



CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD., DEL REY OAKS, CALIFORNIA 93940
PHONE (831) 394-8511 FAX (831) 394-6421

Staff Report

DATE: May 20, 2025

TO: Honorable Mayor and City Council

FROM: John Guertin, City Manager

SUBJECT: Adopt Resolution approving a 2.69 percent rate increase to charges by the City's franchised hauler, GreenWaste Recovery, for the collection of solid waste, recycling and organics, effective July 1, 2025.

CEQA: This action does not constitute a "project" as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an organizational activity of the City that will not result in direct or indirect physical changes in the environment.

Recommendation

Adopt a Resolution approving a 2.69 percent rate increase to charges by the City's franchised hauler, GreenWaste Recovery, for the collection of solid waste, recycling and organics, effective July 1, 2025.

Background

On January 28, 2014, Council approved a Franchise Agreement (Agreement) with GreenWaste Recovery (GWR) for the collection of solid waste, recycling and organics, subsequent to a competitive Request for Proposals selection process. The Agreement became effective on July 1, 2015, and expires on June 30, 2030. The Agreement includes a prescribed formula to determine annual rate adjustments by GWR, effective each year on July 1. This index-based formula includes the cost of disposal and processing ("tipping fee") at the ReGen Monterey (formerly known as Monterey Regional Waste Management District) facility in Marina, inflationary indexes for adjustments to GWR labor and operating costs, regional implementation of SB 1383, and the City's Franchise Fee of 13%.

HF&H Consultants, LLC (HF&H) was retained by ReGen Monterey to review GWR's request for an adjustment to customer rates, effective July 1, 2025, attached. The rate review resulted in a 2.69% rate increase due to labor and material inflationary indices for the period reviewed.

Summary & Discussion

While the Agreement requires the City Council to approve annual rate adjustments, the rate adjustment is based upon disposal fees and actual tonnage, inflationary indexes for GWR labor and operational costs, and cost for the City's Franchise Fee and other regulatory fees. City staff, in tandem with ReGen Monterey staff and HF&H, finds the rate calculation methodology to be consistent with the Agreement. Therefore, staff recommends Council approve the proposed Resolution and rate adjustment, which becomes effective on July 1, 2025, in accordance with the Agreement.

Fiscal Impacts

The new collection rates reflect an increase of 2.69% and are included as Exhibit A to the Resolution. The 2.69% rate increase is due to labor and material inflationary indices for the period reviewed. The cost of SB 1383 implementation is also included in the fees.

The City's Franchise Fee for FY 2025/2026 will be approximately \$113,775.

ATTACHMENTS:

- HF&H Consultants Memo
- Resolution 2024-05

Respectfully Submitted,

John Guertin
City Manager



April 1, 2025

John Guertin
City Manager
650 Canyon Del Rey Blvd.
Del Rey Oaks, CA 93940

Dear Mr. Guertin:

We have performed the calculations of the Refuse Rate Index for the rate adjustment effective July 1, 2025. Enclosed are the following:

1. The Del Rey Oaks Index Based Rate Adjustment table showing a weighted rate increase of 2.69%.
2. Del Rey Oaks Agreement Rate Tables
3. Copies of the Index tables used from the Bureau of Labor Statistics/Federal Reserve.

If you have any questions, please feel free to call me at (347) 602-1131 or e-mail me at James.Redmond@greenwaste.com.

Yours very truly,

James Redmond
Chief Financial Officer



GreenWaste Recovery, LLC Index Based Rate Adjustment - Rate Period 11
Del Rey Oaks

	Rate Period Ten	SB 1383 Costs	Sub-total	Adjustment Factor	Rate Period Eleven
Profit	\$35,560	\$ -	\$ 35,560	OR=89.30	\$ 36,462
Pass-Through Costs					
Disposal Costs	\$54,574		\$ 54,574	Tons*Tip Fee	\$ 56,115
Curbside Supplemental	(\$1,367)		\$ (1,367)	1.00	\$ (1,367)
Recycling Processing Costs	\$11,297		\$ 11,297	Tons*Tip Fee	\$ 11,100
Residue Processing Costs	\$0		\$ -	Tons*Tip Fee	\$ -
Yard Trimmings Processing Costs	\$16,059		\$ 16,059	Tons*Tip Fee	\$ 21,140
Food Waste Processing Costs	\$3,866		\$ 3,866	Tons*Tip Fee	\$ 4,949
C&D Processing Costs	\$0		\$ -	Tons*Tip Fee	\$ -
Interest Expense	\$9,862		\$ 9,862	N.A.	\$ 9,862
Direct Lease Costs	0		\$ -	N.A.	\$ -
Total Allocated Costs - Lease	\$7,536		\$ 7,536	N.A.	\$ 7,536
Total Pass-Through Costs	\$101,826	\$ -	\$ 101,826	N.A.	\$ 109,335
Total Costs before Agency Fees	\$434,161	\$ -	\$ 434,161	N.A.	\$ 450,098
Agency Fees/Payments					
Franchise Fee	\$110,790	\$ -	\$ 110,790	20.00%	\$ 113,775
Administrative Fee	0			0.00%	\$ -
AB 939/341 Fee	0			0.00%	\$ -
HHW Fee	0			0.00%	\$ -
Vehicle Impact Fee	0			0.00%	\$ -
Litter Abatement Fee	0			0.00%	\$ -
AB939 Fee			\$ -		
Rate Application Review Costs	\$9,000		\$ 9,000	Actual	\$ 5,000
Other Adjustments (as needed from time to time)					
Adjustments from MRWMD Tip Fee Estimates				N.A.	\$ -
Total Calculated Costs	\$553,952	\$ -	\$ 553,952		\$ 568,873
Rate Increase					2.69%

Residential Solid Waute Collection Rates			
Service Level	Solid Waute	Recycling	Organics
Curbside 32 Gallon	\$34.59	Included	Included
Curbside 64 Gallon	\$38.16	Included	Included
Curbside 96 Gallon	\$41.76	Included	Included
Notes: See Exhibit B1 for specific service availability			

Commercial/Multi-Family Solid Waute Collection Rates						
	Frequency					
Service Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$56.50	\$124.31	\$186.46	\$248.61	\$310.76	\$372.91
96-Gallon Cart	\$68.23	\$136.46	\$225.15	\$300.18	\$375.24	\$450.28
1-Cubic Yard Bin	\$214.71	\$472.36	\$708.55	\$944.72	\$1,180.90	\$1,417.07
2-Cubic Yard Bin	\$361.18	\$662.81	\$970.91	\$1,589.24	\$1,986.56	\$2,383.88
3-Cubic Yard Bin	\$544.94	\$965.27	\$1,386.56	\$2,397.69	\$2,997.11	\$3,596.54
4-Cubic Yard Bin	\$619.71	\$1,265.17	\$2,241.20	\$2,726.74	\$3,408.42	\$4,090.11
6-Cubic Yard Bin	\$959.60	\$2,111.12	\$3,166.70	\$4,222.26	\$5,277.82	\$6,333.37
8-Cubic Yard Bin	\$1,259.52	\$2,519.03	\$3,778.55	\$5,038.06	\$6,297.60	\$7,557.11
2-Cubic Yard Compactor	\$401.48	\$743.40	\$1,091.76	n/a	n/a	n/a
3-Cubic Yard Compactor	\$605.37	\$1,086.12	\$1,567.86	n/a	n/a	n/a
4-Cubic Yard Compactor	\$700.29	\$1,426.32	\$2,482.92	n/a	n/a	n/a

Commercial/Multi-Family Recycling Collection Rates						
	Frequency					
Service Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$8.46	\$18.74	\$27.96	\$37.29	\$46.61	\$55.94
96-Gallon Cart	\$10.24	\$20.47	\$33.78	\$45.02	\$56.28	\$67.54
1-Cubic Yard Bin	\$32.20	\$70.85	\$106.29	\$141.71	\$177.14	\$212.56
2-Cubic Yard Bin	\$54.19	\$99.43	\$145.63	\$238.38	\$297.98	\$357.59
3-Cubic Yard Bin	\$81.74	\$144.79	\$207.99	\$359.65	\$449.57	\$539.48
4-Cubic Yard Bin	\$92.96	\$189.78	\$336.18	\$409.01	\$511.26	\$613.51
6-Cubic Yard Bin	\$143.94	\$316.67	\$475.00	\$633.34	\$791.67	\$950.01
8-Cubic Yard Bin	\$188.93	\$377.86	\$566.78	\$755.72	\$944.64	\$1,133.56
2-Cubic Yard Compactor	\$37.34	\$65.74	\$95.11	n/a	n/a	n/a
3-Cubic Yard Compactor	\$56.48	\$94.27	\$132.21	n/a	n/a	n/a
4-Cubic Yard Compactor	\$59.27	\$122.42	\$235.16	n/a	n/a	n/a



Commercial/Multi-Family Food Waste Collection Rates						
	Frequency					
Service Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$42.37	\$93.23	\$139.84	\$186.46	\$233.06	\$279.69
96-Gallon Cart	\$51.17	\$102.32	\$168.85	\$225.16	\$281.44	\$337.72
1-Cubic Yard Bin	\$161.03	\$354.26	\$531.42	\$708.55	\$885.67	\$1,062.81
2-Cubic Yard Bin	\$270.90	\$497.13	\$728.19	\$1,191.93	\$1,489.91	\$1,787.89

Commercial/Multi-Family Yard Trimmings Collection Rates						
	Frequency					
Service Level	1x/week	2x/week	3x/week	4x/week	5x/week	6x/week
64-Gallon Cart	\$42.37	\$93.23	\$139.84	\$186.46	\$233.06	\$279.69
96-Gallon Cart	\$51.17	\$102.32	\$168.85	\$225.16	\$281.44	\$337.72
1-Cubic Yard Bin	\$161.03	\$354.26	\$531.42	\$708.55	\$885.67	\$1,062.81
2-Cubic Yard Bin	\$270.90	\$497.13	\$728.19	\$1,191.93	\$1,489.91	\$1,787.89
3-Cubic Yard Bin	\$388.17	\$687.56	\$987.69	\$1,707.93	\$2,134.91	\$2,561.91
4-Cubic Yard Bin	\$441.44	\$901.21	\$1,596.47	\$1,942.31	\$2,427.89	\$2,913.49
6-Cubic Yard Bin	\$683.55	\$1,503.80	\$2,255.70	\$3,007.61	\$3,759.51	\$4,511.41
8-Cubic Yard Bin	\$897.19	\$1,794.36	\$2,691.56	\$3,588.74	\$4,485.93	\$5,383.10

Roll-Off Collection Rates (Per Pull)				
	Material			
Service Level	MSW	REC	YT	C&D
10 YD	\$778.38	\$778.38	\$778.38	\$778.38
20 YD	\$854.36	\$854.36	\$854.36	\$854.36
30 YD	\$1,116.97	\$1,116.97	\$1,116.97	\$1,116.97
40 YD	\$1,379.57	\$1,379.57	\$1,379.57	\$1,379.57
Per Ton	\$101.25	\$51.25	\$61.25	\$101.25

Additional Service Rates		
Service	Sector	Charge Per Event
Cart Rental	RES	\$3.98
Cart Replacement	RES	\$79.63
Re-Delivery or Re-Start	RES	\$33.17
Cart Cleaning	RES	\$33.17
Non-Scheduled Collection	RES	\$25.21
Difficult to Service Cart	COM	\$1.32
Difficult to Service Bin	COM	\$3.98
Locking Bin	COM	\$66.35
Cart Replacement	COM	\$79.63
Cart Cleaning	COM	\$33.17
Bin Swap- Cleaning or Repainting	COM	\$99.53
Bulky - Recyclable	COM/RES	\$26.54
Bulky - Non Recyclable	COM/RES	\$33.17
Bulky - Event	COM/RES	\$39.81
Covered Box	RO	\$99.53
Driver Time per Hour	RO	\$145.98
Dry Run or Relocation	RO	\$99.53
Extra Days	RO	\$33.17

*Note: All rates charged monthly unless stated otherwise.



Data extracted on: March 24, 2025 (1:03:57 PM)

Consumer Price Index for All Urban Consumers (CPI-U)

Series Id: CUURS49BSA0

Not Seasonally Adjusted

Series Title: All items in San Francisco-Oakland-Hayward, CA, all urban consumers, not seasonally adjusted

Area: San Francisco-Oakland-Hayward, CA

Item: All items

Base Period: 1982-84=100

Download: [XLS](#) [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2015		254.910		257.622		259.117		259.917		261.019		260.289	258.572	256.723	260.421
2016		262.600		264.565		266.041		267.853		270.306		269.483	266.344	263.911	268.777
2017		271.626		274.589		275.304		275.893		277.570		277.414	274.924	273.306	276.542
2018		281.308		283.422		286.062		287.664		289.673		289.896	285.550	282.666	288.435
2019		291.227		294.801		295.259		295.490		298.443		297.007	295.004	293.150	296.859
2020		299.690		298.074		300.032		300.182		301.736		302.948	300.084	299.109	301.059
2021		304.387		309.419		309.497		311.167		313.265		315.805	309.721	306.724	312.718
2022		320.195		324.878		330.539		328.871		332.062		331.222	327.060	323.408	330.711
2023		337.173		338.496		340.056		340.094		341.219		339.915	339.050	337.689	340.411
2024		345.151		351.247		351.064		349.290		349.370		348.001	348.417	347.857	348.977
2025		354.432													



FRED Graph Observations
 Federal Reserve Economic Data
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CUURX400SA0 Consumer Price Index for All Urban Consumers:
 All Items in West - Size Class B/C, Index Dec

Frequency: Monthly

observation_date	CUURX400SA0
2018-12-01	154.228
2019-01-01	154.328
2019-02-01	154.671
2019-03-01	155.178
2019-04-01	156.523
2019-05-01	157.488
2019-06-01	157.564
2019-07-01	157.465
2019-08-01	157.654
2019-09-01	157.738
2019-10-01	158.635
2019-11-01	158.482
2019-12-01	158.496
2020-01-01	158.599
2020-02-01	158.183
2020-03-01	159.129
2020-04-01	158.824
2020-05-01	158.301
2020-06-01	158.857
2020-07-01	159.752
2020-08-01	160.528
2020-09-01	160.846
2020-10-01	161.141
2020-11-01	161.069
2020-12-01	160.840
2021-01-01	161.199
2021-02-01	162.042
2021-03-01	163.257
2021-04-01	165.088
2021-05-01	166.813
2021-06-01	168.425
2021-07-01	169.267
2021-08-01	169.477
2021-09-01	169.977
2021-10-01	171.226
2021-11-01	172.214
2021-12-01	172.722
2022-01-01	174.289
2022-02-01	175.890
2022-03-01	178.019
2022-04-01	179.339
2022-05-01	180.810
2022-06-01	182.790
2022-07-01	183.277
2022-08-01	183.543
2022-09-01	184.088
2022-10-01	185.410
2022-11-01	184.626
2022-12-01	183.888
2023-01-01	184.717
2023-02-01	185.968
2023-03-01	187.301
2023-04-01	188.008
2023-05-01	188.833
2023-06-01	189.295
2023-07-01	189.737
2023-08-01	190.368
2023-09-01	191.238
2023-10-01	191.321
2023-11-01	190.409
2023-12-01	190.095
2024-01-01	191.588
2024-02-01	191.874
2024-02-01	191.874
2024-03-01	194.047
2024-04-01	194.913
2024-05-01	194.709
2024-06-01	194.203
2024-07-01	193.360
2024-08-01	193.662
2024-09-01	194.320
2024-10-01	194.632
2024-11-01	194.491
2024-12-01	194.384



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 Federal Reserve Economic Data
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 Economic Research Division
 Federal Reserve Bank of St. Louis

Employment Cost Index: Total compensation for
 Private industry workers in Service-providing
 industries, Index Dec 2005=100, Quarterly,
 Seasonally Adjusted

CIS201S0000000001

Frequency: Quarterly

observation_date	CIS201S0000000001
2015-01-01	123.8
2015-04-01	123.7
2015-07-01	124.5
2015-10-01	125.1
2016-01-01	125.8
2016-04-01	126.6
2016-07-01	127.3
2016-10-01	127.9
2017-01-01	128.8
2017-04-01	129.6
2017-07-01	130.5
2017-10-01	131.2
2018-01-01	132.4
2018-04-01	133.4
2018-07-01	134.5
2018-10-01	135.4
2019-01-01	136.2
2019-04-01	137.0
2019-07-01	138.0
2019-10-01	138.9
2020-01-01	140.1
2020-04-01	140.6
2020-07-01	141.4
2020-10-01	142.6
2021-01-01	144.2
2021-04-01	145.1
2021-07-01	147.3
2021-10-01	149.1
2022-01-01	151.2
2022-04-01	153.4
2022-07-01	155.1
2022-10-01	156.8
2023-01-01	158.7
2023-04-01	160.3
2023-07-01	161.9
2023-10-01	163.3
2024-01-01	165.2
2024-04-01	166.7
2024-07-01	167.8
2024-10-01	169.3

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Federal Reserve Economic Data
Link: <https://fred.stlouisfed.org>
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Economic Research Division
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WPU057303 Producer Price Index by Commodity: Fuels and
Related Products and Power: No. 2 Diesel Fuel,

Frequency: Monthly

observation_date	WPU057303
2020-01-01	214.500
2020-02-01	193.300
2020-03-01	169.700
2020-04-01	123.600
2020-05-01	108.300
2020-06-01	137.800
2020-07-01	179.200
2020-08-01	191.000
2020-09-01	177.500
2020-10-01	187.300
2020-11-01	201.100
2020-12-01	224.600
2021-01-01	232.900
2021-02-01	264.400
2021-03-01	304.100
2021-04-01	282.000
2021-05-01	318.800
2021-06-01	317.800
2021-07-01	326.966
2021-08-01	322.279
2021-09-01	334.175
2021-10-01	374.107
2021-11-01	366.731
2021-12-01	346.234
2022-01-01	365.449
2022-02-01	415.354
2022-03-01	503.052
2022-04-01	528.256
2022-05-01	587.939
2022-06-01	665.720
2022-07-01	568.603
2022-08-01	497.425
2022-09-01	548.658
2022-10-01	605.641
2022-11-01	585.306
2022-12-01	419.191
2023-01-01	449.169
2023-02-01	435.578
2023-03-01	406.306
2023-04-01	387.167
2023-05-01	363.260
2023-06-01	342.988
2023-07-01	322.199
2023-08-01	428.045
2023-09-01	446.947
2023-10-01	407.772
2023-11-01	393.711
2023-12-01	342.052
2024-01-01	327.029
2024-02-01	387.007
2024-02-01	383.570
2024-03-01	384.276
2024-04-01	395.872
2024-05-01	319.052
2024-06-01	306.904
2024-07-01	342.037
2024-08-01	334.785
2024-09-01	289.007
2024-10-01	318.340
2024-11-01	311.919
2024-12-01	294.577

RESOLUTION NO. 2025-06

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF DEL REY OAKS APPROVING A 2.69 PERCENT RATE INCREASE TO CHARGES BY THE CITY'S FRANCHISED HAULER, GREENWASTE RECOVERY, FOR THE COLLECTION OF SOLID WASTE, RECYCLING AND ORGANICS, EFFECTIVE JULY 1, 2025

WHEREAS, the City of Del Rey Oaks entered into a Franchise Agreement with GreenWaste Recovery, Inc. (GWR) on January 28, 2014 for solid waste, recycling, and organics collection services for the period of July 1, 2015 through June 30, 2030; and,

WHEREAS, Section 8.2 of the Franchise Agreement requires annual inflationary adjustments to customer rates on July 1 of each year, as described in Exhibit E1 to the Agreement, based on agreed-upon cost indices, changes in tipping fees at the ReGen Monterey (formerly Monterey Regional Waste Management District) landfill, City fees, and actual tonnage of materials collected by GWR; and,

WHEREAS, HF&H Consultants, LLC (HF&H) was retained by ReGen on behalf of all its member agencies to review GWR's request for an adjustment to customer rates, as submitted to the City on April 1, 2025; and,

WHEREAS, HF&H's calculation of the rate adjustments have been reviewed by City staff, and staff finds the calculations to be consistent with the methodology and requirements of the Franchise Agreement; and,

WHEREAS, the rate review resulted in a 2.69 percent rate increase.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Del Rey Oaks does hereby:

1. Approve a 2.69 percent rate increase to charges by the City's franchised hauler, GreenWaste Recovery, for the collection of solid waste, recycling and organics, effective July 1, 2025, as shown in the attached Exhibit A.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF DEL REY OAKS, this 20st day of May, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

ATTEST:

Scott Donaldson, Mayor

Karen Minami, City Clerk