




City of Grass Valley City Council Agenda Action Sheet

Council Meeting Date: July 10, 2018 **Date Prepared:** July 5, 2018

Prepared by: Thomas Last, Community Development Director 

Title: Addition and adjustment to Waste Management's service rates and a presentation on recycling trends and issues.

Recommended Motion: Adopt Resolution 2018-34 adjusting service rates and adding two fees to Waste Management's fee schedule.


Agenda: Administrative

Background: This item is continued from the City Council meeting of June 12, 2018. Council requested Waste Management staff return with a community outreach plan that addressed changes in recycling. Since the June meeting, Waste Management provided outreach at the Thursday Night Market on July 5, 2018. They plan on attending several other Thursday Night Markets. In the most recent WM billings, there was a flyer discussing recycling do's and don'ts.

In 2012, the City entered into a 20-year franchise agreement with Waste Management to provide for a full range of solid waste, recycling, and green waste services. The original resolution included service rates and specific other services Waste Management was to provide. Attached is a request from Waste Management to amend the fee schedule to address the following items:

1. Add the CPI adjustment of 2.5% for services and 1.62% for the gate fee to the existing fee schedule. These rates are consistent with the existing agreement.
2. Add a fee for residential contamination. Waste Management does not have a fee to address contamination of recycling bins. Contamination is a periodic issue and the intent of the fee to reduce the level of contamination.
3. Add a service restart fee for businesses. This fee will allow Waste Management to recoup costs related to this service.

Waste Management staff will be in attendance for any specific questions on these services. Additionally, Waste Management staff will provide an update on recycling trends and issues facing the industry.

Reviewed by:  City Manager

Attachment: Resolution 2018- 34
Exhibit "A" Letter from Waste Management
Outreach plan

RESOLUTION NO 2018- 34

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GRASS VALLEY
ADDING NEW RATES TO WASTE MANAGEMENT'S SERVICE SCHEDULE**

WHEREAS, the City Council adopted an updated franchise agreement with Waste Management in 2012, and

WHEREAS, Waste Management may request annual rate adjustments or establish charges for fees not specified in the original agreement, and

WHEREAS, Waste Management has requested additional services and fees be included in the franchise rate sheet.

NOW, THEREFORE BE IT RESOLVED by the City Council of the City of Grass Valley that:

The City Council finds the proposed rate adjustment in accordance with the Franchise Agreement between Grass Valley and Waste Management, and

The City Council finds the proposed changes to the Rate Sheet appropriate and in accordance with the Franchise Agreement, and

The City Council hereby adopts the attached "Exhibit A" to be added to the Rate Sheet and become effective on July 10, 2018.

ADOPTED as a Resolution of the City Council of the City of Grass Valley at a meeting thereof held on July 10, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINING:

Howard Levine, Mayor

ATTEST: _____
Kristi K. Bashor, City Clerk

APPROVED AS TO FORM: _____
Michael Colantuono, City Attorney



Grass Valley Disposal
13083 Grass Valley Avenue
Grass Valley, CA 95959

May 8, 2018

Mr. Tim Kiser
Public Works Department
City of Grass Valley
125 E. Main Street
Grass Valley, CA 95945

Dear Mr. Kiser,

In accordance with section VI.A of our solid waste, recycling and green waste franchise agreement with the City of Grass Valley, we are requesting a rate increase effective July 1, 2018.

The adjustment is based on the contractual CPI formula for the 12-month period ending March 31, as calculated in the attached rate package. The 2018 service portion of the rate was adjusted by 2.50%. The disposal portion of the rate, due to the proposed 07/01/18 rate increase at the transfer station, was increased by 1.62%. The impact to the most common residential rate (35-gallon cart) of both increases is a 2.30% average.

In addition, WM is requesting a "residential" contamination rate in effort to minimize our contamination level. Below is an outline of the contamination process:

Contamination Language:

Contamination: CONTRACTOR shall only be required to collect Recyclable Materials if they have been separated by the Service Recipient from Garbage and Organic Waste, and shall only be required to collect Organic Waste if it has been separated by the Service Recipient from Garbage and Recyclable Materials. If, by visual inspection, Recyclable Materials are commingled with ten percent (5%) by volume of Garbage or Organic Waste, or if, by visual inspection, Organic Waste is commingled with three percent (3%) by volume of Garbage or Recyclables, then CONTRACTOR may take the following steps:

One or Two Occurrences Per Agreement Year. CONTRACTOR shall collect the contaminated Container at no charge to Service Recipient and provide Notice that contains instructions on the proper procedures for setting out Recyclable Materials or Organic Waste.

Three or Four Occurrences Per Agreement Year. CONTRACTOR shall provide Notice that contains instructions on the proper procedures for setting out Recyclable Materials or Organic Waste, and CONTRACTOR shall collect the contaminated Container and may charge the Service Recipient a contamination fee as set forth in rates section.



Grass Valley Disposal
13083 Grass Valley Avenue
Grass Valley, CA 95959

Five Occurrences Per Agreement Year. On the 5th occurrence of contamination, CONTRACTOR shall collect the contaminated Container and may charge the Service Recipient a contamination fee as set forth in rates section. CONTRACTOR may also, after notifying Service Recipient, remove the Recyclable Materials or Organic Waste Container, as applicable, and discontinue providing the Recyclable Materials or Organic Waste Collection Services for a period not to exceed one (1) year. CONTRACTOR shall notify CITY within five (5) Work Days of removal of Recyclable Materials or Organic Waste Containers for excessive contamination.

Service Re-start. After one (1) year, or a shorter time-period if appropriate, the Service Recipient may request CONTRACTOR and the CITY to reinstate the discontinued service, and CONTRACTOR may charge a Container re-delivery fee as specified in rates section, for restarting the Recyclable Materials or Organic Waste Collection Service.

Please do not hesitate to contact me at (916) 207-8249, or Tgill2@wm.com with any questions.

Sincerely,

Tisha Gill
Public Relations Manager
WM/Grass Valley Disposal

Enclosures;
2018 CPI Excel Submittal



**Grass Valley
Rates Effective July 1, 2018**

RESIDENTIAL	DISPOSAL (GATE FEE)		SERVICE		Total Current Rates Eff. 7/01/2017	Total New Rates Effective 7/1/2018	Percent Increase
	Current - Eff. 7/1/2017	1.62% * Disposal Price Adjustment	Current - Eff. 7/1/2017	2.50% CPI Increase			
		New - Eff. 7/01/2018		New - Eff. 7/01/2018			
TRASH SERVICES							
1- 20G CART TRASH	\$2.97	\$0.05	\$3.02	\$0.27	\$13.64	\$13.95	2.35%
1- 35G CART TRASH	\$3.87	\$0.06	\$3.93	\$0.36	\$18.26	\$18.68	2.30%
1- 64G CART TRASH	\$7.74	\$0.13	\$7.87	\$0.46	\$26.02	\$26.61	2.27%
1- 96G CART TRASH	\$11.60	\$0.19	\$11.79	\$0.66	\$37.84	\$38.69	2.25%
ADDITIONAL 35G TRASH CARTS	\$0.88	\$0.01	\$0.89	\$0.11	\$5.10	\$5.22	2.35%
ADDITIONAL 64G TRASH CARTS	\$0.88	\$0.01	\$0.89	\$0.11	\$5.10	\$5.22	2.35%
ADDITIONAL 96G TRASH CARTS	\$0.88	\$0.01	\$0.89	\$0.11	\$5.10	\$5.22	2.35%
RECYCLE SERVICES							
1- 35 GAL RECYCLING - WITH TRASH SERVICE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
1- 64 GAL RECYCLING - WITH TRASH SERVICE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
1- 96 GAL RECYCLING - WITH TRASH SERVICE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
1- 35G CART RECYCLING (NO TRASH SERVICE)	\$0.00	\$0.00	\$0.00	\$0.20	\$8.11	\$8.31	2.47%
1- 64G CART RECYCLING (NO TRASH SERVICE)	\$0.00	\$0.00	\$0.00	\$0.20	\$8.11	\$8.31	2.47%
1- 96G CART RECYCLING (NO TRASH SERVICE)	\$0.00	\$0.00	\$0.00	\$0.20	\$8.11	\$8.31	2.47%
ADDITIONAL 35G RECYCLE CART (AFTER TWO CARTS)	\$0.00	\$0.00	\$0.00	\$0.07	\$2.70	\$2.77	2.59%
ADDITIONAL 64G RECYCLE CART (AFTER TWO CARTS)	\$0.00	\$0.00	\$0.00	\$0.07	\$2.70	\$2.77	2.59%
ADDITIONAL 96G RECYCLE CART (AFTER TWO CARTS)	\$0.00	\$0.00	\$0.00	\$0.07	\$2.70	\$2.77	2.59%
GREENWASTE SERVICES							
1- 64G GREENWASTE	\$0.88	\$0.01	\$0.89	\$0.10	\$4.92	\$5.03	2.24%
1- 96G GREENWASTE	\$0.93	\$0.02	\$0.95	\$0.11	\$5.18	\$5.31	2.51%
ADDITIONAL 64G GREENWASTE CARTS	\$0.88	\$0.01	\$0.89	\$0.10	\$4.92	\$5.03	2.24%
ADDITIONAL 96G GREENWASTE CARTS	\$0.93	\$0.02	\$0.95	\$0.11	\$5.18	\$5.31	2.51%
EXTRA PICKUPS							
35G - SERVICE DAY EXTRA PICKUP	\$0.93	\$0.02	\$0.95	\$0.17	\$7.76	\$7.95	2.45%
64G - SERVICE DAY EXTRA PICKUP	\$0.93	\$0.02	\$0.95	\$0.17	\$7.76	\$7.95	2.45%
96G - SERVICE DAY EXTRA PICKUP	\$0.93	\$0.02	\$0.95	\$0.17	\$7.76	\$7.95	2.45%
35G - NON-SERVICE DAY EXTRA PICKUP	\$0.93	\$0.02	\$0.95	\$1.13	\$46.30	\$47.45	2.48%
64G - NON-SERVICE DAY EXTRA PICKUP	\$0.93	\$0.02	\$0.95	\$1.13	\$46.30	\$47.45	2.48%
96G - NON-SERVICE DAY EXTRA PICKUP	\$0.93	\$0.02	\$0.95	\$1.13	\$46.30	\$47.45	2.48%

COMMERCIAL	DISPOSAL (GATE FEE)			SERVICE		Total Current Rates Eff. 7/01/2017	Total New Rates Effective 7/1/2018	Percent Increase	
	Current - Eff. 7/1/2017	1.62% * Disposal Price Adjustment	New - Eff. 7/01/2018	Current - Eff. 7/1/2017	2.50% CPI Increase				New - Eff. 7/01/2018
TRASH CARTS SERVICES									
1 - 35G CART TRASH	\$4.11	\$0.07	\$4.18	\$14.78	\$0.37	\$18.89	\$19.33	2.33%	
1 - 64G CART TRASH	\$8.23	\$0.13	\$8.36	\$29.55	\$0.74	\$37.78	\$38.65	2.30%	
1 - 96G CART TRASH	\$12.33	\$0.20	\$12.53	\$52.71	\$1.32	\$55.04	\$56.56	2.34%	
TRASH BIN SERVICES									
2 YD 1 X WEEK	\$51.86	\$0.84	\$52.70	\$225.30	\$5.63	\$277.16	\$283.63	2.33%	
2 YD 2 X WEEK	\$103.71	\$1.68	\$105.39	\$360.91	\$9.02	\$464.62	\$475.32	2.30%	
2 YD 3 X WEEK	\$155.59	\$2.51	\$158.10	\$492.54	\$12.31	\$648.13	\$662.95	2.29%	
2 YD 4 X WEEK	\$207.44	\$3.35	\$210.79	\$659.68	\$16.49	\$867.12	\$886.96	2.29%	
2 YD 5 X WEEK	\$259.31	\$4.19	\$263.50	\$808.26	\$20.21	\$1,067.57	\$1,091.97	2.29%	
2 YD 6 X WEEK	\$311.17	\$5.03	\$316.20	\$959.57	\$23.99	\$1,270.74	\$1,299.76	2.28%	
3 YD 1 X WEEK	\$77.79	\$1.26	\$79.05	\$273.86	\$6.85	\$351.65	\$359.76	2.31%	
3 YD 2 X WEEK	\$155.59	\$2.51	\$158.10	\$433.79	\$10.84	\$589.38	\$602.73	2.27%	
3 YD 3 X WEEK	\$233.37	\$3.77	\$237.14	\$601.46	\$15.04	\$834.83	\$853.64	2.25%	
3 YD 4 X WEEK	\$311.17	\$5.03	\$316.20	\$762.49	\$19.06	\$1,073.66	\$1,097.75	2.24%	
3 YD 5 X WEEK	\$388.96	\$6.28	\$395.24	\$925.78	\$23.14	\$1,314.74	\$1,344.16	2.24%	
3 YD 6 X WEEK	\$466.74	\$7.54	\$474.28	\$1,104.45	\$27.61	\$1,571.19	\$1,606.34	2.24%	
4 YD 1 X WEEK	\$103.71	\$1.68	\$105.39	\$342.35	\$8.56	\$446.06	\$456.30	2.30%	
4 YD 2 X WEEK	\$207.44	\$3.35	\$210.79	\$553.97	\$13.85	\$761.41	\$778.61	2.26%	
4 YD 3 X WEEK	\$311.17	\$5.03	\$316.20	\$806.55	\$20.16	\$1,117.72	\$1,142.91	2.25%	
4 YD 4 X WEEK	\$414.87	\$6.70	\$421.57	\$1,051.37	\$26.28	\$1,486.24	\$1,499.22	2.25%	
4 YD 5 X WEEK	\$518.60	\$8.38	\$526.98	\$1,300.55	\$32.51	\$1,819.15	\$1,860.04	2.25%	
4 YD 6 X WEEK	\$622.31	\$10.05	\$632.36	\$1,530.04	\$38.25	\$2,152.35	\$2,200.65	2.24%	
6 YD 1 X WEEK	\$155.59	\$2.51	\$158.10	\$396.08	\$9.90	\$551.67	\$564.08	2.25%	
6 YD 2 X WEEK	\$311.17	\$5.03	\$316.20	\$627.30	\$15.68	\$938.47	\$959.18	2.21%	
6 YD 3 X WEEK	\$466.74	\$7.54	\$474.28	\$893.81	\$22.35	\$1,360.55	\$1,390.44	2.20%	
6 YD 4 X WEEK	\$622.31	\$10.05	\$632.36	\$1,199.43	\$29.99	\$1,821.74	\$1,861.78	2.20%	
6 YD 5 X WEEK	\$777.91	\$12.57	\$790.48	\$1,414.74	\$35.37	\$2,192.65	\$2,240.59	2.19%	
6 YD 6 X WEEK	\$933.49	\$15.08	\$948.57	\$1,670.55	\$41.76	\$2,604.04	\$2,660.88	2.18%	
8 YD 1 X WEEK	\$204.54	\$3.30	\$207.84	\$515.23	\$12.88	\$719.77	\$735.95	2.25%	
8 YD 2 X WEEK	\$409.12	\$6.61	\$415.73	\$764.74	\$19.12	\$1,173.86	\$1,199.59	2.19%	
8 YD 3 X WEEK	\$613.70	\$9.92	\$623.62	\$1,147.11	\$28.68	\$1,760.81	\$1,799.41	2.19%	
8 YD 4 X WEEK	\$818.24	\$13.22	\$831.46	\$1,529.48	\$38.24	\$2,347.72	\$2,399.18	2.19%	
8 YD 5 X WEEK	\$1,022.82	\$16.53	\$1,039.35	\$1,911.85	\$47.80	\$2,934.67	\$2,999.00	2.19%	
8 YD 6 X WEEK	\$1,227.36	\$19.83	\$1,247.19	\$2,294.22	\$57.36	\$3,521.58	\$3,598.77	2.19%	
RECYCLE BIN SERVICES									
2 YD - with existing trash service	\$0.00	\$0.00	\$0.00	\$87.59	\$2.19	\$89.78	\$89.78	2.50%	
4 YD - with existing trash service	\$0.00	\$0.00	\$0.00	\$110.31	\$2.76	\$113.07	\$113.07	2.50%	
6 YD - with existing trash service	\$0.00	\$0.00	\$0.00	\$121.12	\$3.03	\$124.15	\$124.15	2.50%	
2 YD - WITH NO EXISTING TRASH SERVICE	\$0.00	\$0.00	\$0.00	\$110.31	\$2.76	\$113.07	\$113.07	2.50%	
4 YD - WITH NO EXISTING TRASH SERVICE	\$0.00	\$0.00	\$0.00	\$133.06	\$3.33	\$136.39	\$136.39	2.50%	
6 YD - WITH NO EXISTING TRASH SERVICE	\$0.00	\$0.00	\$0.00	\$143.87	\$3.60	\$147.47	\$147.47	2.50%	

GREENWASTE SERVICES										
1 - 64G GREENWASTE	\$0.88	\$0.01	\$0.89	\$4.04	\$0.10	\$4.14	\$4.92	\$5.03	2.24%	
1 - 96G GREENWASTE	\$0.93	\$0.02	\$0.95	\$4.25	\$0.11	\$4.36	\$5.18	\$5.31	2.51%	
EXTRA 64G GREENWASTE CART	\$0.88	\$0.01	\$0.89	\$4.04	\$0.10	\$4.14	\$4.92	\$5.03	2.24%	
EXTRA 96G GREENWASTE CART	\$0.93	\$0.02	\$0.95	\$4.25	\$0.11	\$4.36	\$5.18	\$5.31	2.51%	
FOOD WASTE										
1 35G CART FOOD WASTE								TBD	0.00%	
1 64G CART FOOD WASTE								TBD	0.00%	
1 Yard CART FOOD WASTE								TBD	0.00%	
2 Yard CART FOOD WASTE								TBD	0.00%	
TEMPORARY BINS										
Temp 2 YARD BIN	\$11.98	\$0.19	\$12.17	\$62.02	\$1.55	\$63.57	\$74.00	\$75.74	2.35%	
Temp 3 YARD BIN	\$17.97	\$0.29	\$18.26	\$93.04	\$2.33	\$95.37	\$111.01	\$113.63	2.36%	
Temp 4 YARD BIN	\$23.92	\$0.39	\$24.31	\$95.85	\$2.40	\$98.25	\$119.77	\$122.56	2.33%	
Temp 6 YARD BIN	\$35.90	\$0.58	\$36.48	\$119.40	\$2.99	\$122.39	\$155.30	\$158.87	2.30%	
EXTRA PICKUPS										
2 YARD - SERVICE DAY EXTRA PICKUP	\$11.98	\$0.19	\$12.17	\$59.20	\$1.48	\$60.68	\$71.18	\$72.85	2.35%	
3 YARD - SERVICE DAY EXTRA PICKUP	\$17.97	\$0.29	\$18.26	\$88.80	\$2.22	\$91.02	\$106.77	\$109.28	2.35%	
4 YARD - SERVICE DAY EXTRA PICKUP	\$23.92	\$0.39	\$24.31	\$118.39	\$2.96	\$121.35	\$142.31	\$145.66	2.35%	
6 YARD - SERVICE DAY EXTRA PICKUP	\$35.90	\$0.58	\$36.48	\$177.59	\$4.44	\$182.03	\$213.49	\$218.51	2.35%	
2 YARD - NON-SERVICE DAY EXTRA PICKUP	\$11.98	\$0.19	\$12.17	\$79.79	\$1.99	\$81.78	\$91.77	\$93.95	2.38%	
3 YARD - NON-SERVICE DAY EXTRA PICKUP	\$17.97	\$0.29	\$18.26	\$109.38	\$2.73	\$112.11	\$127.35	\$130.37	2.37%	
4 YARD - NON-SERVICE DAY EXTRA PICKUP	\$23.92	\$0.39	\$24.31	\$138.97	\$3.47	\$142.44	\$162.89	\$166.75	2.37%	
6 YARD - NON-SERVICE DAY EXTRA PICKUP	\$35.90	\$0.58	\$36.48	\$198.17	\$4.95	\$203.12	\$234.07	\$239.60	2.36%	