



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** John Stufflebean

**SUBJECT:** SEE BELOW

**DATE:** 04-21-08

Approved

Date

4/24/08

**SUBJECT: ADOPTION OF RESOLUTION REVISING RECYCLE PLUS RATES  
EFFECTIVE JULY 1, 2008**

## RECOMMENDATION

Adoption of a resolution increasing rates for Recycle Plus single-family services by 4.5% and multi-family services by 8%, effective July 1, 2008.

## OUTCOME

Approval of the recommendations will increase the cost of solid waste services by \$1.15 a month for single-family households based on the rate for a standard 32-gallon garbage cart. When this 4.5% increase is coupled with an 8% increase for multi-family households, cost recovery for the Recycle Plus program will be maintained, and the Integrated Waste Management (IWM) Fund balance will remain at targeted levels. A prudent fund balance assists in minimizing future rate increases while enabling the City to continue providing high-quality solid waste services to San José residents. Additionally, the multi-family rate increase will help fund a proposal to greatly expand recycling at apartments, a major step towards attaining the City's Green Vision goal for achieving 75% diversion from landfills by 2013 and Zero Waste by 2022.

## BACKGROUND

A key City goal has been to bring solid waste programs to cost recovery in order to ensure the financial integrity of the IWM Fund (Fund 423) and to meet program obligations. As stated in the FY 2008-2009 Environmental and Utility Services Five-Year Business Plan, a combination of program efficiencies and rate increases will be used to balance expenditures and revenues to keep programs as close to 100% cost recovery as possible, while still providing quality services for San José residents. Staff reviews IWM Fund revenue and expenditure forecasts on a regular basis, and determines the revenue necessary to achieve cost recovery and implement City

Council approved programs and activities. The recommendations contained in this memorandum are based on the results of this analysis.

The proposed rate increases of 4.5% and 8% for FY 2008-2009 are covered by the Proposition 218 notices mailed out to property owners in March 2007. This notice limited rate increases to a maximum of 10% for FY 2008-2009. Two thousand protest letters, representing less than 1% of San José property owners, were received during the official protest period. A table summarizing the protest letters received can be found in the Public Outreach section of this memorandum.

## ANALYSIS

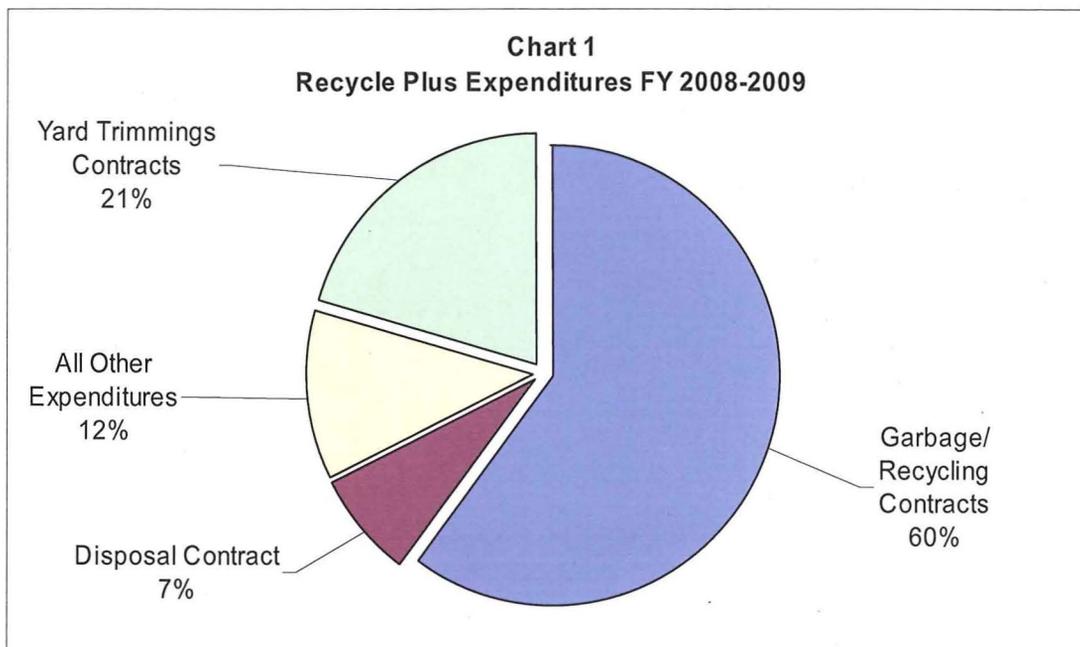
### WHY A RATE INCREASE IS NEEDED

As indicated in Table 1 below, an increase of 7.5% (\$7.2 million) in total Recycle Plus expenditures is anticipated for FY 2008-2009.

**TABLE 1 – Estimated Recycle Plus Expenditures**

<u>Expenditure Description</u>	<u>FY 07-08</u>	<u>FY 08-09</u>	<u>\$ Change</u>	<u>% Change</u>
Single-Family Contracts	44,421,000	47,265,000	2,844,000	6.4%
Multi-Family Contract	10,587,000	14,319,000	3,732,000	35.3%
Yard Trimmings Contracts	20,230,000	21,373,000	1,143,000	5.7%
Disposal Contract	8,520,000	7,500,000	(1,020,000)	-12.0%
<b>Contracts Subtotal</b>	<b>83,758,000</b>	<b>90,457,000</b>	<b>6,699,000</b>	<b>8.0%</b>
Other Expenditures	11,559,000	12,016,000	457,000	4.0%
<b>Total Expenditures</b>	<b>95,317,000</b>	<b>102,473,000</b>	<b>7,156,000</b>	<b>7.5%</b>

Contracted costs for collection and disposal agreements, which comprise about 88% of total Recycle Plus expenditures (Chart 1), are expected to increase by \$6.7 million in FY 2008-2009. This 8.0% increase is due to regular cost of living increases, as well as a proposed expansion of the multi-family recycling program. Non-contractual expenditures for overhead, program management, billing and customer service comprise 12% of Recycle Plus costs, and are expected to increase by approximately \$457,000.



#### Cost of Living Adjustments

The Recycle Plus collection contracts and the Newby Island Landfill disposal contract include provisions for annual cost of living adjustments (COLAs) to cover allowable cost increases (fuel, labor, etc). Annual adjustments for contract costs are based on changes in indices published by the Bureau of Labor Statistics (BLS). The dominant factors in this adjustment index are labor costs and fuel costs. The most volatile index is for diesel fuel, which increased 34% in 2007. To cover the rising contractor costs reflected in the BLS indices, it is estimated that Recycle Plus collection contract costs will increase between 4.7% and 5.3% in FY 2008-2009, depending on the particular contract and the final data published by the BLS.

#### Multi-Family Program Expansion

In addition to annual cost of living adjustments, the recommended rate increases would provide on-going funding for a proposal to greatly expand recycling at multi-family dwellings (MFDs), by amending the GreenTeam agreement for recyclables and garbage collection. Garbage collected from MFDs would be processed at a waste processing facility in San José to remove recyclables such as cans, bottles, and paper. Remaining material, consisting largely of food waste, would be composted at a composting facility in southern Santa Clara County. This would be the most cost-effective way to achieve 75% diversion in the MFD sector and would result in one of the highest diverting MFD recycling programs in the country. In addition, it would reduce the environmental impacts of the MFD program by reducing traffic and greenhouse gasses resulting from trucks hauling waste to a more centrally located San José facility rather than the landfill in north San José. Finally, the proposal provides these significant environmental benefits without placing any additional burdens on property managers and owners to require their tenants to recycle.

The proposed program will increase GreenTeam's contractual costs significantly. However, approximately 50% of these additional costs will be offset by reduced disposal costs, as most multi-family waste will now be diverted from landfills. Overall, it is estimated that contractual costs will increase \$1.5M in Fiscal Year 2008-2009. The additional cost of this program, as well as the annual cost of living contract adjustment, will be offset by the proposed MFD rate increase of 8%. Decreased disposal resulting from the MFD recycling program will cause an estimated loss of \$480,000 in Disposal Facility Tax revenue to the General Fund, which will be fully offset by the IWM Fund funding the Non-Profit Recycler program beginning in FY 2008-2009. Council approved the redesigned Non-Profit Recycler program in December 2007, which allows the IWM Fund to absorb the costs of this program in order to mitigate General Fund revenue losses resulting from Green Vision recycling programs. The proposed multi-family recycling program will be presented to Council as part of the FY 2008-2009 proposed budget. A recommendation to Council to amend the GreenTeam agreement will follow in late June.

#### Non-Contractual Expenditures

Other expenditures in the IWM Fund will also increase. These non-contractual costs cover expenditures for City overhead, program management, billing and customer service, and include several modest investment proposals designed to enhance service and fund waste management activities. Non-contractual costs are estimated to increase by 4.0% (\$457,000) in FY 2008-2009.

### **RATE STRATEGY AND RECOMMENDED INCREASES**

In order to ensure the Recycle Plus program is operating at cost recovery, it is recommended that Recycle Plus rates for single-family service be increased by 4.5% and multi-family service by 8%, effective July 1, 2008. It is estimated that these increases will generate an additional \$4.8 million in revenue for FY 2008-2009. Additional funding will be provided by increased revenues from Recycle Plus late fees and lien-related charges. These increases, and other newly realized revenues, are, in part, the result of more accurate billing provided by the Integrated Billing System (IBS). A proposed \$0.50 increase to the Recycle Plus late fee will be included with the Schedule of Fees and Charges as part of the FY 2008-2009 budget process.

Although staff is proposing general rate increases for base service levels, some rates will not be increased. Rates for subscription yard trimmings carts, large item collections and extra garbage stickers will not change. Because these programs encourage proper waste disposal, and help reduce incidences of illegal dumping and recycling contamination, they should be priced to encourage resident participation. Attachments A and B include complete listings of proposed single- and multi-family rates. A projected five-year Recycle Plus rate strategy is presented below in Table 2.

**TABLE 2 – Recommended FY 2008-2009 Rate Increases Effective July 1, 2008**

	Estimated	Projected				
	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
Minimum Fund Balance Target (1 month operating expenses) <sup>1)</sup>	6,980,000	7,538,000	7,808,000	8,240,000	8,698,000	9,168,000
SFD Rate Increase	28.0%	4.5%	4.0%	5.0%	6.0%	6.0%
MFD Rate Increase	4.0%	8.0%	5.0%	7.0%	6.0%	6.0%
32-Gallon Cart Rate	\$25.80	\$26.95	\$28.04	\$29.44	\$31.21	\$33.08
Unrestricted Fund Balance and Contingency Reserve	7,313,000	7,866,000	8,473,000	8,861,000	8,836,000	9,677,000

<sup>1)</sup> A minimum ending fund balance is maintained equal to approximately one month's operating expenditures for the Recycle Plus and disposal contracts. This prudent balance serves as a contingency reserve in the event of service disruption or other emergencies.

Comparisons to Other Jurisdictions

An SFD increase of 4.5% would amount to an additional \$1.15 per month for the standard 32-gallon garbage cart, increasing the rate to \$26.95. By comparison, the estimated countywide weighted average is \$24.65 per month for a 32-gallon garbage cart in 2008 (April 2008 survey). However, cities charging lower rates in the survey often do not provide the same collection frequency or range of services as San José or may have funding sources other than rate-payer revenue. The proposed multi-family rates would still be far lower than the countywide average (\$177.79 per month versus \$206.32 for a 3-cubic yard bin serviced once per week, one of the most common levels). Specific information on other jurisdictions is presented in Attachment C, Rate Comparisons.

ALTERNATIVES

Council may elect to increase Recycle Plus rates by amounts different from those recommended. However, because of Proposition 218 requirements, rate increases cannot exceed the 10% maximum contained in the notices sent to property owners in March 2007. It is also important to note that lower rate increases may result in inadequate reserves or a need for General Fund support. These reserves are necessary to safeguard the City against service disruptions or other emergencies.

**PUBLIC OUTREACH**

The City Clerk’s Office received 2,000 responses to the 2007 Proposition 218 notification for the proposed Recycle Plus rates, which included an FY 2008-2009 increase of “up to 10%.” A breakdown by category of protest is shown below in Table 3. Proposition 218 requires that a rate increase be denied upon receipt of written protests from at least 50% of affected property owners. Less than 1% of San José property owners formally protested the proposed increases.

**TABLE 3 – Proposition 218 Protest Letters Received**

# Protest Letters Received	%	Protest Category
1,729	86%	General Protest – No specific reason given for protest
236	12%	Cite economic downturn/hardship as reason for protest
35	2%	Cite poor service as reason for protest
2,000	<b>0.97%</b>	<b>% San José Property Owners Protesting Rate Increase</b>

Additionally, staff has met with the California Apartment Association to explain the proposed multi-family recycling program and associated rate increases. They are supportive of the program concept, recognizing its benefits to the environment, and its innovative approach to increasing recycling without placing additional burdens on property managers and owners.

These actions do not meet any of the criteria below.

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

**COORDINATION**

This memorandum was coordinated with the City Manager’s Budget Office and the City Attorney’s Office.

**COST IMPLICATIONS**

- A 4.5% single-family increase with an effective date of July 1, 2008, is estimated to generate \$3.3 million in additional revenue to the IWM Fund in FY 2008-2009.
- An 8% multi-family increase with an effective date of July 1, 2008, is estimated to generate \$1.5 million in additional revenue to the IWM Fund in FY 2008-2009.

The recommended rate increases for FY 2008-2009 is consistent with Council Policy that programs be self-supporting whenever possible.

**BUDGET REFERENCE**

N/A

**CEQA**

Not a project.



JOHN STUFFLEBEAN  
Director, Environmental Services

For questions, please contact Jo Zientek, Deputy Director, Integrated Waste Management Division, Environmental Services, at (408) 535-8557.

Attachments:

- (A) SFD Rate Charts
- (B) MFD Rate Charts
- (C) Rate Comparisons of Other Cities

**ATTACHMENT A  
RECYCLE PLUS SINGLE-FAMILY MONTHLY SERVICE RATES**

Effective July 1, 2008

Service Level	20-Gallon Garbage Cart	32-Gallon Garbage Cart	64-Gallon Garbage Cart	96-Gallon Garbage Cart	128-Gallon Garbage Cart (96+32)	160-Gallon Garbage Cart (96+64)	192-Gallon Garbage Cart (96+96)	224-Gallon Garbage Cart (96+96+32)	One 96-Gal. Shared Garbage Cart	Two 96-Gal. Shared Garbage Carts
<b>Standard Service</b>										
Current Rate	\$ 24.30	\$ 25.80	\$ 51.60	\$ 77.40	\$ 103.20	\$ 129.00	\$ 154.80	\$ 180.60	\$ 66.48	\$ 99.23
Increase	\$ 1.09	\$ 1.15	\$ 2.30	\$ 3.45	\$ 4.60	\$ 5.75	\$ 6.90	\$ 8.05	\$ 2.99	\$ 4.47
New Rate	\$ 25.39	\$ 26.95	\$ 53.90	\$ 80.85	\$ 107.80	\$ 134.75	\$ 161.70	\$ 188.65	\$ 69.47	\$ 103.70
<b>On-Premises Collection</b>										
Current Rate	\$ 96.30	\$ 97.80	\$ 123.60	\$ 149.40	\$ 175.20	\$ 201.00	\$ 226.80	\$ 252.60	\$ 138.48	\$ 243.23
Increase	\$ 4.33	\$ 4.39	\$ 5.54	\$ 6.69	\$ 7.84	\$ 8.99	\$ 10.14	\$ 11.29	\$ 6.23	\$ 10.95
New Rate	\$ 100.63	\$ 102.19	\$ 129.14	\$ 156.09	\$ 183.04	\$ 209.99	\$ 236.94	\$ 263.89	\$ 144.71	\$ 254.18
<b>On-Premises Disabled (Equivalent to CR Rate)</b>										
Current Rate	\$ 24.30	\$ 25.80	\$ 51.60	\$ 77.40	\$ 103.20	\$ 129.00	\$ 154.80	\$ 180.60	N/A	N/A
Increase	\$ 1.09	\$ 1.15	\$ 2.30	\$ 3.45	\$ 4.60	\$ 5.75	\$ 6.90	\$ 8.05	N/A	N/A
New Rate	\$ 25.39	\$ 26.95	\$ 53.90	\$ 80.85	\$ 107.80	\$ 134.75	\$ 161.70	\$ 188.65	N/A	N/A
<b>LIRA (70%/50% of CR Rate)</b>										
Current Rate	\$ 17.01	\$ 18.06	\$ 25.80	\$ 38.70	\$ 51.60	\$ 64.50	\$ 77.40	\$ 90.30	N/A	N/A
Increase	\$ 0.76	\$ 0.81	\$ 1.15	\$ 1.72	\$ 2.30	\$ 2.88	\$ 3.45	\$ 4.03	N/A	N/A
New Rate	\$ 17.77	\$ 18.87	\$ 26.95	\$ 40.43	\$ 53.90	\$ 67.38	\$ 80.85	\$ 94.33	N/A	N/A
<b>LIRA - Large Family (75% of Curbside Rate)</b>										
Current Rate	N/A	N/A	\$ 38.70	\$ 58.05	\$ 77.40	\$ 96.75	\$ 116.10	\$ 135.45	N/A	N/A
Increase	N/A	N/A	\$ 1.72	\$ 2.59	\$ 3.45	\$ 4.31	\$ 5.18	\$ 6.04	N/A	N/A
New Rate	N/A	N/A	\$ 40.43	\$ 60.64	\$ 80.85	\$ 101.06	\$ 121.28	\$ 141.49	N/A	N/A
<b>Special Medical (CR Rate Minus 1 Svc Level)</b>										
Current Rate	N/A	N/A	\$ 25.80	\$ 51.60	\$ 77.40	\$ 103.20	\$ 129.00	\$ 154.80	N/A	N/A
Increase	N/A	N/A	\$ 1.15	\$ 2.30	\$ 3.45	\$ 4.60	\$ 5.75	\$ 6.90	N/A	N/A
New Rate	N/A	N/A	\$ 26.95	\$ 53.90	\$ 80.85	\$ 107.80	\$ 134.75	\$ 161.70	N/A	N/A
<b>Hardship - No Change</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A	N/A
<b>Small Business</b>										
Current Rate	N/A	\$ 32.05	\$ 57.88	\$ 83.67	\$ 109.50	\$ 135.31	\$ 161.13	\$ 186.97	N/A	N/A
Increase	N/A	\$ 1.44	\$ 2.60	\$ 3.77	\$ 4.93	\$ 6.09	\$ 7.25	\$ 8.41	N/A	N/A
New Rate	N/A	\$ 33.49	\$ 60.48	\$ 87.44	\$ 114.43	\$ 141.40	\$ 168.38	\$ 195.38	N/A	N/A
<b>On-Premise Small Business</b>										
Current Rate	N/A	\$ 104.05	\$ 129.88	\$ 155.67	\$ 181.50	\$ 207.31	\$ 233.13	\$ 258.97	N/A	N/A
Increase	N/A	\$ 4.68	\$ 5.84	\$ 7.01	\$ 8.17	\$ 9.33	\$ 10.49	\$ 11.65	N/A	N/A
New Rate	N/A	\$ 108.73	\$ 135.72	\$ 162.68	\$ 189.67	\$ 216.64	\$ 243.62	\$ 270.62	N/A	N/A



**ATTACHMENT B**  
**RECYCLE PLUS MULTI-FAMILY MONTHLY SERVICE RATES**  
**Effective July 1, 2008**

Garbage Bin Size (cu yd)	Standard Recycling Bin Size (cu yd)	Rates	Number of Collections Per Week (Recycling Collection Once Per Week)					Extra PickUp
			1	2	3	4	5	
1	1	Current Rate	\$ 81.03	\$ 146.74	\$ 212.48	\$ 278.22	\$ 343.96	\$ 34.86
		Increase	\$ 6.48	\$ 11.74	\$ 17.00	\$ 22.26	\$ 27.52	\$ 2.79
		New Rate	\$ 87.51	\$ 158.48	\$ 229.48	\$ 300.48	\$ 371.48	\$ 37.65
1.5	1.5	Current Rate	\$ 101.77	\$ 186.70	\$ 271.65	\$ 356.60	\$ 441.54	\$ 39.68
		Increase	\$ 8.14	\$ 14.94	\$ 21.73	\$ 28.53	\$ 35.32	\$ 3.17
		New Rate	\$ 109.91	\$ 201.64	\$ 293.38	\$ 385.13	\$ 476.86	\$ 42.85
2	2	Current Rate	\$ 123.05	\$ 227.21	\$ 331.38	\$ 435.53	\$ 539.68	\$ 44.51
		Increase	\$ 9.84	\$ 18.18	\$ 26.51	\$ 34.84	\$ 43.17	\$ 3.56
		New Rate	\$ 132.89	\$ 245.39	\$ 357.89	\$ 470.37	\$ 582.85	\$ 48.07
3	3	Current Rate	\$ 164.62	\$ 307.21	\$ 449.79	\$ 592.36	\$ 734.93	\$ 54.17
		Increase	\$ 13.17	\$ 24.58	\$ 35.98	\$ 47.39	\$ 58.79	\$ 4.33
		New Rate	\$ 177.79	\$ 331.79	\$ 485.77	\$ 639.75	\$ 793.72	\$ 58.50
4	4	Current Rate	\$ 206.21	\$ 387.21	\$ 568.19	\$ 749.20	\$ 930.21	\$ 63.84
		Increase	\$ 16.50	\$ 30.98	\$ 45.46	\$ 59.94	\$ 74.42	\$ 5.11
		New Rate	\$ 222.71	\$ 418.19	\$ 613.65	\$ 809.14	\$ 1,004.63	\$ 68.95
5	5	Current Rate	\$ 247.79	\$ 467.19	\$ 686.63	\$ 906.07	\$ 1,125.49	\$ 72.98
		Increase	\$ 19.82	\$ 37.38	\$ 54.93	\$ 72.49	\$ 90.04	\$ 5.84
		New Rate	\$ 267.61	\$ 504.57	\$ 741.56	\$ 978.56	\$ 1,215.53	\$ 78.82
6	6	Current Rate	\$ 289.36	\$ 547.22	\$ 805.05	\$ 1,062.90	\$ 1,320.76	\$ 83.14
		Increase	\$ 23.15	\$ 43.78	\$ 64.40	\$ 85.03	\$ 105.66	\$ 6.65
		New Rate	\$ 312.51	\$ 591.00	\$ 869.45	\$ 1,147.93	\$ 1,426.42	\$ 89.79
8	8	Current Rate	\$ 372.51	\$ 707.21	\$ 1,041.88	\$ 1,376.58	\$ 1,711.28	\$ 102.45
		Increase	\$ 29.80	\$ 56.58	\$ 83.35	\$ 110.13	\$ 136.90	\$ 8.20
		New Rate	\$ 402.31	\$ 763.79	\$ 1,125.23	\$ 1,486.71	\$ 1,848.18	\$ 110.65

(1) For bins without wheels, the monthly service rates set out above are reduced by \$4.00 multiplied by the number of collections per week except for 6 and 8 cubic yard bins which include the deduction

(2) Additional recycling capacity and/or collection frequency to be considered upon request

**ATTACHMENT B**  
**RECYCLE PLUS MULTI-FAMILY MONTHLY SERVICE RATES**  
**Effective July 1, 2008**

**Customer Owned Bin Deduction or Bin Rental Fee**

Rate	Bin Size (cubic yards)							
	1	1.5	2	3	4	5	6	8
Current Rate	\$ (11.33)	\$ (12.46)	\$ (14.01)	\$ (16.34)	\$ (18.67)	\$ (21.00)	\$ (23.34)	\$ (28.01)
No Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Compactor Service**

Rate	Per Collection,
Current Rate	\$ 38.75
Increase	\$ 3.10
New Rate	\$ 41.85

(1) Package rate includes service for recycling compactor of equal size to garbage bin.

**ATTACHMENT B**  
**RECYCLE PLUS MULTI-FAMILY MONTHLY SERVICE RATES**  
**Effective July 1, 2008**

**Bin Push Service**

Rates include push of equal distance for recycling bin.

Distance (in feet)	Rates	Number of Pushes Per Week					Extra Pick-Up
		1	2	3	4	5	
Up to 25	Current Rate	\$ 18.16	\$ 36.32	\$ 54.48	\$ 72.64	\$ 90.80	\$ 11.26
	Increase	\$ 1.45	\$ 2.90	\$ 4.35	\$ 5.80	\$ 7.25	\$ 0.90
	New Rate	\$ 19.61	\$ 39.22	\$ 58.83	\$ 78.44	\$ 98.05	\$ 12.16
50	Current Rate	\$ 36.32	\$ 72.64	\$ 108.96	\$ 145.28	\$ 181.60	\$ 22.52
	Increase	\$ 2.90	\$ 5.80	\$ 8.70	\$ 11.60	\$ 14.50	\$ 1.80
	New Rate	\$ 39.22	\$ 78.44	\$ 117.66	\$ 156.88	\$ 196.10	\$ 24.32
75	Current Rate	\$ 54.48	\$ 108.96	\$ 163.44	\$ 217.92	\$ 272.40	\$ 33.78
	Increase	\$ 4.35	\$ 8.70	\$ 13.05	\$ 17.40	\$ 21.75	\$ 2.70
	New Rate	\$ 58.83	\$ 117.66	\$ 176.49	\$ 235.32	\$ 294.15	\$ 36.48
100	Current Rate	\$ 72.64	\$ 145.28	\$ 217.92	\$ 290.56	\$ 363.20	\$ 45.04
	Increase	\$ 5.80	\$ 11.60	\$ 17.40	\$ 23.20	\$ 29.00	\$ 3.60
	New Rate	\$ 78.44	\$ 156.88	\$ 235.32	\$ 313.76	\$ 392.20	\$ 48.64
125	Current Rate	\$ 90.80	\$ 181.60	\$ 272.40	\$ 363.20	\$ 454.00	\$ 56.30
	Increase	\$ 7.25	\$ 14.50	\$ 21.75	\$ 29.00	\$ 36.25	\$ 4.50
	New Rate	\$ 98.05	\$ 196.10	\$ 294.15	\$ 392.20	\$ 490.25	\$ 60.80
150	Current Rate	\$ 108.96	\$ 217.92	\$ 326.88	\$ 435.84	\$ 544.80	\$ 67.56
	Increase	\$ 8.70	\$ 17.40	\$ 26.10	\$ 34.80	\$ 43.50	\$ 5.40
	New Rate	\$ 117.66	\$ 235.32	\$ 352.98	\$ 470.64	\$ 588.30	\$ 72.96
175	Current Rate	\$ 127.12	\$ 254.24	\$ 381.36	\$ 508.48	\$ 635.60	\$ 78.82
	Increase	\$ 10.15	\$ 20.30	\$ 30.45	\$ 40.60	\$ 50.75	\$ 6.30
	New Rate	\$ 137.27	\$ 274.54	\$ 411.81	\$ 549.08	\$ 686.35	\$ 85.12
200	Current Rate	\$ 145.28	\$ 290.56	\$ 435.84	\$ 581.12	\$ 726.40	\$ 90.08
	Increase	\$ 11.60	\$ 23.20	\$ 34.80	\$ 46.40	\$ 58.00	\$ 7.20
	New Rate	\$ 156.88	\$ 313.76	\$ 470.64	\$ 627.52	\$ 784.40	\$ 97.28

- (1) For regular pushes greater than 200 feet, the monthly charge is \$19.61 multiplied by the number of 25 foot increments multiplied by the number of collections per week. Example: The monthly rate for a 276 foot push for a bin collected 3/week is figured as  $12 * \$19.61 * 3 = \$705.96$
- (2) For extra pushes greater than 200 feet, the push charge is 0.62 times \$19.61 multiplied by the number of 25 foot increments

**ATTACHMENT B**  
**RECYCLE PLUS MULTI-FAMILY MONTHLY SERVICE RATES**  
**Effective July 1, 2008**

**Cart Push Service**

Distance (in feet)	Rates	Regular Push	Extra Push
up to 25	Current Rate	\$ -	\$ -
	Increase	\$ -	\$ -
	New Rate	\$ -	\$ -
26-50	Current Rate	\$ 18.16	\$ 11.26
	Increase	\$ 1.45	\$ 0.90
	New Rate	\$ 19.61	\$ 12.16
51-75	Current Rate	\$ 36.32	\$ 22.52
	Increase	\$ 2.90	\$ 1.80
	New Rate	\$ 39.22	\$ 24.32
76-100	Current Rate	\$ 54.48	\$ 33.78
	Increase	\$ 4.35	\$ 2.70
	New Rate	\$ 58.83	\$ 36.48
101-125	Current Rate	\$ 72.64	\$ 45.04
	Increase	\$ 5.80	\$ 3.60
	New Rate	\$ 78.44	\$ 48.64
126-150	Current Rate	\$ 90.80	\$ 56.30
	Increase	\$ 7.25	\$ 4.50
	New Rate	\$ 98.05	\$ 60.80
151-175	Current Rate	\$ 108.96	\$ 67.56
	Increase	\$ 8.70	\$ 5.40
	New Rate	\$ 117.66	\$ 72.96
176-200	Current Rate	\$ 127.12	\$ 78.82
	Increase	\$ 10.15	\$ 6.30
	New Rate	\$ 137.27	\$ 85.12

- (1) Push rates above apply to either 1 cart or to a set of 2 carts
- (2) For regular pushes greater than 200 feet, the monthly charge is \$19.61 multiplied by the number of 25 foot increments minus 1.
- (3) For extra pushes greater than 200 feet, the charge is 0.62 times \$19.61 multiplied by the number of 25 foot increments minus 1.

**Single-Family Dwelling Garbage and Recycling Program  
32 Gallon Rate Comparisons - Continued**

<b>Other Northern California Cities</b>	<b>Current Monthly Rate</b>
<i>San José (Proposed for FY 08-09)</i>	<b>\$26.95</b>
Oakland	\$25.84
<b>San José (Current)</b>	<b>\$25.80</b>
Sacramento	\$25.06
Fremont	\$24.10
San Francisco	\$23.58

**ATTACHMENT C  
RATE COMPARISONS**

The table below compares the typical single-family dwelling garbage and recycling rates of Santa Clara County cities and agencies. This survey of other cities was conducted in April 2008. If known, proposed rates are included. **It is important to note that services included with these rates vary widely from city to city, and that San Jose's services generally are more robust (more frequent collections, additional services included such as street sweeping, etc.). In addition, some solid waste programs may have funding sources other than rate-payer revenue.** With a proposed 8% multi-family increase, the rate for a 3-cubic yard bin serviced once per week (one of the most common multi-family service levels) would be \$177.79— far lower than the countywide average of \$206.32 per month.

**Single-Family Dwelling Garbage and Recycling Program  
32 Gallon Rate Comparisons**

<b>Santa Clara County Cities</b>	<b>Current Monthly Rate</b>
Milpitas	\$30.64
Los Altos Hills	\$28.03
<i>San José (Proposed for FY 08-09)</i>	<i>\$26.95*</i>
<b>San José (Current)</b>	<b>\$25.80</b>
<b>Countywide Weighted Average</b>	<b>\$24.65</b>
Unincorporated County Districts	\$19.55-\$31.94
Gilroy	\$24.44
Palo Alto	\$24.16
Los Altos	\$24.14
Sunnyvale	\$23.12
Monte Sereno	\$22.88
Morgan Hill	\$22.75
Santa Clara	\$20.05
Saratoga	\$19.83
Cupertino	\$19.13
Campbell	\$18.46
Los Gatos	\$17.88
Mountain View	\$15.75

\*Like San Jose, most cities increase garbage rates annually. Although information regarding these anticipated increases is not available at this time, it is important to keep in mind that most rates will likely increase in a similar manner as San Jose's proposed increase.