

*Rio Dell City Hall
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Rio Dell, CA 95562
(707) 764-3532
cityofriodell.ca.gov*



May 16, 2023

TO: Rio Dell City Council

FROM: Kyle Knopp, City Manager

SUBJECT: Annual Adjustment to Solid Waste Franchise Agreement Held by Recology Eel River

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Approve the proposed rate adjustment with Recology Eel River and accept it as an amendment to the Solid Waste and Recycling Franchise Agreement, effective July 1, 2023.

BACKGROUND AND DISCUSSION

The Solid Waste Franchise Agreement for the City of Rio Dell is with Recology Eel River (RER). The former franchise holder was Eel River Disposal (ERD) whose franchise was purchased by RER in 2017. Rates for RER contain a Consumer Price Index (CPI) adjustment in section 2.03.04 of the franchise agreement. The CPI rate adjustment has been identified as 6.4%. Last Year's CPI was 7.5%. RER's cost per ton will increase by \$0.48 per ton.

As documented in the packet, the new overall disposal rate per ton is \$152.46, an increase of \$32.42 from the prior year. This increase can be mostly attributed to increases in fees from the Humboldt Waste Management Authority (HWMA) approved on May 11th 2023. Per ton costs set by HWMA will increase by \$31.94 per ton. This increase is the result of multiple factors, including:

- Decline in trucking back-haul services, specifically soil and hog fuel.
- Increased labor costs.
- A long-term lack of fee increases in prior years.
- New regulatory requirements.

Attachments:

Staff Solid Waste Rate Summary
Recology Eel River Cover Email and Attachments.

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Solid Waste, Recycling & Organic Fees (all) - City of Rio Dell Staff Summary



Effective Date	7/1/2017	7/1/2018	7/1/2019	7/1/2020	7/1/2021	7/1/2022	7/1/2023
FRANCHISE HOLDER FEES							
Franchise Holder	ERD	RER	RER	RER	RER	RER	RER
Labor Cost (75% of CPI)	\$7.27	\$7.43	\$7.50	\$7.65	\$7.73	\$8.19	\$8.60
Operations (75% of CPI)	\$4.51	\$4.61	\$4.66	\$4.75	\$4.80	\$5.08	\$5.34
Scale Maintenance (75% of CPI)	\$0.80	\$0.81	\$0.82	\$0.84	\$0.84	\$0.90	\$0.94
Haul Cost Avoidance (75% of CPI)	-\$11.02	-\$11.26	-\$11.37	-\$11.60	-\$11.71	-\$12.42	-\$13.04
Capital Cost (fixed fee)	\$5.88	\$5.88	\$5.88	\$5.88	\$5.88	\$5.88	\$5.88
Return on Investment (75% of CPI)	\$6.89	\$7.03	\$7.10	\$7.24	\$7.31	\$7.75	\$8.14
Subtotal	\$14.33	\$14.50	\$14.59	\$14.76	\$14.85	\$15.39	\$15.87
HWMA FEES							
Countywide Program Fees							
Administration	\$1.91	\$0.72	\$1.40	\$1.40	\$0.57	\$0.57	\$0.57
Household Hazardous Waste Program	\$5.15	\$6.73	\$5.86	\$5.87	\$6.22	\$6.36	\$7.68
Cummings Road Landfill Maintenance	\$4.44	\$4.44	\$4.71	\$4.71	\$5.19	\$5.92	\$0.96
Cleanup/Enforcement Programs	\$0.57	\$0.56	\$0.56	\$0.56	\$0.56	\$0.53	\$0.68
Rural Container Program	\$4.81	\$4.81	\$4.81	\$4.81	\$4.81	\$4.84	\$4.84
County/Cities AB939 Programs	\$2.52	\$2.14	\$2.05	\$2.05	\$2.05	\$2.05	\$1.93
Table Bluff Landfill Maintenance	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74	\$0.74
Countywide Enforcement (LEA)	\$3.13	\$3.13	\$3.13	\$3.13	\$3.13	\$3.13	\$3.13
Edible Food Recovery	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.38
Subtotal	\$23.27	\$23.27	\$23.26	\$23.27	\$23.27	\$24.14	\$20.91
HWMA Base Fees							
Administration	\$4.19	See Subtotal Below	See Subtotal Below	See Subtotal Below	See Subtotal Below	See Subtotal Below	See Subtotal Below
Universal Waste Programs	\$3.51						
Recycling Programs	\$9.20						
Cummings Road Landfill Operations	\$4.00						
Subtotal	\$20.90	\$22.83	\$25.52	\$23.80	\$21.52	\$24.52	\$26.96
Facility Fees							
Operations (Transportation & Disposal)	\$54.40	\$52.47	\$49.79	\$51.49	\$53.78	\$54.84	\$87.57
Capital Expenditures	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Subtotal	\$54.40	\$52.47	\$49.79	\$51.49	\$53.78	54.84	87.57
OTHER FEES							
Fortuna Host Fee (pass through)	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15
Subtotal	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15
TOTAL FEES							
Total Franchise Holder Fees	\$14.33	\$14.50	\$14.59	\$14.76	\$14.85	\$15.39	\$15.87
Total HWMA Fees	\$98.57	\$98.57	\$98.57	\$98.56	\$98.57	\$103.50	\$135.44
Total Other Fees	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15	\$1.15
Grand Total All Fees	\$114.05	\$114.22	\$114.31	\$114.47	\$114.57	\$120.04	\$152.46

Kyle Knopp

From: Linda Wise <lwise@recology.com>
Sent: Wednesday, May 03, 2023 12:34 PM
To: Kyle Knopp
Cc: Nikki Burke; Frank Nelson
Subject: FW: 2023-2024 City of Rio Dell Annual Rate Review
Attachments: Rio Dell Rate Application 7.1.23-Submitted 5.1.23.pdf

Good afternoon Kyle-

Attached is this year's rate application submitted in compliance with the current contract. It reflects CPI and a passthrough adjustment which includes the proposed HWMA fees. Those fees will be heard on May 17th, and if they are approved and there are no changes the attached application will become final. They will need to be approved to be effective July 1, 2023.

CPI this year calls for a 6.4% increase. HWMA is proposing to raise fees which impacts disposal and the recycling processing fee. Last year, MSW disposal was \$120.04/ton and recycling was \$71.00/ton. Those fees are part of the rates charged at the curbside and are "pass-throughs". This year those pass-through fees are \$152.46/ton for MSW disposal and \$110.97/ton for recycling. The result is a change to current rates to the most common service size is the following:

Residential 30gallon MSW Service (weekly)

2022-2023	\$30.25/mo.
2023-2024	\$34.60/mo.
Change	\$ 4.35 (14.0 %)

Commercial 1 yard MSW Service (weekly)

2022-2023	\$92.20/mo.
2023-2024	\$111.52/mo.
Change	\$ 19.32 (15.6 %)

Please let me know when the City Council will hear the rates. If you need assistance with writing an explanation for the council packet please let me know. Of course, if you have any questions on the application please let me know.

Take care-

Linda

Linda A. Wise (she, 她, ella)
General Manager

City of Rio Dell
Disposal Rates ^{(1) (2)}
Exhibit A

\$152.46 Per Ton
 Effective 7-1-23

Bag Service	<u>1 Bag</u>	<u>1 Bag</u>	
Regular	\$2.57	Heavy Bag	\$2.57
Curbside Recycling	\$0.00	Green Waste	\$0.00
Monthly Rate			
20-Gallon Can	<u>1 Can</u>		
1xWeekly	\$6.95		
32-Gallon Can	<u>1 Can</u>	<u>3 Cans</u>	<u>4 Cans</u>
1xWeekly	\$11.13	\$33.38	\$44.51
2xWeekly	\$22.25	\$66.76	\$89.01
45-Gallon Can	<u>1 Can</u>	<u>3 Cans</u>	<u>4 Cans</u>
1xWeekly	\$15.65	\$46.94	\$62.59
2xWeekly	\$31.29	\$93.88	\$125.17
Bins No Rental	<u>1 Yard</u>	<u>2 Yard</u>	<u>3 Yard</u>
1xWeekly	\$70.24	\$140.47	\$210.71
2xWeekly	\$140.47	\$280.95	\$421.42
3xWeekly	\$210.71	\$421.42	\$632.13
		<u>4 Yard</u>	<u>6 Yard</u>
		\$280.95	\$421.42
		\$561.89	\$842.84
		\$842.84	\$1,264.26
			<u>8 Yard</u>
			\$561.89
			\$1,123.78
			\$1,685.67

(1) 1 lb. per Gallon ;202 lbs. per Cu. Yd.
 (2) Franchise fee 5% of gross revenues.

**City of Rio Dell
Collection Rates
Exhibit B**

**Bold Numbers
Effective 7-1-23**
CPI Change **6.4%**

Bag Service	1 Bag	Heavy Bag	1 Bag
Regular	\$5.40		\$0.00
	\$5.75		\$0.00

Curbside Recycling	Green Waste
	\$3.41
	\$3.63

Monthly Rate	1 Can
20-Gallon Can	\$18.38
1xWeekly	\$19.56

32-Gallon Can	1 Can	2 Cans	3 Cans	4 Cans	Comm'l Recycling
1xWeekly	\$21.02	\$29.46	\$40.80	\$48.06	\$31.65
2xWeekly	\$36.68	\$55.69	\$78.41	\$92.95	
	\$22.37	\$31.35	\$43.42	\$51.14	
	\$39.03	\$59.26	\$83.44	\$98.91	\$33.68

45-Gallon Can	1 Can	2 Cans	3 Cans	4 Cans
1xWeekly	\$24.04	\$33.69	\$46.67	\$54.98
2xWeekly	\$41.96	\$63.69	\$89.68	\$106.33
	\$25.58	\$35.85	\$49.66	\$58.50
	\$44.65	\$67.77	\$95.43	\$113.15

Bins No Rental	1 Yard	1.5 Yard	2 Yard	3 Yard	4 Yard	6 Yard	8 Yard
1xWeekly	\$35.46	\$53.18	\$70.99	\$106.49	\$141.91	\$212.97	\$284.63
2xWeekly	\$63.29	\$105.68	\$141.06	\$211.49	\$282.40	\$423.08	\$564.15
3xWeekly	\$106.49	\$158.63	\$211.49	\$317.41	\$423.08	\$634.57	\$846.62
	\$37.73	\$56.59	\$75.54	\$113.32	\$151.01	\$226.62	\$302.88
	\$67.35	\$112.45	\$150.10	\$225.05	\$300.50	\$450.20	\$600.31
	\$113.32	\$168.80	\$225.05	\$337.76	\$450.20	\$675.25	\$900.89

Bins Rental	1 Yard	1.5 Yard	2 Yard	3 Yard	4 Yard	6 Yard	8 Yard
	\$23.65	\$26.92	\$30.24	\$36.90	\$43.40	\$57.08	\$66.53
	\$25.17	\$28.65	\$32.18	\$39.27	\$46.18	\$60.74	\$70.79

One-Time Rental Rate	4 Yard	15 Yard	20 Yard	30 Yard	40 Yard
Debris Box Rentals	(5 Days)	(7 Days)	(7 Days)	(7 Days)	(7 Days)
	\$169.78	\$596.45	\$774.04	\$1,000.78	\$1,263.26
	\$180.66	\$634.68	\$823.66	\$1,064.93	\$1,344.24

City of Rio Dell
RCY Processing Rates
Exhibit C

Bold Numbers
Effective 7-1-23

RCY % Other Rev	3.3%
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Bag Service	1 Bag
Regular	<u>\$0.12</u>
	\$0.27
	Heavy Bag
	<u>1 Bag</u>
	\$0.00
	\$0.08

Curbside Recycling	Green Waste
	<u>\$0.12</u>
	\$0.26

Monthly Rate	1 Can
20-Gallon Can	<u>\$0.38</u>
1xWeekly	\$0.87

32-Gallon Can	1 Can	2 Cans	3 Cans	4 Cans	Comm'l Recycling
1xWeekly	<u>\$0.47</u>	<u>\$0.75</u>	<u>\$1.07</u>	<u>\$1.32</u>	<u>\$0.50</u>
2xWeekly	\$0.86	\$1.44	\$2.08	\$2.59	
	<u>\$1.10</u>	<u>\$1.76</u>	<u>\$2.52</u>	<u>\$3.14</u>	
	\$2.01	\$3.41	\$4.93	\$6.17	<u>\$1.11</u>

45-Gallon Can	1 Can	2 Cans	3 Cans	4 Cans
1xWeekly	<u>\$0.58</u>	<u>\$0.93</u>	<u>\$1.33</u>	<u>\$1.66</u>
2xWeekly	\$1.06	\$1.79	\$2.60	\$3.25
	<u>\$1.35</u>	<u>\$2.21</u>	<u>\$3.17</u>	<u>\$3.98</u>
	\$2.49	\$4.28	\$6.22	\$7.83

Bins No Rental	1 Yard	1.5 Yard	2 Yard	3 Yard	4 Yard	6 Yard	8 Yard
1xWeekly	<u>\$1.44</u>	<u>\$2.16</u>	<u>\$2.88</u>	<u>\$4.33</u>	<u>\$5.77</u>	<u>\$8.65</u>	<u>\$11.55</u>
2xWeekly	\$2.76	\$4.31	\$5.76	\$8.63	\$11.51	\$17.26	\$23.02
3xWeekly	<u>\$4.33</u>	<u>\$6.47</u>	<u>\$8.63</u>	<u>\$12.95</u>	<u>\$17.26</u>	<u>\$25.90</u>	<u>\$34.54</u>
	<u>\$3.55</u>	<u>\$5.32</u>	<u>\$7.10</u>	<u>\$10.65</u>	<u>\$14.19</u>	<u>\$21.29</u>	<u>\$28.41</u>
	\$6.83	\$10.62	\$14.16	\$21.24	\$28.33	\$42.48	\$56.64
	<u>\$10.65</u>	<u>\$15.93</u>	<u>\$21.24</u>	<u>\$31.86</u>	<u>\$42.48</u>	<u>\$63.72</u>	<u>\$84.98</u>

Bins Rental	1 Yard	1.5 Yard	2 Yard	3 Yard	4 Yard	6 Yard	8 Yard
	<u>\$0.38</u>	<u>\$0.43</u>	<u>\$0.48</u>	<u>\$0.59</u>	<u>\$0.69</u>	<u>\$0.91</u>	<u>\$1.06</u>
	\$0.83	\$0.94	\$1.06	\$1.29	\$1.52	\$2.00	\$2.33

One-Time Rental Rate	4 Yard	15 Yard	20 Yard	30 Yard	40 Yard
Debris Box Rentals	<u>(5 Days)</u>	<u>(7 Days)</u>	<u>(7 Days)</u>	<u>(7 Days)</u>	<u>(7 Days)</u>
	<u>\$2.70</u>	<u>\$9.48</u>	<u>\$12.30</u>	<u>\$15.90</u>	<u>\$20.07</u>
	\$5.94	\$20.85	\$27.06	\$34.99	\$44.16

City of Rio Dell
Combined Rates (including RCY Processing)
Exhibit D

Effective 7-1-23

Bag Service	1 Bag		Heavy Bag	1 Bag
Regular	\$8.59			\$11.21
Curbside Recycling	\$8.11		Green Waste	\$3.63
Monthly Rate				
20-Gallon Can	1 Can			
1xWeekly	\$27.38			
32-Gallon Can	1 Can	2 Cans	3 Cans	4 Cans
1xWeekly	\$34.60	\$55.36	\$79.32	\$98.79
2xWeekly	\$63.29	\$107.18	\$155.13	\$194.09
45-Gallon Can	1 Can	2 Cans	3 Cans	4 Cans
1xWeekly	\$42.58	\$69.35	\$99.77	\$125.07
2xWeekly	\$78.43	\$134.64	\$195.53	\$246.15
Bins No Rental	1 Yard	1.5 Yard	2 Yard	3 Yard
1xWeekly	\$111.52	\$167.26	\$223.11	\$334.68
2xWeekly	\$214.65	\$333.78	\$445.21	\$667.71
3xWeekly	\$334.68	\$500.79	\$667.71	\$1,001.75
Bins Rental	1 Yard	1.5 Yard	2 Yard	3 Yard
	\$26.00	\$29.59	\$33.24	\$40.56
Per Yard Overloaded	1 Yard	1.5 Yard	2 Yard	3 Yard
Overloaded Charges	\$38.94	\$58.41	\$77.88	\$116.81
Minimum Cost Per Bin				
One-Time Rental Rate	4 Yard	15 Yard	20 Yard	40 Yard
Debris Box Rentals	(5 Days)	(7 Days)	(7 Days)	(7 Days)
	\$186.60	\$655.53	\$850.72	\$1,388.40

Rates not listed on Rate Sheets will increase at the following rates

Residential	16.26%
MFD	17.79%
Comm'l	17.79%
Debris Box	8.19%
Service	1.40%
Recycling	8.13%
Green Waste	6.45%

Rates added in 2023 are highlighted.

City of Rio Dell
Disposal Rates per Ton
Exhibit A-1

	2021		2022		2023	
	<u>CPI</u>	<u>\$</u>	<u>CPI</u>	<u>\$</u>	<u>CPI</u>	<u>\$</u>
ERD FEES	1.4%		7.5%		6.4%	
ERD Labor Cost	\$ 0.08	\$ 7.73	\$ 0.46	\$ 8.19	\$ 0.41	\$ 8.60
ERD Operation	0.05	4.80	0.29	5.08	0.25	5.34
ERD Scale Maintenance	0.01	0.84	0.05	0.90	0.04	0.94
ERD Haul Cost Avoidance	(0.12)	(11.71)	(0.70)	(12.42)	(0.62)	(13.04)
ERD Capital Cost		5.88		5.88		5.88
ERD Return on Investment	0.07	7.31	0.44	7.75	0.39	8.14
Total ERD Fees	\$ 0.09	\$ 14.85	\$ 0.54	\$ 15.39	\$ 0.48	\$ 15.87
HWMA FEES ⁽¹⁾						
Operations		\$ 53.78		\$ 54.84		\$ 87.57
Payroll		21.52		24.52		26.96
HHW Program		6.22		6.36		7.68
County/City Recycling Programs		2.05		2.05		1.93
Table Bluff Maintenance		0.74		0.74		0.74
County LEA		3.13		3.13		3.13
Cleanup Fees		0.56		0.53		0.68
Cummings Landfill Maintenance Monitoring		5.19		5.92		0.96
Edible Food Recovery		NA		NA		0.38
County Rural Container Subsidy		4.81		4.84		4.84
Administration		0.57		0.57		0.57
Fortuna Host fee		1.15		1.15		1.15
Total HWMA Fees		\$ 99.72		\$ 104.65		\$ 136.59
Total Disposal Rate per Ton		\$ 114.57		\$ 120.04		\$ 152.46
		0.09%		4.77%		27.00%

City of Rio Dell CPI Table

CPI-All Urban Consumers (Current Series) Original Data Value

Series Id: CUUR0000SA0
 Not Seasonally Adjusted
 Series Title: All items in U.S. city average, all urban
 Area: U.S. city average
 Item: All items
 Base Period: 1982-84=100
 Years: 2009-2023

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	HALF1	HALF2	Jan to Jan Change
2009	211.143	212.193	212.709	213.240	213.856	215.693	215.351	215.834	215.969	216.177	216.330	215.949	213.139	215.935	
2010	216.687	216.741	217.631	218.009	218.178	217.965	218.011	218.312	218.439	218.711	218.803	219.179	217.535	218.576	2.6%
2011	220.223	221.309	223.467	224.906	225.964	225.722	225.922	226.545	226.889	226.421	226.230	225.672	223.598	226.280	1.6%
2012	226.665	227.663	229.392	230.085	229.815	229.478	229.104	230.379	231.407	231.317	230.221	229.601	228.850	230.338	2.9%
2013	230.280	232.166	232.773	232.531	232.945	233.504	233.596	233.877	234.149	233.546	233.069	233.049	232.366	233.548	1.6%
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.384	237.088	1.6%
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	236.265	237.769	-0.1%
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	238.778	241.237	1.4%
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	244.076	246.163	2.5%
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233	250.089	252.125	2.1%
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	254.412	256.903	1.6%
2020	257.971	258.678	258.115	56.389	256.394	257.797	259.101	259.918	260.28	260.388	260.229	260.474	257.557	260.065	2.5%
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.31	276.589	277.948	278.802	266.236	275.703	1.4%
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797	288.347	296.963	7.5%
2023	299.17	300.84													6.4%

City of Rio Dell
RCY Processing Costs Rate Year 2022-2023
Exhibit C-1

	2022		2023
	2021 Actual	Projected	Projected
RCY Processing Fee	\$ 82.68	\$ 71.00	\$ 110.97
Rio Dell Annual RCY Tons	192.97	192.97	225.13
RCY Charges for Rate Year	\$ 15,955	\$ 13,701	\$ 24,983
Franchise Fee	840	721	1,315
Total RCY Charges for Rate Year	\$ 16,794	\$ 14,422	\$ 26,298
Less: Collected	(24,907)	NA	NA
Plus: Carry Over	1,744	(6,369)	(182)
Total Owed for Rate Year	\$ (6,369)	\$ 8,053	\$ 26,116
Rio Dell Annual Revenues (before RCY Processing)	\$ 477,350	\$ 506,903	\$ 794,919
Recycling Processing % Revenues	1.59%		3.29%

<u>Size</u>	<u>Ton</u> ⁽¹⁾	<u>Rate</u>	<u>Rate/ container</u>	<u>Monthly Rate</u>	<u>Rate with Franchise Fee</u> ⁽²⁾	<u>Monthly Rate with Franchise Fee</u> ⁽²⁾
20 Gallon	0.0100	\$ 152.46	\$ 1.52	\$ 6.61	\$ 1.60	\$ 6.95
32 Gallon	0.0160	152.46	2.44	10.57	2.57	11.13
40 Gallon	0.0200	152.46	3.05	13.21	3.21	13.91
64 Gallon	0.0320	152.46	4.88	21.14	5.14	22.25
1 Cu. Yd.	0.1010	152.46	15.40	66.72	16.21	70.24
1.5 Cu. Yd.	0.1515	152.46	23.10	100.08	24.32	105.35
2 Cu. Yd.	0.2020	152.46	30.80	133.44	32.42	140.47
3 Cu. Yd.	0.3030	152.46	46.19	200.16	48.62	210.71
4 Cu. Yd.	0.4040	152.46	61.59	266.88	64.83	280.94
6 Cu. Yd.	0.6060	152.46	92.39	400.32	97.25	421.42
8 Cu. Yd.	0.8080	152.46	123.18	533.76	129.66	561.89

(1) 1 lb. per Gallon ;202 lbs. per Cu. Yd.

(2) Franchise fee 5% of gross revenues.