

**CITY OF CLOVERDALE
CITY COUNCIL**

RESOLUTION NO. 082-2022

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLOVERDALE
APPROVING MAXIMUM ALLOWABLE SOLID WASTE, COMPOSTING AND RECYCLING RATES**

WHEREAS, the City of Cloverdale and Recology are parties to a franchise agreement for the collection, disposal and processing of solid waste, recyclables and compostable materials and related activities originally dated March 23, 2011, hereinafter called “Agreement”; and

WHEREAS, the Agreement is set to expire on June 30, 2025, unless otherwise extended via Amendment to the Agreement; and

WHEREAS, Section 6.6 of the Agreement provides for Recology to submit for a Special Rate Review, and Recology requested a Special Rate Review in 2021 for intended effectiveness in 2022; and

WHEREAS, the City engaged R3 Consulting Group Inc. (R3) to review Recology’s request for Special Rate Review, which included a review of how prior rate adjustments – which included adjustments for new collection vehicles – were addressed in the new request for rate increase; and

WHEREAS, Section 8.3 of the Agreement provides for the City to conduct Performance Review of Recology, and the City engaged R3 to conduct a review of Recology, including review of overall compliance with the Agreement, safety practices, landfill diversion, customer billing and service, and other performance elements; and

WHEREAS, R3’s review of Recology’s performance found that Recology operates a well-run solid waste collection operation that meets industry standards; and

WHEREAS, R3’s review of Recology’s request for Special Rate review found that the Recology is operating at a loss in Cloverdale, with no profit to the company from its operations in the City; and

WHEREAS, R3’s review further investigated, validated and otherwise reduced (via adjustments) the basis for Recology’s request for Special Rate Review, with the primary factors relating to increasing rates being covering the cost of providing services, earning a reasonable profit, normal increases in operating costs, and City-approved costs relating to implementation of the SB 1383 Regulations; and

WHEREAS, on July 27, 2022, the City Council approved the First Amendment to the Agreement with Recology to comply with SB 1383 Regulations (Resolution 082-2022) which approved increasing solid waste rates to fund compliance with SB 1383; and

WHEREAS, on July 27, 2022, the Council also considered options for increases to solid waste rates per the Special Rate Review, with the Council stating its preference to phase-in rate increases over several years, made possible via an extension to the Agreement; and

WHEREAS, the City has sole and exclusive discretion regarding whether to grant some, all, or none of the requested Special Rate Review; and

WHEREAS, Section 8.12.090 (Rates) of the Cloverdale Municipal Code sets forth “The City Council may by resolution from time to time amend the maximum rates that contractors may impose for the collection, disposal, and processing of solid waste, recyclable materials and compostable materials and related services within the City”; and

WHEREAS, recommended adjustments to Recology’s Special Rate Review request include removing the pre-payment discount, flattening the City’s franchise fee, and cost-of-service market adjustments to commercial rates, some of which will require documentation via future Amendment to the Agreement; and

WHEREAS, the rates set forth in Exhibit A-1 are competitive with other rates in Sonoma County and also Marin County, and reflect the cost of providing solid waste service in compliance with State laws including SB 1383; and

WHEREAS, R3 and City staff recommend one of three potential options for adjusting rates in response to Recology’s request for Special Rate Review:

1. Phasing-in rate adjustment over 4-years, making the first effective date of rate adjustment December 1, 2022, at the rates in Exhibit A-1, and extending the Agreement 15 years via Amendment through December 31, 2040; or
2. Phasing-in rate adjustment over 3-years, making the first effective date of rate adjustment December 1, 2022, at the rates in Exhibit A-2, and extending the Agreement 10 years via Amendment through December 31, 2035; or
3. Adjusting rates effective September 1, 2022, at the rates in Exhibit A-3, which does not phase-in rate adjustment, but does include a reduction in Recology’s profit margin, and which does not require extending the Agreement, though the Council may still choose to do so.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Cloverdale does hereby:

1. Approve the maximum allowable solid waste, composting and recycling rate schedule shown in Exhibit A-1, attached hereto, to be effective December 1, 2022; and
2. Direct the City Manager to negotiate an Amendment to the Agreement with Recology that would make appropriate adjustments relating to the pre-payment discount, franchise fee, and term length and return to Council for approval of such Amendment by December 1, 2022.

It is hereby certified that the foregoing Resolution No. 082-2022 was duly introduced and duly adopted by the City Council of the City of Cloverdale at its regular meeting held on the 24th day of August 2022, by the following roll call vote:

AYES: (4) - Vice Mayor Wolter, and Councilmembers: Bagby, Cruz, Palla

NOES: (0)

ABSTAIN: (0)

ABSENT: (1) - Mayor Lands

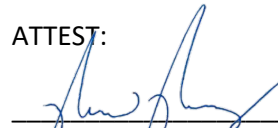
APPROVED

Gus Wolter

Gus wolter (Aug 26, 2022 11:34 PDT)

Gus Wolter, Vice Mayor

ATTEST:



Michael Maloney, City Clerk

Attachments:

Exhibit A-1 – Cloverdale Special Rate Review Option 1

Cloverdale Special Rate Review

Rate Table - Option 1 - Step Increase over 4 Years with 15-year Contract Extension

Rates Effective 12/1/2022

City of Cloverdale Attachment B- Customer Rates	By Component				Total Rate Effective 12/1/2022
	Collection Component	Disposal Component	Compostable Component	Franchise Fee Component	
Residential Cart Collection					
20-Gallon Cart	\$14.51	\$3.72	\$3.85	\$2.73	\$24.81
35-Gallon Cart	\$22.09	\$4.31	\$3.85	\$3.74	\$34.00
60-Gallon Cart	\$37.38	\$6.25	\$3.85	\$5.87	\$53.35
90-Gallon Cart	\$46.54	\$11.01	\$3.85	\$7.59	\$68.99
Road Charge*	\$9.33			\$1.15	\$10.48
Extra Pick up	\$12.88	\$1.46		\$1.77	\$16.10
Carry Charge per Cart**	\$2.59			\$0.32	\$2.91
Low Income Discount (20% Discount)					
20-Gallon Cart	\$17.66			\$2.18	\$19.85
35-Gallon Cart	\$24.20			\$2.99	\$27.20
60-Gallon Cart	\$37.99			\$4.70	\$42.68
90-Gallon Cart	\$49.12			\$6.07	\$55.20
Road Charge*	\$7.46			\$0.92	\$8.38
Carry Charge per Cart**	\$2.07			\$0.26	\$2.32
Commercial Cart and Bin Collection					
1.5 Cubic Yd Bin		\$0.00			
1 x week	\$150.08	\$96.67	\$3.85	\$30.97	\$281.58
2 x week	\$238.99	\$193.34	\$3.85	\$53.91	\$490.10
3 x week	\$324.16	\$290.02	\$3.85	\$76.39	\$694.41
Extra Pick-up	\$64.47	\$22.31	\$3.85	\$11.20	\$101.84
2 Cubic Yd Bin					
1 x week	\$180.41	\$128.90	\$3.85	\$38.71	\$351.87
2 x week	\$282.22	\$257.79	\$3.85	\$67.22	\$611.09
3 x week	\$384.63	\$386.69	\$3.85	\$95.81	\$870.98
Extra Pick-up	\$78.28	\$29.75	\$3.85	\$13.83	\$125.71
3 Cubic Yd Bin					
1 x week	\$191.54	\$193.34	\$3.85	\$48.05	\$436.78
2 x week	\$306.89	\$386.69	\$3.85	\$86.20	\$783.63
Extra Pick-up	\$88.43	\$44.62	\$3.85	\$16.92	\$153.82
4 Cubic Yd Bin					
1 x week	\$197.20	\$257.79	\$3.85	\$56.71	\$515.56
2 x week	\$291.20	\$515.58	\$3.85	\$100.19	\$910.83
3 x week	\$374.51	\$773.38	\$3.85	\$142.35	\$1,294.09
Extra Pick-up	\$94.90	\$59.50	\$3.85	\$19.56	\$177.81
6 Cubic Yd Bin					
1 x week	\$273.69	\$386.69	\$3.85	\$82.10	\$746.33
2 x week	\$295.24	\$773.38	\$3.85	\$132.55	\$1,205.02
Extra Pick-up	\$125.09	\$89.24	\$3.85	\$26.97	\$245.15
Carts					
1 - 35 Gal Cart 1xw	\$31.15	\$8.92	\$3.85	\$5.43	\$49.36
1 - 64 Gal Cart 1xw	\$62.15	\$19.34	\$3.85	\$10.55	\$95.89
1 - 96 Gal Cart 1xw	\$94.73	\$28.26	\$3.85	\$15.68	\$142.52
Extra Pick-up	\$17.24		\$3.85	\$2.61	\$23.70
Commercial Solid Waste Compactor Special Services					
Backyard Charge	\$46.46			\$5.74	\$52.20
Sidyard for Fee Service	\$46.46			\$5.74	\$52.20
Key Charges (1)	\$18.61			\$2.30	\$20.91
Enclosure Charges (2)	\$46.46			\$5.74	\$52.20
Gate Service Charges (3)	\$18.61			\$2.30	\$20.91
Long Walk Charge (4)	\$46.46			\$5.74	\$52.20
Commercial Overage per Cubic Yard	\$64.55	\$14.87		\$9.82	\$89.24
4 yd Cleanup Bin (3 days)	\$253.37	\$59.50		\$38.67	\$351.53
Contaminated Recycle, yard waste or food scrap:					
Cart	\$33.23			\$4.11	\$37.34
Bin (plus \$88.7 per yard)	\$33.23			\$4.11	\$37.34
Cleaning Fee for food scrap Bin/Cart in excess of 1 per year	\$83.05			\$10.26	\$93.31
Replacement Cart after 1/year	\$129.54			\$16.01	\$145.55
Replacement Bin after 1/year	\$219.23			\$27.10	\$246.33
Same day return trip for Bin/Cart blocked or not at curb	\$27.41			\$3.39	\$30.79
Fee to reinstate account closed for nonpayment	\$41.50			\$5.13	\$46.63
Add'l Recycle or Yard Waste Cart (after 2)	\$27.41			\$3.39	\$30.79

Cloverdale Special Rate Review

Rate Table - Option 1 - Step Increase over 4 Years with 15-year Contract Extension

Rates Effective 12/1/2022

City of Cloverdale Attachment B- Customer Rates	By Component				Total Rate Effective 12/1/2022
	Collection Component	Disposal Component	Compostable Component	Franchise Fee Component	
Commercial Solid Waste Debris Box Service:					
20 yard or less	\$313.47	\$297.48		\$75.51	\$686.46
30 yard & 40 yard	\$359.93	\$297.48		\$81.25	\$738.66
Disposal per ton over 2 tons		\$148.74		\$18.38	\$167.12
C&D Debris Box containing >10% recyclables (2 tons charged when					
20 yard or less	\$313.47	\$297.48		\$75.51	\$686.46
30 yard & 40 yard	\$359.93	\$297.48		\$81.25	\$738.66
Wood (disposal billed separately @ \$114.48 per ton based on tag					
20 yard or less	\$193.32			\$23.89	\$217.21
30 yard & 40 yard	\$213.37			\$26.37	\$239.74
Brush (disposal billed separately @ \$114.48 per ton based on tag)					
20 yard or less	\$193.32			\$23.89	\$217.21
30 yard & 40 yard	\$213.37			\$26.37	\$239.74
Recycling					
20 yard or less	\$213.37			\$26.37	\$239.74
30 yard & 40 yard	\$213.37			\$26.37	\$239.74
Dirt - half-full box allowed (disposal billed separately @ \$7.09 per ton					
20 yard or less	\$426.73			\$52.74	\$479.48
Concrete - half-full box allowed (disposal billed separately @ \$25.29					
20 yard or less	\$213.37			\$26.37	\$239.74
Compactor MSW Solid Waste Compactors					
3 yard once/week	\$312.52	\$366.95	\$72.92	\$92.99	\$845.38
3 yard twice/week	\$624.93	\$733.90	\$145.83	\$185.97	\$1,690.63
3 yard three times/week	\$935.81	\$1,100.85	\$218.75	\$278.76	\$2,534.16
Other sized compactors (disposal billed separately @ \$174.15 per tag					
20 yard or less compactor	\$371.68			\$45.94	\$417.62
25 yard compactor	\$464.60			\$57.42	\$522.02
30 yard compactor	\$557.51			\$68.91	\$626.42
Furniture					
Twin	\$69.76	\$34.76		\$12.92	\$117.43
Double / Full	\$69.76	\$34.76		\$12.92	\$117.43
Queen	\$69.76	\$34.76		\$12.92	\$117.43
King	\$69.76	\$34.76		\$12.92	\$117.43
Bed Frame	\$67.28	\$13.91		\$10.03	\$91.23
Couch (under 6 feet)	\$67.28	\$13.91		\$10.03	\$91.23
Upholstered Chairs	\$67.28	\$13.91		\$10.03	\$91.23
Wooden Chairs	\$67.28	\$13.91		\$10.03	\$91.23
Dinette Tables	\$67.28	\$13.91		\$10.03	\$91.23
Household					
Rug (9x12)	\$67.28	\$13.91		\$10.03	\$91.23
Vacuum	\$67.28	\$13.91		\$10.03	\$91.23
Appliances					
Water Heater - up to 100 gallon	\$67.28	\$13.91		\$10.03	\$91.23
Oven	\$68.11	\$20.85		\$11.00	\$99.96
Oven (stove top)	\$68.11	\$20.85		\$11.00	\$99.96
Oven (stove unit)	\$68.11	\$20.85		\$11.00	\$99.96
Microwave	\$67.28	\$13.91		\$10.03	\$91.23
Garbage Compactor	\$67.28	\$13.91		\$10.03	\$91.23
Refrigerator	\$91.89	\$13.91		\$13.08	\$118.87
Freezer	\$69.76	\$34.76		\$12.92	\$117.43
Air Conditioner	\$69.76	\$34.76		\$12.92	\$117.43
Washing Machine	\$68.11	\$20.85		\$11.00	\$99.96
Dryer	\$68.11	\$20.85		\$11.00	\$99.96
Building Materials					
Household Doors	\$67.28	\$13.91		\$10.03	\$91.23
Sink	\$67.28	\$13.91		\$10.03	\$91.23
Toilets	\$67.28	\$13.91		\$10.03	\$91.23
Windows (less than 3' by 4' only)	\$67.28	\$13.91		\$10.03	\$91.23
Windows larger than 3x4	\$101.94	\$13.91		\$14.32	\$130.16

Cloverdale Special Rate Review

Rate Table - Option 1 - Step Increase over 4 Years with 15-year Contract Extension

Rates Effective 12/1/2022

City of Cloverdale Attachment B- Customer Rates	By Component				Total Rate Effective 12/1/2022
	Collection Component	Disposal Component	Compostable Component	Franchise Fee Component	
Yard & Garden					
Gas Mower (must be drained of gas & oil)	\$67.28	\$13.91		\$10.03	\$91.23
BBQ	\$67.28	\$13.91		\$10.03	\$91.23
Ping Pong Table	\$67.28	\$13.91		\$10.03	\$91.23
Exercise Bike	\$67.28	\$13.91		\$10.03	\$91.23
Swing Sets	\$67.28	\$13.91		\$10.03	\$91.23
Bike	\$67.28	\$13.91		\$10.03	\$91.23
Electronics					
Computer Monitor or Computer Tower/CPU	\$67.28	\$13.91		\$10.03	\$91.23
Television	\$67.28	\$13.91		\$10.03	\$91.23
Large Screen Television	\$83.97	\$13.64		\$12.06	\$109.67
Console Television	\$83.97	\$13.64		\$12.06	\$109.67
Stereo Equipment	\$67.57	\$13.64		\$10.04	\$91.25
VCR/Home Entertainment	\$67.57	\$13.64		\$10.04	\$91.25
Printer / Fax	\$67.57	\$13.64		\$10.04	\$91.25
Copier (table top)	\$67.57	\$13.64		\$10.04	\$91.25
Copier (small stand alone)	\$80.02	\$102.33		\$22.54	\$204.89
Oversize Office Equipment	Price Varies	Price Varies			Price Varies
Car Parts					
Engine Block (completely drained of fluids)	\$67.28	\$13.91		\$10.03	\$91.23
Car Seats	\$67.28	\$13.91		\$10.03	\$91.23
Bumper / Grill etc.	\$67.28	\$13.91		\$10.03	\$91.23
Passenger Vehicle Tire	\$67.28	\$13.91		\$10.03	\$91.23
Truck or Tractor Tire		Price Varies			
Additional Items					
Items under 60 lbs.	\$67.28	\$13.91		\$10.03	\$91.23
Items over 60 lbs.	\$83.45	Price Varies		\$10.31	Price Varies
Items requiring special handling or disposal	\$83.45	Price Varies		\$10.31	Price Varies
	New Rate Effective 12/1/2022				
Alliance, Hospital & Medical Center New Rates	Collection Component	Disposal Component	Compostable Component	Franchise Fee Component	Total Rate Effective 12/1/2022
Alliance					
6 YD 2x/Week	\$669.33	\$552.49	\$2.78	\$151.36	\$1,375.97
Hospital					
3 YD 1x/Week	\$289.61	\$138.12	\$2.78	\$53.21	\$483.73
20 YD Permanent Box/Pull	\$309.31	\$287.81		\$73.80	\$670.92
	New Rate Effective 12/1/2022				
Coppertower's Medical Center New Rates	Collection Component	Disposal Component	Compostable Component	Franchise Fee Component	Total Rate Effective 12/1/2022
Coppertower's Medical Center					
2 Yd 2 x Week	\$241.58	\$257.79	\$3.85	\$62.20	\$565.42
Coppertower's Medical Center					
1 - 96 Gal Cart 1 x Wk (20% Discount)	\$77.69	\$28.26	\$3.85	\$13.57	\$123.38

Resolution No. 082-2022 - Recology Rate Review Request by R3

Final Audit Report

2022-08-26

Created:	2022-08-25
By:	Mike Maloney (Mmaloney@ci.cloverdale.ca.us)
Status:	Signed
Transaction ID:	CBJCHBCAABAAo8HsdJKjm9TjILgDWZYe7nTdsGmAGqLo

"Resolution No. 082-2022 - Recology Rate Review Request by R3" History

 Document created by Mike Maloney (Mmaloney@ci.cloverdale.ca.us)


2022-08-25 - 9:26:06 PM GMT

 Document emailed to gwolter@ci.cloverdale.ca.us for signature

2022-08-25 - 9:26:28 PM GMT

 Email viewed by gwolter@ci.cloverdale.ca.us

2022-08-26 - 6:14:35 PM GMT

 Signer gwolter@ci.cloverdale.ca.us entered name at signing as Gus wolter

2022-08-26 - 6:34:54 PM GMT

 Document e-signed by Gus wolter (gwolter@ci.cloverdale.ca.us)

Signature Date: 2022-08-26 - 6:34:56 PM GMT - Time Source: server

 Agreement completed.

2022-08-26 - 6:34:56 PM GMT