

RODEO SANITARY DISTRICT

PUBLIC HEARING ON PROPOSED INCREASE IN SOLID WASTE COLLECTION CHARGES

(Please Share This Information with Tenants)

The Rodeo Sanitary District manages solid waste and recyclables service programs for the Rodeo and Tormey community. In 2001, the District entered into the first ten-year Franchise Agreement with Richmond Sanitary Service, subsequently Republic Services (Republic), for the provision of these services. In 2011, the District entered into another ten-year Franchise Agreement with Republic. That subsequent Agreement is scheduled to expire on December 31, 2021. To meet our goal of providing safe, efficient, reliable and cost-effective service to our residents, the District Board undertook careful deliberations on the matter beginning in Summer 2021.

Franchise Extension

Given the quality service performance tendered by Republic and high level of customer satisfaction experienced under the 2001, and subsequent Franchise Agreements and considering inherent public health concerns, it was decided that the community's interests would be best served by seamless continuity of service and structuring of programs to fit the community's changing waste management needs through a negotiated extension of the Franchise Agreement. It is proposed that the Franchise Agreement with Republic be extended for another ten-year period ending December 31, 2031.

Proposed Service Plan

At the District Board's direction, negotiations focused on continuing existing services to the extent possible, exploring optional new service programs, identifying cost savings opportunities, developing plans for compliance with new requirements of SB1383 for mandatory organic materials collection services and mandatory service compliance. The proposed service plan includes:

Residential Service

- Weekly automated curbside MSW collection using Republic -provided wheeled carts – 35, 65, 95 and 20-gallon service.
- **NEW!! Weekly automated curbside collection of recyclables and green wastes (65-gallon service).**
- Automated curbside Christmas tree collection in green waste carts.
- Senior Discount Service (35-gallon) for eligible residents.
- No extra charge "wheel out" service for eligible residents.
- On-call Curbside Clean-up of up to two (2) cubic yards (15 bags) per clean-up, once per year.
- **NEW! On-call Curbside Clean-up of bulky household items (1 clean-up/year of one large household item.)**
- Curbside collection of Used Motor Oil using Contra Costa County provided kits..
- No charge self-haul of Household Hazardous Waste to HHW Center at West County Resource Recovery Facility.

RSD Service

- Continuation of all existing services.
- On-Call Public Property Clean-up (up to three or 30 cubic yards annually)

Commercial Bin Service

- Businesses and multi-family complexes – 1 to 7 cubic yards
- **NEW! SB1383-compliant colorization lids.**
- Collection one to five times/week
- **NEW! Weekly automated curbside collection of recyclables and green wastes, not including food scraps.**

Commercial Cart Service

- Weekly automated curbside waste collection – 35, 65 and 95-gallon service.
- **NEW! Weekly automated curbside collection of recyclables/green wastes – including food scraps (65-gallon service)**

Debris Box Service

- Permanent and 3-day rentals – 10, 14, 20, 30 and 40-yard boxes.

Public Education Program

- New Service Start information packet.
- Annual Service Information mailer.
- Billing inserts on Christmas tree collection and disposal, On-Call Bagged and Bulky Item Clean-up guidelines.
- Upon request, speakers for community service organizations and schools.
- Participation in community events.

Fairness Principle

Waste management is a high risk, highly labor and capital intensive industry that is heavily regulated. To continue business operations, service rates necessarily must cover expenses and provide a reasonable return on investment. Proposed rates are competitive with surrounding areas. Shutdown of international secondary processing ("China Sword") has resulted in a glut of recycling materials, seriously depressed commodity pricing, depleted materials marketing opportunity, and costly recyclables haul-away and disposal. . No recouping of past revenue deficiencies is included in the proposed Base Year rates. Future rates will be adjusted based on the change, if any, in the Water-Sewer-Trash Index WST that closely tracks business operational costs or Consumer Price Index (CPI) for all Urban Consumers in the San Francisco-Oakland-San Jose Metropolitan Area adjusted rates.

Proposed Rates

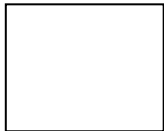
Under the terms of the 2011 Franchise Agreement, both initial service rates and stipulated rate adjustment formula proved out to be insufficient to provide an adequate revenue stream to cover operational costs with even a nominal return on investment. With increases in operating costs (labor, equipment, insurance, governmental fees and current inflation on fuel, maintenance, supplies, etc.), coupled with the added costs associated with SB 1393 compliance, the prior 2011 shortfall in operational revenue requirement continues in both Residential and Commercial lines of business. Therefore, a blended Residential-Commercial rate of 23.0% is utilized to calculate and build the overall rate structure.

To assure an appropriate revenue stream reflective of the cost of doing business in the Rodeo service area, a one-year Base Year rate adjustment, with annual adjustments thereafter based on the change in the CPI or WST, is proposed. Proposed monthly Residential rates are as follows:

	2021 Rate	Proposed 2022 Rate	Proposed 2023 and Forward
20-gallon	28.39	36.66	Annual CPI or WST
35-gallon	30.47	39.22	Annual CPI or WST
Sr 35-gal	n/a	33.97	Annual CPI or WST
65-gallon	37.17	47.46	Annual CPI or WST
95-gallon	51.11	64.61	Annual CPI or WST

It is proposed that Commercial rates be adjusted by 23.0% for the 2022 Base Year, with annual CPI or WST adjustments beginning in 2023. Following are proposed 2022 Base Year monthly rates for Commercial Bin service:

	2021 Rate	2022 Proposed Rate	2021 Rate	2022 Proposed Rate	2021 Rate	2022 Proposed Rate	2021 Rate	2022 Proposed Rate	2021 Rate	2022 Proposed Rate
Size	1 x wk	1 x wk	2 x wk	2 x wk	3 x wk	3 x wk	4 x wk	4 x wk	5 x wk	5 x wk
1-yard	127.82	157.22	255.63	314.42	383.45	471.64	511.28	628.87	639.09	786.08
2-yard	197.55	242.99	395.07	485.94	592.60	728.90	790.16	971.90	987.69	1,214.86
3-yard	267.28	328.75	534.53	657.47	801.79	986.20	1,069.03	1,314.91	1,336.29	1,643.64
4-yard	336.96	414.46	673.95	828.96	1,010.93	1,243.44	1,347.91	1,657.93	1,684.89	2,072.41
5-yard	409.10	503.19	818.23	1,006.42	1,227.32	1,509.60	1,636.39	2,012.76	2,045.49	2,515.95
6-yard	476.44	586.02	952.85	1,172.01	1,429.26	1,757.99	1,905.66	2,343.96	2,382.08	2,929.96
7-yard	538.82	662.75	1,077.66	1,325.52	1,616.45	1,988.23	2,155.29	2,651.01	2,694.12	3,313.77



Rodeo Sanitary District
800 San Pablo Ave
Rodeo, Ca. 94572

Important Information – Notice of Public Hearing
Tuesday, January 11, 2022 at 6:00 p.m.

Notice is given that the Board of Directors of the Rodeo Sanitary District will conduct a Public Hearing on **Tuesday evening, January 11, 2022 at 6:00 p.m.**

The location of the meeting is: John Swett School Unified District Board Room
400 Parker Avenue
Rodeo, Ca, 94572

The purpose of the Public Hearing will be to consider a proposed increase in solid waste collection charges for all District customers, for a ten year period beginning January 12, 2022. The proposed rates are listed as follows:

Container Size	2021 Rate	Proposed 2022 Rate
20-gallon	28.39	36.66
35-gallon	30.47	39.22
Sr 35-gal	n/a	33.97
65-gallon	37.17	47.46
95-gallon	51.11	64.61

Beginning in 2023, the Residential collection rate will be adjusted by the Consumer Price Index (CPI) for all Urban Consumers in the San Francisco-Oakland-San Jose Metropolitan Area or the WST Water-Sewer-Trash Index annually.

It is proposed that Commercial collection rates be increased by 23.0% for the 2022 Base Year. Beginning in 2023, the commercial collection rate will be adjusted by the Consumer Price Index (CPI) for all Urban Consumers in the San Francisco-Oakland-San Jose Metropolitan Area or the WST Water-Sewer-Trash Index annually.

At the Public Hearing, any interested persons may address the District Board. Written comments must be submitted at or before the Public Hearing by addressing the comments to the District Manager, Steven Beall, at 800 San Pablo Avenue, Rodeo, Ca, 94572.