Bin, and Drop Box categories; however, within each of those expense designations occurs an additional subdivision into the Collection, Transfer & Tipping, General and Administrative (G&A), SB 1383 (unfunded State mandate), Illegal Dumping Program, Operating Profit, and Franchise Fee categories. Projected expenses by each category are as follows (note that value shown below are rounded):

1. **Collection:** This represents the operational cost for collection. This is projected to be **\$2.55 million** for Carts, **\$1.42** for Bins, and **\$930,000** for Drop Box collection.
2. **Transfer and Tipping:** Cost is derived from transferring any collected materials from TS's transfer station to the landfill or processing facility, as well as the tipping fees associated with those post-collection end destinations. This is projected to be just under **\$2.92 million** for Carts, **\$1.34 million** for Bins, and approximately **\$720,000** for Drop Box collection. Projections for transfer and tipping expenses are presented in Attachment 2 and are based on current tonnages and projected tipping costs for refuse, recycling, and organic refuse.
3. **General & Administrative:** This category indicates costs associated with running the administrative portion of the operation. This was projected to be **\$626,000** for Carts, **\$349,000** for Bins, and **\$228,000** for Drop Box collection.

4. **SB 1383:** A new category designed to address impending and unfunded State mandate regulations was included to capture costs related to required program and service costs. However rate funding for this category is not projected until CY 2023, and will include costs for new containers for organic waste collection as well as new staffing and technology costs for the necessary education, outreach and reporting functions required by the State.

Importantly, SB 1383 costs – **which were estimated by TS to be as high as \$2.6 million annually** – do not include projected increases to organic refuse tipping fees, which were projected by TS to be as high as \$240 per ton (up from a current amount of \$60 per ton). R3 recommends further study into appropriate and reasonable organic refuse recycling alternatives in CY 2022 prior to including such costs into the rates, if necessary.

5. **Operating Profit:** This category is to account for the net profits that TS is projected to generate. Currently TS is reporting nearly zero net income for its operations in the City, and the result of this Rate Study would allow them to achieve a positive profit margin starting in CY 2022. Profit is expressed as an “operating ratio”. In CY 2022, the TS’s operating ratio with the recommended rate adjustments would be 96.9%, which is the equivalent of just under a **3.25% profit margin**. Over the five-year period through CY 2026, R3 projects TS’s operating ratio to be an average of 91.7% (9.1% profit) and which is within the range of industry standard for such collection operations.
6. **Franchise Fee:** This represents fees that TS pays to the City for their right to conduct operations in the City. The Franchise Fee amount is set 15% of gross revenues.

Total expenses, including operating margin/profit for CY 2022 are projected to be **\$14.4 million**, whereas projected revenues at current 2015 rates are projected at **\$11.19 million**, prior to any rate adjustments.

Expense Projections for CY 2023-2024 and CY 2025-2026

To project expenses for CY 2023 and 2024, R3 used an escalator of 3.5% on projected collection and G&A expenses. Transfer and Tipping fee expenses in those years were projected as shown in Attachment 2. Projected expenses for CY 2025 and 2026 remain flat in the model, with only TS’s operating margin being changed – this is because rates in those years are proposed to be adjusted by the RRI, which will change rate compensation to TS to account for its changes in collection, G&A and Transfer and Tipping costs. It should be noted, however, that, as an indexed-rate adjustment, changes in TS’s rate compensation in those years would not directly relate to changes in TS’s expenses. Rather, rate compensation will be adjusted in accordance with an RRI formula which would increase compensation to TS based on market indices, not actual changes in costs.

Section 3: Rate Adjustment Timeline

R3 evaluated several timelines for adjusting solid waste rates, including a single-year adjustment in CY to meet the projected costs of solid waste services and a multi-year annual adjustment that more gradually meets the cost of service. Ultimately, the City and TS negotiated a five-year schedule of annual rate adjustments from CY 2022 through CY 2026, as shown in Table 1. Note that adjustments shown for CY 2025-2026 are prior to application of the RRI – actual rate adjustments in those years will be the amounts shown, plus an RRI. The RRI will be capped at 5% and amounts over 5% can be carried over to the next year.

Table 1: Negotiated Rate Adjustment Schedule

	CY 2022 (Effective April 1)	CY 2023 (Effective January 1)	CY 2024 (Effective January 1)	CY 2025 (Effective January 1)	CY 2026 (Effective January 1)
Residential Rates	13.7%	10.6%	6.6%	1.2%	1.8%
Commercial Rates	41.7%	14.2%	5.7%	1.3%	1.8%
Drop Box Rates	51.2%	10.9%	5.7%	1.1%	1.7%

Given TS’s history of flexibility and willingness to work with the City in the best interest of ratepayers and considering the detrimental financial impacts of a potential phased-in approach to rate increases, it is TS’s position that a 20-year renewable term in the Agreement would represent a counterbalance to continuing near term City operations at a loss.

Additionally, and as has been indicated to R3 by TS at various points during completion of the Rate Study, this would also offer an added layer of resilience to the partnership between TS and the City. For example, TS has represented that such an approach would provide additional security that would enable TS to take on capital improvements necessary to bring its post-collection operations up to the level required by SB 1383 and other regulations (i.e., addition of organic waste processing and recycling capacity, recyclables processing, etc.).

R3 recommends that the City consider the multi-year approach to rate adjustment as a means of mitigating the immediate impact to ratepayers. R3 further recommends that the City engage in discussions with TS regarding the Agreement term and make a determination as to whether the 20-year renewable term best represents the interests of the City, or whether alternative considerations would enable implementation of the multi-year rate adjustment approach described herein while remaining agreeable to TS.

Subsequent Annual Adjustments

If the City moves forward with a multi-year rate adjustment, R3 recommends that solid waste rates in subsequent years be adjusted via an indexed annual adjustment via RRI. R3 further recommends the periodic ability for the City or TS to initiate a detailed rate review (DRR) to set rates based on the cost of service. Annual indexed adjustments to solid waste rates are commonplace in the solid waste industry² and are recommended so that rate revenues keep pace with the generally increasing cost of solid waste services over time. Application of an annual indexed adjustment such as RRI can help avoid large increases in future years and are generally accepted as being more palatable to solid waste ratepayers than periodic large rate increases, which helps with public approval of overall rate changes. Typical RRI adjustments range from 1% to 5% annually, though many such approaches seek to cap the amount of annual adjustment at or below 4%. The City has negotiated with TS to use an RRI to adjust rates in CY 2025 and CY 2026, as well as in future years during which a DRR does not occur. The City and TS also agreed to conduct a DRR to set rates for CY 2027.

Section 4: Residential Rate Considerations

Standard “Flat” 95-gallon Residential Refuse Service

Currently the City’s structure provides for three options for residential refuse subscriptions, providing the options for refuse service at the levels of 32-gallons (currently offered at \$27.40 per month) 64-gallons

² The cities of Ceres, Davis, Lodi, Los Banos, Manteca, and Stockton (to name a few) all have such annual indexed rate adjustments, and such annual adjustments are included in the vast majority of new franchise agreements in place throughout the State.

(\$36.20 per month), and 95-gallons (\$41.70 per month). This type of graduated “pay-as-you-throw” rate structure, while commonplace for many decades, has in more recent years resulted in customers subscribing the smaller (lower cost) 32-gallon refuse service level. This trend has generally corresponded with increasing “contamination” of the separate recycling and organic refuse collection containers by excess refuse that cannot fit into the 32-gallon refuse containers.

In order to address the concerning and costly trend of contamination in the recycling and organic refuse containers, the City intends to establish a standard “flat” 95-gallon refuse service for all City residential accounts. In R3’s experience within the industry, increasing cart size to 95-gallon carts combats solid waste problems such as contamination in the recyclable materials stream, overages, and illegal dumping. Other cities are evaluating, and some have implemented, similar approaches, and with the same objectives in mind. For example, the City of Los Banos transitioned to a standard 95-gallon residential refuse container starting July 1, 2021 with a monthly rate of \$42.59 per month.

For this Rate Study, and, specifically, the rate adjustments for CY 2022 and the following two fiscal years, R3 projected residential rates via the current pay-as you throw rate structure, as well as via a 96-gallon standard “flat” rate structure. The comparative results are presented in the following section.

Section 5: Projected Rates

This section presents a summary of projected residential and commercial rates. Complete tables of projected rates including the flat 95-gallon residential rate are included as Attachment 3.

Residential Rates

Table 2, below, shows the projected multi-year rates for both the current residential rate structure and the 95-gallon refuse “flat” rate structures for CY 2022 through CY 2024. Projected rates are also shown in comparison to the City’s current (2015) solid waste rates and the recent (2020-2021) solid waste rates from other cities. It should be noted that these comparative rates are now outdated, as many of these communities have since increased their rates for 2022 and beyond since the initial collection of the data noted in the tables below. 2020-2021 rates for the comparable cities are shown in Table 3.

Table 2: Projected Residential Rates by Year

Subscription Size	Current City Rates (Est. 2015)	Average Comparable Rates (2020-2021)	City CY 2022 Rates	City CY 2023 Rates	City CY 2024 Rates
32-Gallon	\$27.40	\$33.02	\$31.15	\$34.45	\$36.72
64-Gallon	\$36.20	\$39.11	\$41.16	\$45.52	\$48.53
95-Gallon	\$41.70	\$49.65	\$47.41	\$52.44	\$55.90
Flat 95-gallon Rate	\$41.70	\$49.65	\$33.01	\$36.51	\$38.92

Table 3: Current City Rates in Comparison to Other Cities

City	Effective Year	30-35 Gal	60-65 Gal	90-100 Gal
Ceres	9/1/2021	N/A	\$ 28.21	\$ 32.93
Davis	2021	\$ 39.41	\$ 43.62	\$ 52.05
Lodi	2020	\$ 29.59	\$ 44.54	\$ 97.05
Los Banos	2021	N/A	\$ 41.10	\$ 42.59
Manteca	2021	\$ 30.67	\$ 32.61	\$ 34.33
Merced	2020	N/A	\$ 44.49	N/A
Modesto	2020	N/A	\$ 36.63	\$ 36.63
Stockton	2021	\$ 32.41	\$ 41.05	\$ 49.73
Tracy	2021	N/A	\$ 39.70	\$ 51.85
Turlock	2015	\$ 27.40	\$ 36.20	\$ 41.70
Average without Turlock		\$ 33.02	\$ 39.11	\$ 49.65
Turlock vs. Average		\$ (5.62)	\$ (2.91)	\$ (7.95)

As shown in Tables 2 and 3, the City’s current residential rates are below the average of current residential rates in comparable cities. Importantly, the “flat” 95-gallon standard residential refuse service alternative – **with a monthly rate of \$33.01 in CY 2022** – would be cheaper than the 2021 average for the 30-35 gallon container in the comparable communities, and over \$16 per month cheaper than the average 2021 95-gallon refuse rate in the comparable communities. Via the flat 95-gallon rate structure, 32-gallon refuse subscribers (78% of all customers including those currently receiving the senior rate) would see a \$5.61 per month increase in rates **for tripling (3x) increase in their refuse service volume**. That additional volume – along with the City’s implementation of contamination reduction, illegal dumping, SB 1383 compliance, and outreach and education measures – is anticipated to facilitate decreases in illegal dumping and contamination of recycling and organic waste streams. If successful, outcomes could yield savings (or at least less-aggressive increases in) recycling and organic refuse tipping and transfer costs, and potentially mitigate potentially dramatic increases in these expenses in the coming few years. The 64-gallon (17% of customers) and 95-gallon (13% of customers) seeing respective decreases of \$3.19 and \$7.39 per month.

Commercial Rates

Table 4 shows the projected multi-year commercial rates for CY 2022 through CY 2024. Projected rates are also shown in comparison to the City’s current (2015) solid waste rates and the current (2020-2021) solid waste rates from other cities.

Table 4: Projected Commercial Rates by Year

Subscription Size (Collected Once Weekly)	Current City Rates (Est. 2015)	Average Comparable Rates (2020)	City CY 2022 Rates	City CY 2023 Rates	City CY 2024 Rates
2 Cubic Yards	\$81.05	\$143.63	\$114.82	\$131.17	\$138.63
3 Cubic Yards	\$100.90	\$187.66	\$142.94	\$163.29	\$172.58
4 Cubic Yards	\$123.55	\$226.26	\$175.03	\$199.95	\$211.32
6 Cubic Yards	\$162.85	\$313.48	\$230.70	\$263.55	\$278.54

As shown in Table 4, the City’s current commercial rates are far below the average comparable rates from 2020. The Rate Study demonstrates that there is a need to increase commercial rates to generate revenues to cover the cost of service, and that finding is further substantiated by the fact that the City’s commercial rates are well below the regional average for such rates. Importantly, even with the projected increase in commercial rates for CY 2022, the City’s commercial rates will remain below the average comparable rate for all categories shown in Table 4 (and, likely all commercial categories overall).

City of Turlock Rate Model and Adjustment Schedule

				1	2	3	4	5	
				CY 2022	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026
				One Time Rate Adjustment (For Example)	New Rates Effective 4/1/2022	Jan. 1 Rate Adjustment Inclusive of RRI	Jan. 1 Rate Adjustment Inclusive of RRI	Jan. 1 Rate Adjustment Prior to RRI	Jan. 1 Rate Adjustment Prior to RRI
Adjustment to Cart Revenues				22.1%	13.7%	10.6%	6.6%	1.2%	1.8%
Adjustment to Bin Revenues				46.6%	41.7%	14.2%	5.7%	1.3%	1.8%
Adjustment to Drop-Box Revenues				56.3%	51.2%	10.9%	5.7%	1.1%	1.7%
				CY 2022	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026
Revenues	Carts				1,678,825				
					5,934,649				
	Subtotal Annual Cart Revenues		6,715,301	8,199,781	7,613,475	8,420,675	8,976,653	9,087,161	9,252,514
	Bins				713,389				
				3,031,857					
Subtotal Annual Bin Revenues		2,853,554	4,183,547	3,745,245	4,278,481	4,521,823	4,578,474	4,662,819	
Drop Box				404,183					
				1,833,816					
Subtotal Annual Drop Box Revenues		1,616,732	2,527,115	2,237,999	2,481,561	2,623,054	2,652,199	2,697,152	
Subtotal Annual Total Revenues		11,185,588	14,910,444	13,596,719	15,180,717	16,121,531	16,317,834	16,612,485	
Expenses	Carts	Collection	2,545,643	2,545,643	2,634,740	2,726,956	2,726,956	2,726,956	
		Transfer and Tipping	2,996,597	2,915,283	3,146,460	3,310,505	3,310,505	3,310,505	
		G&A	626,046	626,046	647,958	670,637	670,637	670,637	
		SB 1383	-	-	227,386	235,344	243,581	252,107	
		Subtotal		6,168,285	6,086,972	6,656,544	6,943,441	6,951,678	6,960,204
		Operating Profit	801,529	638,964	501,030	686,714	772,409	904,433	
	Franchise Fees		1,229,967	1,186,930	1,263,101	1,346,498	1,363,074	1,387,877	
	Total Carts		8,199,781	7,912,866	8,420,675	8,976,653	9,087,161	9,252,514	
	Bins	Collection	1,419,685	1,419,685	1,469,374	1,520,802	1,520,802	1,520,802	
		Transfer and Tipping	1,378,247	1,340,848	1,416,085	1,462,765	1,462,765	1,462,765	
		G&A	349,141	349,141	361,361	374,009	374,009	374,009	
		SB 1383	-	-	135,318	140,054	144,956	150,030	
		Subtotal		3,147,074	3,109,674	3,382,139	3,497,630	3,502,532	3,507,606
		Operating Profit	408,942	326,430	254,570	345,919	389,170	455,791	
	Franchise Fees		627,532	606,371	641,772	678,274	686,771	699,423	
	Total Bins		4,183,547	4,042,476	4,278,481	4,521,823	4,578,474	4,662,819	
	Drop Box	Collection	930,139	930,139	962,693	996,388	996,388	996,388	
		Transfer and Tipping	742,136	721,998	762,227	787,504	787,504	787,504	
		G&A	228,748	228,748	236,754	245,040	245,040	245,040	
		Subtotal		1,901,022	1,880,884	1,961,674	2,028,932	2,028,932	2,028,932
		Operating Profit	247,025	197,441	147,653	200,664	225,437	263,647	
		Franchise Fees		379,067	366,763	372,234	393,458	397,830	404,573
	Total Drop Box		2,527,115	2,445,088	2,481,561	2,623,054	2,652,199	2,697,152	
	Total	Collection	4,895,467	4,895,467	5,066,808	5,244,146	5,244,146	5,244,146	
Transfer and Tipping		5,116,979	4,978,129	5,324,772	5,560,774	5,560,774	5,560,774		
G&A		1,203,935	1,203,935	1,246,073	1,289,686	1,289,686	1,289,686		
SB 1383		-	-	362,704	375,399	388,538	402,136		
Subtotal		11,216,381	11,077,531	12,000,357	12,470,004	12,483,143	12,496,742		
Operating Profit		1,457,496	1,162,835	903,253	1,233,297	1,387,016	1,623,870		
Franchise Fees		2,236,567	2,160,064	2,277,108	2,418,230	2,447,675	2,491,873		
Grand Total		14,910,444	14,400,430	15,180,717	16,121,531	16,317,834	16,612,485		

ATTACHMENT 2

Tonnage Projections by LOB

		FY 19/20	FY 20/21	CY 2022	CY 2023	CY 2024
		Actual	Estimated	Projected	Projected	Projected
Carts	Garbage	14,808	14,808	14,808	14,808	14,808
	Organics	13,367	13,367	13,367	13,367	13,367
	Recycling	7,118	7,118	7,118	7,118	7,118
	Subtotal Carts	35,293	35,293	35,293	35,293	35,293
Bins	Garbage	20,253	20,253	20,253	20,253	20,253
	Recycling	750	750	750	750	750
	Subtotal Bins	21,003	21,003	21,003	21,003	21,003
Drop Box	Garbage	12,298	12,298	12,298	12,298	12,298
	Organics	121	121	121	121	121
	Subtotal Drop Box	12,419	12,419	12,419	12,419	12,419
	Total	68,715	68,715	68,715	68,715	68,715

Tippling Fee Projections by LOB

		FY 19/20	FY 20/21	CY 2022	CY 2023	CY 2024
		Actual	Estimated	Projected	Projected	Projected
Carts	Garbage	831,321	865,845	880,632	904,046	933,657
	Organics	675,034	856,013	1,190,198	1,261,465	1,337,240
	Recycling	594,424	783,399	925,767	980,949	1,039,608
	Subtotal Carts	2,100,779	2,505,257	2,996,597	3,146,460	3,310,505
Bins	Garbage	1,213,259	1,260,478	1,280,702	1,312,726	1,353,225
	Recycling	62,633	82,544	97,545	103,359	109,540
	Subtotal Bins	1,275,892	1,343,022	1,378,247	1,416,085	1,462,765
Drop Box	Garbage	690,410	719,081	731,362	750,808	775,399
	Organics	6,111	7,749	10,774	11,419	12,105
	Subtotal Drop Box	696,520	726,830	742,136	762,227	787,504
	Total	4,073,191	4,575,108	5,116,979	5,324,772	5,560,774

Tonnage Projections by Stream

	FY 19/20	FY 20/21	CY 2022	CY 2023	CY 2024
	Actual	Estimated	Projected	Projected	Projected
Garbage	47,359	47,359	47,359	47,359	47,359
Organics	13,488	13,488	13,488	13,488	13,488
Recycling	7,868	7,868	7,868	7,868	7,868
Total	68,715	68,715	68,715	68,715	68,715

Tippling Fee Projections by Stream

	FY 19/20	FY 20/21	CY 2022	CY 2023	CY 2024
	Actual	Estimated	Projected	Projected	Projected
Garbage	2,734,990	2,845,404	2,892,696	2,967,580	3,062,281
Organics	681,144	863,762	1,200,972	1,272,884	1,349,344
Recycling	657,057	865,943	1,023,312	1,084,308	1,149,148
Total	4,073,191	4,575,108	5,116,979	5,324,772	5,560,774

Tippling Fee Projections by Stream

	FY 19/20	FY 20/21	CY 2022	CY 2023	CY 2024
	Actual	Estimated	Projected	Projected	Projected
Garbage \$	56.14	58.47	59.47	61.05	63.05
Organics \$	50.50	64.04	89.04	94.37	100.04
Recycling \$	83.51	110.06	130.06	137.81	146.05

DRAFT Solid Waste Rates (Effective April 1, 2022)												
Residential Collection Rate			Commercial Cart Collection									
96-Gallon Garbage (Bundled)	\$	33.01	Each Cart (Garbage, Recycling, Organics)	\$	32.23							
Commercial Garbage Bin Collection												
Subscription Size	Collection Frequency											
	1/week	2/week	3/week	4/week	5/week	6/week						
2 Cubic Yard	\$	114.82	\$	203.43	\$	291.47	\$	381.72	\$	469.76	\$	557.17
3 Cubic Yard	\$	142.94	\$	260.03	\$	373.57	\$	493.28	\$	610.08	\$	726.88
4 Cubic Yard	\$	175.03	\$	323.21	\$	471.39	\$	619.78	\$	768.18	\$	916.57
6 Cubic Yard	\$	230.70	\$	434.13	\$	635.79	\$	841.91	\$	1,043.86	\$	1,247.29
Additional Recycling Bin Volume Collection												
Subscription Size	Collection Frequency											
	1/week	2/week	3/week	4/week	5/week	6/week						
2 Cubic Yard	\$	114.82	\$	203.43	\$	291.47	\$	381.72	\$	469.76	\$	557.17
3 Cubic Yard	\$	142.94	\$	260.03	\$	373.57	\$	493.28	\$	610.08	\$	726.88
4 Cubic Yard	\$	175.03	\$	323.21	\$	471.39	\$	619.78	\$	768.18	\$	916.57
6 Cubic Yard	\$	230.70	\$	434.13	\$	635.79	\$	841.91	\$	1,043.86	\$	1,247.29
Drop Box												
						Per Pull Rate*						
All Sizes (Maximum 7 Day Rental)						\$	430.77					
*Drop Box Rates will include the posted Per Pull Rate plus actual the per ton Tipping Fees incurred.												
Special Fees												
Special Item				Rate								
Carts												
Additional Residential Carts												
Garbage Cart				\$	10.00							
Recycling Cart				\$	11.00							
Garden Refuse				\$	12.00							
Damaged Cart Replacement												
95-Gallon Garbage				\$	75.00							
Cart Clean/Exchange (first time)				\$	25.00							
Non proper service placement for handicap or elderly				\$	20.00							
Special Pick-Up (Go Back) /Overage				\$	15.00							
Contamination				Special Pickup Charge + \$25 fee for the second and each additional occurrence.								
Bins												
3 Cubic Yard Temporary Bin				\$	95.00							
Additional Dump				\$	95.00							
Compactor (Per Yard Per Pull)				\$	20.35							
Special Pick-Up				\$	35.00							
Clean & Replace (Plus Extra Dump Fee)				\$	35.00							
Extra Collection (Plus Extra Dump Fee)				\$	35.00							
Gate Rate				\$	20.00							
Push Out Fee per each dump				\$	20.00							
Lock bar install/maint- monthly				\$	4.00							
Replacement/damage(other than normal wear)				\$	50.00							
Special Pick-Up (Go Back) /Overage				25% of Monthly Service Rate								
Contamination				Special Pickup Charge + 25% of monthly rate for the second and each additional occurrence.								
Large Item Collection Items												
Console/Big Screen TV				\$	24.00							
Computer Monitor				\$	24.00							
Small E-Waste				\$	10.00							
Large E-Waste				\$	25.00							
Universal Waste Non Refrig appl				\$	25.00							
Refrig, AC etc.				\$	30.00							
Tires												
Passenger				\$	7.00							
Passenger w Rim				\$	12.00							
Truck				\$	15.00							
Truck with Rim				\$	22.00							
Tractor and Heavy Equip				\$80-\$600								
Mattress/Box Spring				\$	10.00							
Hard To handle fee				\$	132.00							

DRAFT Solid Waste Rates (Effective January 1, 2023)

Residential Collection Rate		Commercial Cart Collection				
96-Gallon Garbage (Bundled)	\$ 36.51	Each Cart (Garbage, Recycling, Organics)			\$ 36.82	
Commercial Garbage Bin Collection						
Subscription Size	Collection Frequency					
	1/week	2/week	3/week	4/week	5/week	6/week
2 Cubic Yard	\$ 131.17	\$ 232.39	\$ 332.97	\$ 436.07	\$ 536.64	\$ 636.50
3 Cubic Yard	\$ 163.29	\$ 297.05	\$ 426.76	\$ 563.51	\$ 696.94	\$ 830.37
4 Cubic Yard	\$ 199.95	\$ 369.23	\$ 538.50	\$ 708.02	\$ 877.55	\$ 1,047.07
6 Cubic Yard	\$ 263.55	\$ 495.94	\$ 726.31	\$ 961.78	\$ 1,192.48	\$ 1,424.87
Additional Recycling Bin Volume Collection						
Subscription Size	Collection Frequency					
	1/week	2/week	3/week	4/week	5/week	6/week
2 Cubic Yard	\$ 131.17	\$ 232.39	\$ 332.97	\$ 436.07	\$ 536.64	\$ 636.50
3 Cubic Yard	\$ 163.29	\$ 297.05	\$ 426.76	\$ 563.51	\$ 696.94	\$ 830.37
4 Cubic Yard	\$ 199.95	\$ 369.23	\$ 538.50	\$ 708.02	\$ 877.55	\$ 1,047.07
6 Cubic Yard	\$ 263.55	\$ 495.94	\$ 726.31	\$ 961.78	\$ 1,192.48	\$ 1,424.87
Drop Box						
				Per Pull Rate*		
All Sizes (Maximum 7 Day Rental)				\$ 477.65		
*Drop Box Rates will include the posted Per Pull Rate plus actual the per ton Tipping Fees incurred.						
Special Fees						
Special Item				Rate		
Carts						
Additional Residential Carts						
Garbage Cart				\$ 11.06		
Recycling Cart				\$ 12.17		
Garden Refuse				\$ 13.27		
Damaged Cart Replacement						
95-Gallon Garbage				\$ 82.95		
Cart Clean/Exchange (first time)				\$ 27.65		
Non proper service placement for handicap or elderly				\$ 22.12		
Special Pick-Up (Go Back) /Overage				\$ 16.59		
Contamination				Special Pickup Charge + \$25 fee for the second and each additional occurrence.		
Bins						
3 Cubic Yard Temporary Bin				\$ 108.53		
Additional Dump				\$ 108.53		
Compactor (Per Yard Per Pull)				\$ 23.25		
Special Pick-Up				\$ 39.98		
Clean & Replace (Plus Extra Dump Fee)				\$ 39.98		
Extra Collection (Plus Extra Dump Fee)				\$ 39.98		
Gate Rate				\$ 22.85		
Push Out Fee per each dump				\$ 22.85		
Lock bar install/maint- monthly				\$ 4.57		
Replacement/damage(other than normal wear)				\$ 57.12		
Special Pick-Up (Go Back) /Overage				25% of Monthly Service Rate		
Contamination				Special Pickup Charge + 25% of monthly rate for the second and each additional occurrence.		
Large Item Collection Items						
Console/Big Screen TV				\$ 26.54		
Computer Monitor				\$ 26.54		
Small E-Waste				\$ 11.06		
Large E-Waste				\$ 27.65		
Universal Waste Non Refrig appl				\$ 27.65		
Refrig, AC etc.				\$ 33.18		
Tires						
Passenger				\$ 7.74		
Passenger w Rim				\$ 13.27		
Truck				\$ 16.59		
Truck with Rim				\$ 24.33		
Tractor and Heavy Equip				\$80-\$600		
Mattress/Box Spring				\$ 11.06		
Hard To handle fee				\$ 145.99		

DRAFT Solid Waste Rates (Effective January 1, 2024)

Residential Collection Rate		Commercial Cart Collection				
96-Gallon Garbage (Bundled)	\$ 38.92	Each Cart (Garbage, Recycling, Organics)			\$ 38.91	
Commercial Garbage Bin Collection						
Subscription Size	Collection Frequency					
	1/week	2/week	3/week	4/week	5/week	6/week
2 Cubic Yard	\$ 138.63	\$ 245.61	\$ 351.91	\$ 460.87	\$ 567.16	\$ 672.70
3 Cubic Yard	\$ 172.58	\$ 313.95	\$ 451.03	\$ 595.56	\$ 736.58	\$ 877.60
4 Cubic Yard	\$ 211.32	\$ 390.23	\$ 569.13	\$ 748.29	\$ 927.46	\$ 1,106.62
6 Cubic Yard	\$ 278.54	\$ 524.15	\$ 767.62	\$ 1,016.48	\$ 1,260.30	\$ 1,505.91
Additional Recycling Bin Volume Collection						
Subscription Size	Collection Frequency					
	1/week	2/week	3/week	4/week	5/week	6/week
2 Cubic Yard	\$ 138.63	\$ 245.61	\$ 351.91	\$ 460.87	\$ 567.16	\$ 672.70
3 Cubic Yard	\$ 172.58	\$ 313.95	\$ 451.03	\$ 595.56	\$ 736.58	\$ 877.60
4 Cubic Yard	\$ 211.32	\$ 390.23	\$ 569.13	\$ 748.29	\$ 927.46	\$ 1,106.62
6 Cubic Yard	\$ 278.54	\$ 524.15	\$ 767.62	\$ 1,016.48	\$ 1,260.30	\$ 1,505.91
Drop Box						
				Per Pull Rate*		
All Sizes (Maximum 7 Day Rental)				\$ 504.88		
*Drop Box Rates will include the posted Per Pull Rate plus actual the per ton Tipping Fees incurred.						
Special Fees						
Special Item				Rate		
Carts						
Additional Residential Carts						
Garbage Cart				\$ 11.79		
Recycling Cart				\$ 12.97		
Garden Refuse				\$ 14.15		
Damaged Cart Replacement						
95-Gallon Garbage				\$ 88.43		
Cart Clean/Exchange (first time)				\$ 29.48		
Non proper service placement for handicap or elderly				\$ 23.58		
Special Pick-Up (Go Back) /Overage				\$ 17.69		
Contamination				Special Pickup Charge + \$25 fee for the second and each additional occurrence.		
Bins						
3 Cubic Yard Temporary Bin				\$ 115.70		
Additional Dump				\$ 115.70		
Compactor (Per Yard Per Pull)				\$ 24.79		
Special Pick-Up				\$ 42.62		
Clean & Replace (Plus Extra Dump Fee)				\$ 42.62		
Extra Collection (Plus Extra Dump Fee)				\$ 42.62		
Gate Rate				\$ 24.36		
Push Out Fee per each dump				\$ 24.36		
Lock bar install/maint- monthly				\$ 4.87		
Replacement/damage(other than normal wear)				\$ 60.89		
Special Pick-Up (Go Back) /Overage				25% of Monthly Service Rate		
Contamination				Special Pickup Charge + 25% of monthly rate for the second and each additional occurrence.		
Large Item Collection Items						
Console/Big Screen TV				\$ 28.29		
Computer Monitor				\$ 28.29		
Small E-Waste				\$ 11.79		
Large E-Waste				\$ 29.48		
Universal Waste Non Refrig appl				\$ 29.48		
Refrig, AC etc.				\$ 35.37		
Tires						
Passenger				\$ 8.25		
Passenger w Rim				\$ 14.15		
Truck				\$ 17.69		
Truck with Rim				\$ 25.94		
Tractor and Heavy Equip				\$80-\$600		
Mattress/Box Spring				\$ 11.79		
Hard To handle fee				\$ 155.63		

DRAFT Solid Waste Rates (Effective January 1, 2025)*

* Rates shown include maximum Refuse Rate Index of 5%

Residential Collection Rate		Commercial Cart Collection				
96-Gallon Garbage (Bundled)	\$ 41.35	Each Cart (Garbage, Recycling, Organics)			\$ 41.34	
Commercial Garbage Bin Collection						
Subscription Size	Collection Frequency					
	1/week	2/week	3/week	4/week	5/week	6/week
2 Cubic Yard	\$ 147.30	\$ 260.97	\$ 373.91	\$ 489.69	\$ 602.62	\$ 714.76
3 Cubic Yard	\$ 183.37	\$ 333.58	\$ 479.23	\$ 632.80	\$ 782.64	\$ 932.47
4 Cubic Yard	\$ 224.53	\$ 414.63	\$ 604.72	\$ 795.08	\$ 985.45	\$ 1,175.81
6 Cubic Yard	\$ 295.96	\$ 556.92	\$ 815.62	\$ 1,080.04	\$ 1,339.10	\$ 1,600.07
Additional Recycling Bin Volume Collection						
Subscription Size	Collection Frequency					
	1/week	2/week	3/week	4/week	5/week	6/week
2 Cubic Yard	\$ 147.30	\$ 260.97	\$ 373.91	\$ 489.69	\$ 602.62	\$ 714.76
3 Cubic Yard	\$ 183.37	\$ 333.58	\$ 479.23	\$ 632.80	\$ 782.64	\$ 932.47
4 Cubic Yard	\$ 224.53	\$ 414.63	\$ 604.72	\$ 795.08	\$ 985.45	\$ 1,175.81
6 Cubic Yard	\$ 295.96	\$ 556.92	\$ 815.62	\$ 1,080.04	\$ 1,339.10	\$ 1,600.07
Drop Box						
				Per Pull Rate*		
All Sizes (Maximum 7 Day Rental)				\$ 535.73		
*Drop Box Rates will include the posted Per Pull Rate plus actual the per ton Tipping Fees incurred.						
Special Fees						
Special Item				Rate		
Carts						
Additional Residential Carts						
Garbage Cart				\$ 12.52		
Recycling Cart				\$ 13.78		
Garden Refuse				\$ 15.03		
Damaged Cart Replacement						
95-Gallon Garbage				\$ 93.94		
Cart Clean/Exchange (first time)				\$ 31.32		
Non proper service placement for handicap or elderly				\$ 25.05		
Special Pick-Up (Go Back) /Overage				\$ 18.79		
Contamination				Special Pickup Charge + \$25 fee for the second and each additional occurrence.		
Bins						
3 Cubic Yard Temporary Bin				\$ 122.93		
Additional Dump				\$ 122.93		
Compactor (Per Yard Per Pull)				\$ 26.34		
Special Pick-Up				\$ 45.28		
Clean & Replace (Plus Extra Dump Fee)				\$ 45.28		
Extra Collection (Plus Extra Dump Fee)				\$ 45.28		
Gate Rate				\$ 25.88		
Push Out Fee per each dump				\$ 25.88		
Lock bar install/maint- monthly				\$ 5.17		
Replacement/damage(other than normal wear)				\$ 64.70		
Special Pick-Up (Go Back) /Overage				25% of Monthly Service Rate		
Contamination				Special Pickup Charge + 25% of monthly rate for the second and each additional occurrence.		
Large Item Collection Items						
Console/Big Screen TV				\$ 30.05		
Computer Monitor				\$ 30.05		
Small E-Waste				\$ 12.52		
Large E-Waste				\$ 31.32		
Universal Waste Non Refrig appl				\$ 31.32		
Refrig, AC etc.				\$ 37.57		
Tires						
Passenger				\$ 8.76		
Passenger w Rim				\$ 15.03		
Truck				\$ 18.79		
Truck with Rim				\$ 27.56		
Tractor and Heavy Equip				\$80-\$600		
Mattress/Box Spring				\$ 12.52		
Hard To handle fee				\$ 165.33		

DRAFT Solid Waste Rates (Effective January 1, 2026)*

* Rates shown include maximum Refuse Rate Index of 5%

Residential Collection Rate		Commercial Cart Collection				
96-Gallon Garbage (Bundled)	\$ 44.17	Each Cart (Garbage, Recycling, Organics)			\$ 44.17	
Commercial Garbage Bin Collection						
Subscription Size	Collection Frequency					
	1/week	2/week	3/week	4/week	5/week	6/week
2 Cubic Yard	\$ 157.38	\$ 278.83	\$ 399.49	\$ 523.20	\$ 643.85	\$ 763.67
3 Cubic Yard	\$ 195.92	\$ 356.40	\$ 512.02	\$ 676.10	\$ 836.19	\$ 996.27
4 Cubic Yard	\$ 239.89	\$ 443.00	\$ 646.10	\$ 849.48	\$ 1,052.88	\$ 1,256.26
6 Cubic Yard	\$ 316.21	\$ 595.03	\$ 871.43	\$ 1,153.94	\$ 1,430.72	\$ 1,709.55
Additional Recycling Bin Volume Collection						
Subscription Size	Collection Frequency					
	1/week	2/week	3/week	4/week	5/week	6/week
2 Cubic Yard	\$ 157.38	\$ 278.83	\$ 399.49	\$ 523.20	\$ 643.85	\$ 763.67
3 Cubic Yard	\$ 195.92	\$ 356.40	\$ 512.02	\$ 676.10	\$ 836.19	\$ 996.27
4 Cubic Yard	\$ 239.89	\$ 443.00	\$ 646.10	\$ 849.48	\$ 1,052.88	\$ 1,256.26
6 Cubic Yard	\$ 316.21	\$ 595.03	\$ 871.43	\$ 1,153.94	\$ 1,430.72	\$ 1,709.55
Drop Box						
				Per Pull Rate*		
All Sizes (Maximum 7 Day Rental)				\$ 571.60		
*Drop Box Rates will include the posted Per Pull Rate plus actual the per ton Tipping Fees incurred.						
Special Fees						
Special Item				Rate		
Carts						
Additional Residential Carts						
Garbage Cart				\$ 13.37		
Recycling Cart				\$ 14.72		
Garden Refuse				\$ 16.05		
Damaged Cart Replacement						
95-Gallon Garbage				\$ 100.35		
Cart Clean/Exchange (first time)				\$ 33.46		
Non proper service placement for handicap or elderly				\$ 26.76		
Special Pick-Up (Go Back) /Overage				\$ 20.07		
Contamination				Special Pickup Charge + \$25 fee for the second and each additional occurrence.		
Bins						
3 Cubic Yard Temporary Bin				\$ 131.34		
Additional Dump				\$ 131.34		
Compactor (Per Yard Per Pull)				\$ 28.14		
Special Pick-Up				\$ 48.38		
Clean & Replace (Plus Extra Dump Fee)				\$ 48.38		
Extra Collection (Plus Extra Dump Fee)				\$ 48.38		
Gate Rate				\$ 27.65		
Push Out Fee per each dump				\$ 27.65		
Lock bar install/maint- monthly				\$ 5.52		
Replacement/damage(other than normal wear)				\$ 69.13		
Special Pick-Up (Go Back) /Overage				25% of Monthly Service Rate		
Contamination				Special Pickup Charge + 25% of monthly rate for the second and each additional occurrence.		
Large Item Collection Items						
Console/Big Screen TV				\$ 32.10		
Computer Monitor				\$ 32.10		
Small E-Waste				\$ 13.37		
Large E-Waste				\$ 33.46		
Universal Waste Non Refrig appl				\$ 33.46		
Refrig, AC etc.				\$ 40.13		
Tires						
Passenger				\$ 9.36		
Passenger w Rim				\$ 16.05		
Truck				\$ 20.07		
Truck with Rim				\$ 29.44		
Tractor and Heavy Equip				\$80-\$600		
Mattress/Box Spring				\$ 13.37		
Hard To handle fee				\$ 176.60		