# City of Garden Grove

### INTER-DEPARTMENT MEMORANDUM

To:

Scott Stiles

From:

Kingsley Okereke

Dept:

City Manager/

General Manager

Dept:

Finance

Subject:

REPUBLIC SERVICES'

Date:

May 11, 2017

FY 2017/18 SOLID WASTE RATE

ADJUSTMENT EFFECTIVE

JULY 1, 2017

# **OBJECTIVE**

To provide the Garden Grove City Council and Garden Grove Sanitary District Board with information regarding Solid Waste rate adjustments being implemented by Republic Services.

### BACKGROUND/DISCUSSION

Republic Services, formerly operating as Garden Grove Disposal, has been the District's solid waste collection and disposal provider since 1989 pursuant to a franchise service agreement, amended July 1, 2010. Republic Services is implementing a price adjustment in accordance with the 2010 franchise service agreement. The contract allows for an annual CPI adjustment as well as a Landfill Cost Pass Through initiated by OC Waste Recycling.

The relevant annual percentage change in CPI for Los Angeles-Riverside-Orange County for January 2017 is 2.11%. The Landfill Cost Pass Through portion of the rate will be increased by 1.64%. This increase will have a net adjustment on the Basic Residential Rate of 1.99% which equates to \$0.43 per month or \$1.29 per quarterly billing.

Republic Services prepared, and City staff has reviewed for accuracy, the attached rate adjustment sheet (Attachment A) along with the CPI supporting documents.

Kingsley Okereke

Assistant City Manager/Finance Director

By:

Monica Neely

Revenue Division Manager

Attachment A: 2017 Solid Waste Rates

B: 2017 CPI Table

C: Letter and back-up from OC Waste & Recycling

# ATTACHMENT "A"

SUMMARY OF FRANCHISED SOLID WASTE RATE STRUCTURE - CITY OF GARDEN GROVE NEW RATES ESTABLISHED BY GARDEN GROVE DISPOSAL EFFECTIVE JULY 1, 2017 PREPARED AND SUBMITTED BY GARDEN GROVE DISPOSAL

247.155 2016 January CPI-U Annual Percent Change (Los Angeles-Riverside-Orange Co.)
252.373 2017 January CPI-U Annual Percent Change (Los Angeles-Riverside-Orange Co.)

2.11% Resulting Net CPI Annual Adjustment

\$32.96 2016 Orange County Landfill Charge \$33.50 2017 Orange County Landfill Charge 1.64% Resulting Landfill Adjustment ( Oct CPI Change)

2.11%	Resulting Net CPI Annual Adjustment			1.04%	Resulting Land	nıı Aujustine	iit ( Oct CFi Cilan	30)
RESIDEN	TIAL	Current GGD Rate Schedule		Landfill Costs Pass Through	Adjustment t Service Fee	o Rates Landfill	Adjusted GGD Rate Schedule	Net % Adj.
	Basic Residential Rate	\$21.64	\$17.69	\$3.95	\$0.37	\$0.06	\$22.07	1.99%
	Extra "Trash" Container	\$9.96	\$6.01	\$3.95	\$0.13	\$0.06	\$10.15	1.91%
	Extra "Yard Waste" Container	\$6.90	\$6.90	\$0.00	\$0.15	\$0.00	\$7.05	2.17%
	Extra "Recycle" Container	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
	"Grandfathered" Residential - "No Compost"	\$20.38	\$16.43	\$3.95	\$0.35	\$0.06	\$20.79	2.01%
	Non-Schedule Collection / Call Back	\$19.17	\$19.17	n/a	\$0.40	n/a	\$19.57	2.09%
	Additional Requests After 3 Pick-Ups p/Year	\$45.11	\$45.11	n/a	\$0.95	n/a	and the second second	2.11%
	Per Item Charge - After 10 Items	\$6.44	\$6.44	n/a	\$0.14	n/a		2.17%
	Additional Charge - Gas Recovery (A/C)	\$45.11	\$45.11	n/a	\$0.95	n/a	\$46.06	2.11%
	Containers Exchanged in Excess of 1 p/Year	\$36.04	\$36.04	n/a	\$0.76	n/a	\$36.80	2.11%
	Container Replacement - Customer Misuse Each	\$63.76	\$63.76	n/a	\$1.35	n/a	\$65,11	2.12%
	Residential Temporary 3 Yard Bin Services	\$80.02	\$74.58	\$5.44	\$1.57	\$0.09	\$81.68	2.07%
	Temp. Bin Extra Day p/day charge	\$6,50	\$6.50	n/a	\$0.14	n/a	\$6.64	2.15%
	Additional Dump of Temp 3 Yard Bin	\$80.02	\$74.58	\$5.44	\$1.57	\$0.09	\$81.68	2.07%
	Non-Profit Temporary 3 Yard Bin Service	\$75.02					\$76.68	
COMMER	CIAL	Current GGD Rate Schedule		Landfill Costs Pass Through	Adjustment t Service Fee	o Rates Landfill	Adjusted GGD Rate Schedule	Net % Adj.
	Barrel Service For Commercial (max 4 cans)							
	Service Rate Per Barrel	\$23.55	\$18.75	\$4.80	\$0.40	\$0.08	\$24,03	2.04%
	Two Yard Commercial Bins							
	Serviced 1x per/week	\$152.68	\$136.97	\$15.71	\$2.89	\$0.26	and the second second	2.06%
	Serviced 2x per/week	\$243.10	\$211.68	\$31.42	\$4.47	\$0.51		2,05%
	Serviced 3x per/week	\$333.48	\$286.35	\$47.13	\$6.05	\$0.77		2.05%
	Serviced 4x per/week	\$423.89	\$361.05	\$62.84	\$7.62	\$1.03		2.04%
	Serviced 5x per/week	\$514.29 \$604.69	\$435.74 \$510.43	\$78.55 \$94.26	\$9.20 \$10.78	\$1.29 \$1.54		2.04% 2.04%
	Serviced 6x per/week 1st Extra Bin Pick-up	\$67.66	\$64.03	\$3.63	\$1.35	\$0.06		2.08%
	Additional Bins @ Same Time	\$37.80	\$34.17	\$3.63	\$0.72	\$0.06	3 3 4 7 4 7	2.06%
	Three Yard Commercial Bins	•						
	Serviced 1x per/week	\$160.77	\$137.20	\$23.57	\$2.90	\$0.39	\$164.06	2.05%
	Serviced 2x per/week	\$255.96	\$208.82	\$47.14	\$4.41	\$0.77	\$261,14	2.02%
	Serviced 3x per/week	\$351.16	\$280.45	\$70.71	\$5.92	\$1.16	\$358.24	2.02%
	Serviced 4x per/week	\$446.35	\$352.07	\$94.28	\$7.43	\$1.54		2.01%
	Serviced 5x per/week	\$541.56	\$423.71	\$117.85	\$8.95	\$1.93		2.01%
	Serviced 6x per/week	\$636.76	\$495.34	\$141.42	\$10.46	\$2.32		2.01%
	1st Extra Bin Pick-up	\$71.23	\$65.79	\$5.44	\$1.39	\$0.09	The second secon	2.08%
	Additional Bins @ Same Time	\$39.81	\$34.37	\$5.44	\$0.73	\$0.09	\$40.63	2.06%
	Three Yard "Manure" Bins							
	Serviced 1x per/week	\$177.78	\$138.50	\$39.28	\$2.92	\$0.64		2.00%
	Serviced 2x per/week	\$288.89	\$210.33	\$78.56	\$4.44	\$1.29		1.98%
	Serviced 3x per/week	\$399,93	\$282.09	\$117.84	\$5.96	\$1.93		1.97%
	Serviced 4x per/week	\$511.02	\$353,90	\$157.12	\$7.47	\$2,57		1.96%
	Serviced 5x per/week Serviced 6x per/week	\$622.10 \$733.15	\$425.70 \$497.47	\$196.40 \$235.68	\$8.99 \$10.50	\$3.22 \$3.86		1.96% 1.96%
	Extra Pick-up	\$83.93	\$74.87	\$9.06	\$1.58	\$0.15	\$85.66	2.06%
	Three Yard "Mini-Packer" Bins		•	4				
	Serviced 1x per/week	\$252.12	\$181.42	\$70.70	\$3.83	\$1.16		1.98%
	Serviced 2x per/week	\$454.51	\$313.11	\$141.40	\$6.61	\$2.32		1.96%
	Serviced 3x per/week	\$656.96	\$444.86	\$212.10	\$9.39	\$3.47		1.96%
	Serviced 4x per/week	\$859.33	\$576,53	\$282.80	\$12.17	\$4.63		1.96%
	Serviced 5x per/week	\$1,061.77 \$4,364.45	\$708.27	\$353.50	\$14.95	. \$5.79		1.95%
	Serviced 6x per/week	\$1,264.15 \$114.70	\$839,95 \$08.47	\$424.20	\$17.73 \$2.08	\$6.95		1.95%
	Extra Pick-up	\$114.79	\$98.47	\$16.32	\$2.08	\$0.27	\$117.14	2.05%

COMMERCIAL	Current GGD Rate Schedule		Landfill Costs Pass Through	Adjustment to Service Fee	o Rates Landfill	Adjusted GGD Rate Schedule	Net % Adj.
Four Yard Commercial Bins							
Serviced 1x per/week	\$184.69	\$153.27	\$31.42	\$3.24	\$0.51	\$188.44	2.03%
Serviced 2x per/week	\$304.07	\$241.23	\$62.84	\$5.09	\$1.03	\$310.19	2.01%
Serviced 3x per/week	\$423,46	\$329.19	\$94.27	\$6,95	\$1.54	\$431.95	2.00%
Serviced 4x per/week	\$542.86	\$417.17	\$125.69	\$8.81	\$2.06	\$553.73	2.00%
Serviced 5x per/week	\$662.23	\$505.12	\$157.11	\$10.66	\$2.57	\$675.46	2.00%
Serviced 6x per/week	\$781.64	\$593.11	\$188.53	\$12.52	\$3.09	\$797.25	2.00%
Extra Pick-up	\$83.48	\$76.23	\$7.25	\$1.61	\$0.12	\$85.21	2.07%
Additional Bins @ Same Time	\$45.79	\$38.42	\$7.37	\$0.81	\$0.12	\$46.72	2.03%
Six Yard Commercial Bins							
Serviced 1x per/week	\$201.06	\$153.93	\$47.13	\$3.25	\$0.77	\$205.08	2.00%
Serviced 2x per/week	\$320.15	\$225.88	\$94.27	\$4.77	\$1.54	\$326.46	1.97%
Serviced 3x per/week	\$439.27	\$297,87	\$141.40	\$6.29	\$2.32	\$447.88	1.96%
Serviced 4x per/week	\$558.34	\$369.81	\$188.53	\$7.81	\$3.09	\$569.24	1.95%
Serviced 5x per/week	\$677.46	\$441.80	\$235.66	\$9.33	\$3.86	\$690.65	1.95%
Serviced 6x per/week	\$796.55	\$513.75	\$282.80	\$10.85	\$4.63	\$812.03	1.94%
Extra Pick-up	\$89.05	\$78.17	\$10.88	\$1.65	\$0.18	\$90.88	2.06%
Additional Bins @ Same Time	\$49.81	\$38.76	\$11.06	\$0.82	\$0.18	\$50.81	2.01%
Three Yard Temp. Construction Bins				•			
Serviced 1x per/week	\$177.63	\$154.06	\$23,57	\$3.25	\$0.39	\$181.27	2.05%
Serviced 2x per/week	\$269.39	\$222.26	\$47.13	\$4.69	\$0.77	\$274.85	2.03%
Serviced 3x per/week	\$361.18	\$290.48	\$70.70	\$6.13	\$1.16	\$368.47	2.02%
Serviced 4x per/week	\$452.93	\$358.66	\$94.27	\$7.57	\$1.54	\$462.04	2.01%
Serviced 5x per/week	\$544.75	\$426,92	\$117.83	\$9.01	\$1.93	\$555,69	2.01%
Serviced 6x per/week	\$636.51	\$495.11	\$141.40	\$10.45	\$2.32	\$649.28	2.01%
Extra Pick-up	\$95.32	\$89.88	\$5.44	\$1.90	\$0.09	\$97,31	2.09%
Three Yard Recycle Bins							
Serviced 1x per/week	\$137.21	\$137.21	n/a	\$2.90	n/a	\$140,11	2.11%
Serviced 2x per/week	\$208.83	\$208,83	n/a	\$4.41	n/a	\$213.24	2.11%
Serviced 3x per/week	\$280.47	\$280.47	n/a	\$5.92	n/a	\$286.39	2.11%
Serviced 4x per/week	\$352,10	\$352.10	n/a	\$7.43	n/a	\$359,53	2.11%
Serviced 5x per/week	\$423.75	\$423.75	n/a	\$8.95	n/a	\$432.70	2.11%
Serviced 6x per/week	\$495.38	\$495.38	n/a	\$10.46	n/a	\$505.84	2.11%
Extra Pick-up	\$65.79	\$65,79	n/a	\$1.39	n/a	\$67.18	2.11%
Container Used as "Trash" - Each Occurrence	\$34.37	\$34.37		\$0.73	n/a	\$35.10	2.12%
Pull-out service							
Serviced 1x per/week	\$56.26	\$56,26	n/a	\$1.19	n/a	\$57.45	2.12%
Serviced 2x per/week	\$112.51	\$112.51	n/a	\$2,38	n/a	\$114,89	2.12%
Serviced 3x per/week	\$168.77	\$168.77	n/a	\$3.56	n/a	\$172.33	2.11%
Serviced 4x per/week	\$225.03	\$225.03	n/a	\$4.75	n/a	\$229.78	2.11%
Serviced 5x per/week	\$281,28	\$281.28	n/a	\$5.94	n/a	\$287.22	2.11%
Serviced 6x per/week	\$337.53	\$337.53	n/a	\$7.13	n/a	\$344.66	2.11%
Extra Pick-up	\$56.26	\$56.26	n/a	\$1.19	n/a	\$57.45	2.12%
Other Special Services							
"Overage" Fee per Occurrence	\$37.09	\$37.09	n/a	\$0.78	n/a	\$37.87	2.10%
Any Bin Size Exchange - In Excess of 1 p/Yr.	\$79.45	\$79.45	n/a	\$1.68	n/a	\$81.13	2.11%
Special Access Required - Key or Code	\$10.60	\$10.60	n/a	\$0.22	n/a	\$10.82	2.08%
Relocation Fee	\$56.61	\$56.61	n/a	\$1.20	n/a	\$57.81	2.12%
Commercial Bulky Item Pick-Up - Two Items	\$48.33	\$48.33	n/a	\$1.02	n/a	\$49.35	2.11%
Additional Item Charge - in Excess of 2 Items	\$6.44	\$6.44	n/a	\$0.14	n/a	\$6.58	2.17%
Additional Charge - Gas Recovery (A/C)	\$45.11	\$45.11	n/a	\$0.95	n/a	\$46.06	2.11%
Container Steam Cleaning	\$102.04	\$102.04	n/a	\$2.15	n/a	\$104.19	2.11%
Locking Latch Installation	\$95.59	\$95.59	n/a	\$2.02	n/a	\$97.61	2.11%
Locking Latch Rental/Maintenance (P/Tip Freq)	\$2.12	\$2.12	n/a	\$0.04	n/a	\$2.16	1.89%
Re-Deliver Bin(s) - Non-Payment	\$80.55	\$80.55	n/a	\$1.70	n/a	\$82.25	2.11%

SPECIAL SERV	ICES	Current GGD Rate Schedule		Landfill Costs Pass Through	Adjustment t Service Fee	o Rates Landfill	Adjusted GGD Rate Schedule	Net % Adj.
Roll-	Off Containers							
	Temporary - Three Day Service							
	Drop-Off Box	\$513.40	\$369.76	\$143.64	\$7.81	\$2.35	\$523.56	1.98%
	Demo Box	\$582.74	\$378.62	\$204.12	\$7.99	\$3.34	\$594.07	1.94%
	Green Waste Box	\$394.82	\$394.82	\$0.00	\$8.34	\$0.00	\$403.16	2.11%
	Demo - Clean Inerts	\$323.10	\$323.10	n/a	\$6.82	n/a	\$329.92	2.11%
	Permanent - Min. 4 Load per/Month						1.	
	Drop-Off Box	\$494.99	\$351.35	\$143.64	\$7.42	\$2.35	\$504.76	1.97%
	Demo Box	\$558.39	\$354.27		\$7.48	\$3.34	\$569.21	1.94%
	Compactor Box	\$657.42	\$430.62		\$9.09	\$3.72		1.95%
	ounipation 22%	*******	•	,				
	Over Weight Surcharge Over 8 Tons						4.5.5	
	Drop-Off Box	\$39.83	\$9.59	\$30.24	\$0.20	\$0.50	\$40.53	1.76%
	Demo Box	\$39.83	\$9.59	\$30.24	\$0.20	\$0.50	\$40.53	1.76%
	Demo - Clean Inerts	\$31.79	\$31.79	n/a	\$0.67	n/a	\$32.46	2.11%
	Compactor Box	\$39.83	\$9.59	\$30.24	\$0.20	\$0.50	\$40,53	1.76%
	Over Weight Surcharge Over 6 Tons							
	Green Waste Box	\$38.63	\$38.63	n/a	\$0.82	n/a	\$39.45	2.12%
	Relocation Fee	\$56,61	\$56.61	n/a	\$1.20	n/a	\$57.81	2.12%
	Stand-by Hourly Rate	\$80.55	\$80.55	n/a	\$1.70	n/a		2.11%
	Trip Charge / Dead Run	\$56.61	\$56.61	n/a	\$1,20	n/a		2.12%
	"Turn-A-Round" Surcharge - Packer Units	\$10.60	\$10.60	n/a	\$0.22	n/a	\$10.82	2.08%
	Saturday Service P/Box	\$34.89	\$34.89	n/a	\$0.74	n/a	\$35.63	2.12%
	Heavy-duty Truck Service - p/Load	\$370.77	\$370.77	n/a	\$7.83	n/a	\$378.60	2.11%
	Mandatory Signature Required	\$5.30	\$5,30	n/a	\$0.11	n/a	\$5.41	2.08%
	Temp R/O Extra Day p/Day Charge	\$12.89	\$12.89	n/a	\$0.27	n/a	\$13.16	2.09%
	Steam Cleaning R/O or Packer >1 p/Yr	\$105.94	\$105.94	n/a	\$2.24	n/a	\$108,18	2.11%
	Storage Container Mo. Rental / Delivery	\$83.69	\$83.69	n/a	\$1.77	n/a	\$85,46	2.11%
	Storage Container Return (\$1.00/mile) +	\$10.60	\$10.60		\$0.22	n/a	\$10.82	2.08%
	Non-Profit Storage Container Mo. Rental / Deliver		\$50.39		\$1.10		\$53.05	
	Tilt Hopper Monthly Rental	\$41.31	\$41.31	n/a	\$0.87	n/a		2.11%
	Three (3) Yard Bin Monthly Rental	\$52.96	\$52.96		\$1.12	n/a	and the second second	2.11%
	Non-Profit Three (3) Yard Bin Monthly Rental	\$31.17	\$31.17		\$0.66		\$31.83	2.12%
LEEDS/GREEN	BUILDING	Current GGD	Service Fee	Landfill Costs	Adjustment to	o Rates	Adjusted GGD	Net % Adj.
		Rate Schedule	Subject to CPI	Pass Through	Service Fee	Landfill	Rate Schedule	
	Drop-Off Box Mixed Trash/C&D	\$494.99	\$351.35	\$143.64	\$7.42	\$2,35	\$504.76	1.97%
	Demo Box Mixed Inert	\$558.39	\$354.27	\$204.12	\$7.48	\$3.34	\$569.21	1.94%
	Demo Box Clen Concrete/Inert	\$323.71	\$323.71	-	\$6.83	\$0.00	\$330,54	2.11%
	Drop-Off Box Clean Wood/Drywall	\$445.15	\$445.15	-	\$9.40	\$0.00	\$454.55	2.11%
	Drop-Off Box Metal	\$77.92	\$77.92		\$1.65	\$0.00	\$79.57	2.12%
	Drop-Off Box Cardboard	\$124.68	\$124.68	-	\$2.63	\$0.00	\$127.31	2.11%
							,	
		Paid to City	CPI % and Ne	t Adjustment	Due July 1st			
Administrative (	Cost Reimbursement	\$154,126.36	2.11%	\$3,253.96	\$157,380.32			
Annual Contribut	ion to Community Programs							
Annual Continue	City of Garden Grove	\$22,018.04	2.11%	\$464.85	\$22,482.89			
	Garden Grove Community Foundation	\$22,018.04	2.11%	\$464.85	\$22,482.89			

# Consumer Price Index - All Urban Consumers Original Data Value

Series Id:

Not Seasonally Adjusted

Area:
Los Angeles-Riverside-Orange County, CA
Item:
All items
Base Period:
1982-84=100
2007 to 2017

	Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2007		212.584	214.760	216.500	216.500 217.845	218.596	217.273	217 454	217.330	217.697	218.696	219.943	219.373	217.338	216.260	218.416
2008		220.918	221.431	223.606	224.625	226.651	229.033	229.886	228.484	227.449	226.159	222.229	219.620	225.008	224.377	225.638
2009		220.719	221.439		221,693	222.522	223.906	224.010	224.507	225.226	225.264	224.317				224.495
2010		224.610	224.620	225.483	225.916	226.438	225.877	225.991	226.373	226.048	226.794	225.941	226.639	225.894	225.491	226.298
2011		228.652	229.729	232.241	233.319	233.367	232.328	231.303	231.833	233.022	233.049	232.731	231.567	231.928	231.606	232.251
2012		233.441	234.537	236.941	236.866	237.032	236.025	235.776	237.222	238.104	240.111		236.042	236.648	235.807	237.488
2013		238.015	239.753	239.995	239.043	239.346	239.223	238.920	239.219	239.611	239.940		238.742	239.207	239.229	239.185
2014		239.857	241.059	242.491	242.437	243.362	243.528	243.727	243.556	243.623	243.341	241.753	240.475		242.122	242,746
2015		239.724	241.297	243.738	243.569	246.093	245.459	247,066	246.328	245.431			245.357		243.313	245.951
2016		247.155	247.113	247.873	248.368	249.554	249.789	249.784	249.700	250.145	251.098	250.185	250.189	249.246	248.309	250,184
2017		252.373														
									annnal	% change			1.97%			
		Jan year to 0.0211	o year per 2.11%	Jan year to year per GG contract 0.0211 2.11%	장					Adjusted to 90%	%06 o:		1.77%			

# ATTACHMENT "C"



Shaw Lin, Interim Director 300 N. Flower Street, Suite 400 Santa Ana, CA 92703

> www.oclandfills.com Telephone: (714) 834-4000 Fax: (714) 834-4183

March 9, 2017

Garden Grove Sanitary District Albert Holman 13802 Newhope Street Garden Grove, CA 92840

Subject: Waste Disposal Agreement Contract Rate

Dear Mr. Holman:

In accordance with the Waste Disposal Agreement between the Garden Grove Sanitary District and the County of Orange (County), the County is obligated to provide the Garden Grove Sanitary District with notice of the adjustment to the contract rate on an annual basis effective July 1<sup>st</sup> of each year. This letter serves as your official notice that the adjusted contract rate is effective July 1, 2017 and will be \$33.50. The escalation calculation of the adjustment is included as an attachment to this letter as set forth in Section 4.2(F) of the Waste Disposal Agreement.

If you have any questions, please call me at (714) 834-4130 or e-mail me at kristen.almaraz@ocwr.ocgov.com.

Sincerely,

Kristen Almaraz

Contract Compliance Manager

Business Services, Contract and Program Support

Attachment