



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** John Stufflebean

**SUBJECT:** SEE BELOW

**DATE:** 04-28-09

Approved

*Laura Antua*

Date

*4/28/09*

**SUBJECT: ADOPTION OF RESOLUTION TO INCREASE RECYCLE PLUS RATES  
EFFECTIVE JULY 1, 2009**

## RECOMMENDATION

Adoption of a resolution to amend service rates for the Recycle Plus Program effective July 1, 2009, as follows:

- a) Increase rates for single-family households by 2%.
- b) Increase rates for multi-family households by 4%.

## OUTCOME

Approval of the recommendation would increase the cost of solid waste services by \$0.55 a month for Single Family Dwelling (SFD) households based on the rate for a standard 32-gallon garbage cart. These increases of approximately 2% for single-family households, and 4% for Multi Family Dwelling (MFD) households, would enable the Recycle Plus Program to pay for the cost of service and maintain a healthy fund balance in the Integrated Waste Management (IWM) Fund. A healthy fund balance mitigates against future rate increases and enables the City to continue providing high-quality solid waste services to San José residents.

## BACKGROUND

In order to ensure the financial integrity of the IWM Fund (Fund 423) and meet service delivery obligations, the City must ensure recovery of the costs required to maintain the solid waste program. Staff reviews IWM Fund revenue and expenditure forecasts on a regular basis to determine the revenue necessary to implement City Council approved programs and activities. A combination of program efficiencies and rate increases is 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. The recommendations contained in this memorandum are based on the results of this analysis.

The proposed rate increases of 2% and 4% for 2009-2010 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 2009-2010 (the last year of the three-year notice). 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

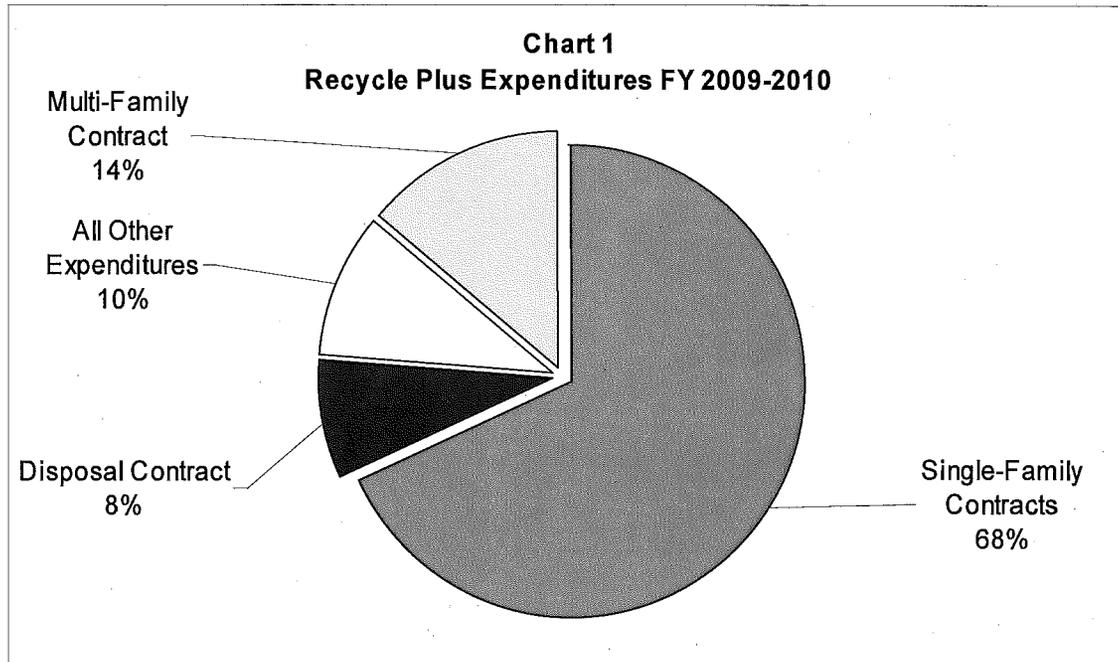
A rate increase is recommended because the City anticipates an increase of 1.2% (\$1.2 million) in total Recycle Plus expenditures for 2009-2010, as indicated in Table 1 below.

**TABLE 1 – Estimated Recycle Plus Expenditures**

<u>Expenditure Description</u>	<u>FY 08-09</u>	<u>FY 09-10</u>	<u>\$ Change</u>	<u>% Change</u>
Single-Family Contracts	66,820,000	68,637,000	1,817,000	2.7%
Multi-Family Contract	14,105,000	14,768,000	663,000	4.7%
Disposal Contract	7,500,000	7,650,000	150,000	2.0%
<b>Contracts Subtotal</b>	<b>88,425,000</b>	<b>91,055,000</b>	<b>2,630,000</b>	<b>3.0%</b>
Other Expenditures*	12,132,000	10,659,000	(1,473,000)	-12.1%
<b>Total Expenditures</b>	<b>100,557,000</b>	<b>101,714,000</b>	<b>1,157,000</b>	<b>1.2%</b>

\*Excludes one-time capital costs in 2008-2009 for construction of the Las Plumas Household Hazardous Waste facility.

Contracted costs for collection and disposal agreements, which comprise about 90% of total Recycle Plus expenditures (Chart 1), are expected to increase by \$2.6 million, or 3.0%, in 2009-2010. This increase is due to contractually-required adjustments and cost of living increases, as well as the expansion of the City's successful Neighborhood Clean-Up program, which is now partially funded by Recycle Plus rates. Non-contractual expenditures for overhead, program management, billing and customer service comprise 10% of Recycle Plus costs, and are expected to decrease by approximately \$1,473,000. This decrease is due to the elimination of one-time expenditures from Fiscal Year 2008-2009, and lower than anticipated personal services obligations.



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. Because fuel costs decreased dramatically in late 2008, anticipated COLAs are much lower than in previous years, resulting in the need for only a modest rate increase in 2009-2010.

***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 approximately 2% and multi-family service by 4%, effective July 1, 2009. It is estimated that these increases will generate an additional \$2.3 million in revenue for 2009-2010.

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, cart exchanges, 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 are priced to encourage resident participation. Attachments A and B include complete listings of proposed single- and multi-family rates. A projected four-year Recycle Plus rate strategy is presented below

in Table 2. Because the term for the current Recycle Plus contracts is set to expire on June 30, 2013, it is difficult to predict expenditures beyond 2012-2013 at this time.

**TABLE 2 – Recommended 2009-2010 Rate Increases Effective July 1, 2009**

	<u>Estimated</u>	<u>Projected</u>			
	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13
Minimum Fund Balance Target (1 month's operating expenses) <sup>1)</sup>	7,369,000	7,588,000	7,875,000	8,259,000	8,635,000
SFD Rate Increase	4.5%	2.0%	3.0%	4.0%	4.0%
MFD Rate Increase	8.0%	4.0%	4.0%	6.0%	6.0%
32-Gallon Cart Rate	\$26.95	\$27.50	\$28.30	\$29.45	\$30.65
Unrestricted Fund Balance and Contingency Reserve	10,474,000	10,319,000	10,650,000	9,831,000	9,355,000

<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.

An SFD increase of 2% would amount to an additional \$0.55 per month for the standard 32-gallon garbage cart, increasing the rate to \$27.50. By comparison, the current estimated countywide weighted average is \$25.62 per month for a 32-gallon garbage cart (April 2009 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 (\$184.90 per month versus \$237.23 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.

***2009-2010 Recycle Plus Rate Increase Schedule***

The recommended rate increases are reflected in the 2009-2010 Proposed Operating Budget which is scheduled for Council consideration on June 16, 2009. However, in order to ensure that the City receives sufficient revenues to compensate the haulers for 2009-2010, staff recommends that Council approve the rates in May instead of June 2009 for the following reasons:

- SFD bills are generated on a two-month cycle with the first 30 days being billed in advance of services rendered. In order for rates to become effective July 1<sup>st</sup>, as proposed, rates need to be approved, and customers notified in time to meet the June-July billing timeline. Council approval of rates in June, in conjunction with the annual budget process, would result in at least one month of lost revenue, as we would miss the July billing cycle. At the projected rates for 2009-2010, the monthly cost of deferring the increase is approximately \$300,000.
- Council rate approval in May, and billing the new rates in June for July service, avoids this revenue loss, and results in no retroactive charges appearing on customer's bills. Even with a July 1 effective date, should approval of the rate increase be delayed so that June bills could not include the new rates, it would be necessary to make an adjustment for July service on a later bill. This may appear to the customer as an increase larger than 2%, and may impact Call Center staff as customers call with billing questions.

### **EVALUATION AND FOLLOW-UP**

This action does not address any performance measures.

### **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. Lower rate increases than those recommended for 2009-2010 would require higher rate increases in 2010-2011 and beyond. Current estimates are that these future rate increases would have to be in the 5%-6% range rather than the 3%-4% range projected above. 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/INTEREST**

The City Clerk's Office received 2,000 responses to the 2007 Proposition 218 notification for the proposed Recycle Plus rates, which included a 2009-2010 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>

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 2% single-family increase with an effective date of July 1, 2009, is estimated to generate \$1.5 million in additional revenue to the IWM Fund in 2009-2010.
- A 4% multi-family increase with an effective date of July 1, 2008, is estimated to generate \$805,000 in additional revenue to the IWM Fund in 2009-2010.

The recommended rate increases for 2009-2010 is consistent with Council Policy that programs be self-supporting whenever possible. The recommended rate increases are reflected in the

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2009-2010 Proposed Operating Budget.

**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) Single-Family Rate Charts
- (B) Multi-Family Rate Charts
- (C) Rate Comparisons of Other Cities

**ATTACHMENT A**  
**RECYCLE PLUS SINGLE-FAMILY MONTHLY SERVICE RATES**  
 Effective July 1, 2009

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
Standard Service	Current Rate	\$ 25.39	\$ 26.95	\$ 53.90	\$ 80.85	\$ 107.80	\$ 134.75	\$ 161.70	\$ 188.65	\$ 103.70
	Increase	\$ 0.51	\$ 0.55	\$ 1.10	\$ 1.65	\$ 2.20	\$ 2.75	\$ 3.30	\$ 3.85	\$ 2.07
	New Rate	\$ 25.90	\$ 27.50	\$ 55.00	\$ 82.50	\$ 110.00	\$ 137.50	\$ 165.00	\$ 192.50	\$ 105.77
On-Premises Collection	Current Rate	\$ 80.39	\$ 81.95	\$ 108.90	\$ 135.85	\$ 162.80	\$ 189.75	\$ 216.70	\$ 243.65	\$ 213.70
	Increase	\$ 1.61	\$ 1.64	\$ 2.18	\$ 2.72	\$ 3.26	\$ 3.80	\$ 4.33	\$ 4.87	\$ 4.27
	New Rate	\$ 82.00	\$ 83.59	\$ 111.08	\$ 138.57	\$ 166.06	\$ 193.55	\$ 221.03	\$ 248.52	\$ 217.97
On-Premises Disabled (Equivalent to CR Rate)	Current Rate	\$ 25.39	\$ 26.95	\$ 53.90	\$ 80.85	\$ 107.80	\$ 134.75	\$ 161.70	\$ 188.65	N/A
	Increase	\$ 0.51	\$ 0.55	\$ 1.10	\$ 1.65	\$ 2.20	\$ 2.75	\$ 3.30	\$ 3.85	N/A
	New Rate	\$ 25.90	\$ 27.50	\$ 55.00	\$ 82.50	\$ 110.00	\$ 137.50	\$ 165.00	\$ 192.50	N/A
LIRA (70%/50% of CR Rate)	Current Rate	\$ 17.77	\$ 18.87	\$ 26.95	\$ 40.43	\$ 53.90	\$ 67.38	\$ 80.85	\$ 94.33	N/A
	Increase	\$ 0.36	\$ 0.39	\$ 0.55	\$ 0.83	\$ 1.10	\$ 1.38	\$ 1.65	\$ 1.93	N/A
	New Rate	\$ 18.13	\$ 19.25	\$ 27.50	\$ 41.25	\$ 55.00	\$ 68.75	\$ 82.50	\$ 96.25	N/A
LIRA - Large Family (75% of Curbside Rate)	Current Rate	N/A	N/A	\$ 40.43	\$ 60.64	\$ 80.85	\$ 101.06	\$ 121.28	\$ 141.49	N/A
	Increase	N/A	N/A	\$ 0.83	\$ 1.24	\$ 1.65	\$ 2.06	\$ 2.47	\$ 2.89	N/A
	New Rate	N/A	N/A	\$ 41.25	\$ 61.88	\$ 82.50	\$ 103.13	\$ 123.75	\$ 144.38	N/A
Special Medical (CR Rate Minus 1 Svc Level)	Current Rate	N/A	N/A	\$ 26.95	\$ 53.90	\$ 80.85	\$ 107.80	\$ 134.75	\$ 161.70	N/A
	Increase	N/A	N/A	\$ 0.55	\$ 1.10	\$ 1.65	\$ 2.20	\$ 2.75	\$ 3.30	N/A
	New Rate	N/A	N/A	\$ 27.50	\$ 55.00	\$ 82.50	\$ 110.00	\$ 137.50	\$ 165.00	N/A
Hardship - No Change	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	N/A
Small Business	Current Rate	N/A	\$ 33.49	\$ 60.48	\$ 87.44	\$ 114.43	\$ 141.40	\$ 168.38	\$ 195.38	N/A
	Increase	N/A	\$ 0.67	\$ 1.21	\$ 1.75	\$ 2.29	\$ 2.83	\$ 3.37	\$ 3.91	N/A
	New Rate	N/A	\$ 34.16	\$ 61.69	\$ 89.19	\$ 116.72	\$ 144.23	\$ 171.75	\$ 199.29	N/A
On-Premise Small Business	Current Rate	N/A	\$ 88.49	\$ 115.48	\$ 142.44	\$ 169.43	\$ 196.40	\$ 223.38	\$ 250.38	N/A
	Increase	N/A	\$ 1.77	\$ 2.31	\$ 2.85	\$ 3.39	\$ 3.93	\$ 4.47	\$ 5.01	N/A
	New Rate	N/A	\$ 90.26	\$ 117.79	\$ 145.29	\$ 172.82	\$ 200.33	\$ 227.85	\$ 255.39	N/A

**ATTACHMENT A  
ADDITIONAL SFD SERVICE RATES  
Effective July 1, 2009**

Service	Current Rate	New Rate
Cart Exchanges	\$15.00 for each exchange in excess of once per fiscal year	No Change
Container charge for repeated cart requests or abuse of cart	\$60.00 plus the actual container replacement cost, including delivery costs	No Change
Yard Trimmings Cart	\$ 4.00 per month	No Change
Extra Garbage Stickers	\$ 6.25 per sticker	No Change
Large Item Collection	\$25.00 for each 3 items	No Change
Missing/Stolen Carts	Free	No Change
Contaminated Recycling Cart	\$ 15.00 per incident per cart	No Change

**ATTACHMENT B**  
**RECYCLE PLUS MULTI-FAMILY MONTHLY SERVICE RATES**  
 Effective July 1, 2009

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	\$ 87.51	\$ 158.48	\$ 229.48	\$ 300.48	\$ 371.48	\$ 37.65
		Increase	\$ 3.50	\$ 6.34	\$ 9.18	\$ 12.02	\$ 14.86	\$ 1.51
		New Rate	\$ 91.01	\$ 164.82	\$ 238.66	\$ 312.50	\$ 386.34	\$ 39.16
1.5	1.5	Current Rate	\$ 109.91	\$ 201.64	\$ 293.38	\$ 385.13	\$ 476.86	\$ 42.85
		Increase	\$ 4.40	\$ 8.07	\$ 11.74	\$ 15.41	\$ 19.07	\$ 1.71
		New Rate	\$ 114.31	\$ 209.71	\$ 305.12	\$ 400.54	\$ 495.93	\$ 44.56
2	2	Current Rate	\$ 132.89	\$ 245.39	\$ 357.89	\$ 470.37	\$ 582.85	\$ 48.07
		Increase	\$ 5.32	\$ 9.82	\$ 14.32	\$ 18.81	\$ 23.31	\$ 1.92
		New Rate	\$ 138.21	\$ 255.21	\$ 372.21	\$ 489.18	\$ 606.16	\$ 49.99
3	3	Current Rate	\$ 177.79	\$ 331.79	\$ 485.77	\$ 639.75	\$ 793.72	\$ 58.50
		Increase	\$ 7.11	\$ 13.27	\$ 19.43	\$ 25.59	\$ 31.75	\$ 2.34
		New Rate	\$ 184.90	\$ 345.06	\$ 505.20	\$ 665.34	\$ 825.47	\$ 60.84
4	4	Current Rate	\$ 222.71	\$ 418.19	\$ 613.65	\$ 809.14	\$ 1,004.63	\$ 68.95
		Increase	\$ 8.91	\$ 16.73	\$ 24.55	\$ 32.37	\$ 40.19	\$ 2.76
		New Rate	\$ 231.62	\$ 434.92	\$ 638.20	\$ 841.51	\$ 1,044.82	\$ 71.71
5	5	Current Rate	\$ 267.61	\$ 504.57	\$ 741.56	\$ 978.56	\$ 1,215.53	\$ 78.82
		Increase	\$ 10.70	\$ 20.18	\$ 29.66	\$ 39.14	\$ 48.62	\$ 3.15
		New Rate	\$ 278.31	\$ 524.75	\$ 771.22	\$ 1,017.70	\$ 1,264.15	\$ 81.97
6	6	Current Rate	\$ 312.51	\$ 591.00	\$ 869.45	\$ 1,147.93	\$ 1,426.42	\$ 89.79
		Increase	\$ 12.50	\$ 23.64	\$ 34.78	\$ 45.92	\$ 57.06	\$ 3.59
		New Rate	\$ 325.01	\$ 614.64	\$ 904.23	\$ 1,193.85	\$ 1,483.48	\$ 93.38
8	8	Current Rate	\$ 402.31	\$ 763.79	\$ 1,125.23	\$ 1,486.71	\$ 1,848.18	\$ 110.65
		Increase	\$ 16.09	\$ 30.55	\$ 45.01	\$ 59.47	\$ 73.93	\$ 4.43
		New Rate	\$ 418.40	\$ 794.34	\$ 1,170.24	\$ 1,546.18	\$ 1,922.11	\$ 115.08

(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, 2009

**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	\$ 41.85
Increase	\$ 1.67
New Rate	\$ 43.52

(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, 2009

**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	\$ 19.61	\$ 39.22	\$ 58.83	\$ 78.44	\$ 98.05	\$ 12.16
	Increase	\$ 0.78	\$ 1.56	\$ 2.34	\$ 3.12	\$ 3.90	\$ 0.48
	New Rate	\$ 20.39	\$ 40.78	\$ 61.17	\$ 81.56	\$ 101.95	\$ 12.64
50	Current Rate	\$ 39.22	\$ 78.44	\$ 117.66	\$ 156.88	\$ 196.10	\$ 24.32
	Increase	\$ 1.56	\$ 3.12	\$ 4.68	\$ 6.24	\$ 7.80	\$ 0.96
	New Rate	\$ 40.78	\$ 81.56	\$ 122.34	\$ 163.12	\$ 203.90	\$ 25.28
75	Current Rate	\$ 58.83	\$ 117.66	\$ 176.49	\$ 235.32	\$ 294.15	\$ 36.48
	Increase	\$ 2.34	\$ 4.68	\$ 7.02	\$ 9.36	\$ 11.70	\$ 1.44
	New Rate	\$ 61.17	\$ 122.34	\$ 183.51	\$ 244.68	\$ 305.85	\$ 37.92
100	Current Rate	\$ 78.44	\$ 156.88	\$ 235.32	\$ 313.76	\$ 392.20	\$ 48.64
	Increase	\$ 3.12	\$ 6.24	\$ 9.36	\$ 12.48	\$ 15.60	\$ 1.92
	New Rate	\$ 81.56	\$ 163.12	\$ 244.68	\$ 326.24	\$ 407.80	\$ 50.56
125	Current Rate	\$ 98.05	\$ 196.10	\$ 294.15	\$ 392.20	\$ 490.25	\$ 60.80
	Increase	\$ 3.90	\$ 7.80	\$ 11.70	\$ 15.60	\$ 19.50	\$ 2.40
	New Rate	\$ 101.95	\$ 203.90	\$ 305.85	\$ 407.80	\$ 509.75	\$ 63.20
150	Current Rate	\$ 117.66	\$ 235.32	\$ 352.98	\$ 470.64	\$ 588.30	\$ 72.96
	Increase	\$ 4.68	\$ 9.36	\$ 14.04	\$ 18.72	\$ 23.40	\$ 2.88
	New Rate	\$ 122.34	\$ 244.68	\$ 367.02	\$ 489.36	\$ 611.70	\$ 75.84
175	Current Rate	\$ 137.27	\$ 274.54	\$ 411.81	\$ 549.08	\$ 686.35	\$ 85.12
	Increase	\$ 5.46	\$ 10.92	\$ 16.38	\$ 21.84	\$ 27.30	\$ 3.36
	New Rate	\$ 142.73	\$ 285.46	\$ 428.19	\$ 570.92	\$ 713.65	\$ 88.48
200	Current Rate	\$ 156.88	\$ 313.76	\$ 470.64	\$ 627.52	\$ 784.40	\$ 97.28
	Increase	\$ 6.24	\$ 12.48	\$ 18.72	\$ 24.96	\$ 31.20	\$ 3.84
	New Rate	\$ 163.12	\$ 326.24	\$ 489.36	\$ 652.48	\$ 815.60	\$ 101.12

- (1) For regular pushes greater than 200 feet, the monthly charge is \$20.39 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  $12 * \$20.39 * 3 = \$734.04$
- (2) For extra pushes greater than 200 feet, the push charge is 0.62 times \$20.39 multiplied by the number of 25 foot increments

**ATTACHMENT B**  
**RECYCLE PLUS MULTI-FAMILY MONTHLY SERVICE RATES**  
 Effective July 1, 2009

**Cart Push Service**

Distance (in feet)	Rates	Regular Push	Extra Push
up to 25	Current Rate	\$ -	\$ -
	Increase	\$ -	\$ -
	New Rate	\$ -	\$ -
26-50	Current Rate	\$ 19.61	\$ 12.16
	Increase	\$ 0.78	\$ 0.48
	New Rate	\$ 20.39	\$ 12.64
51-75	Current Rate	\$ 39.22	\$ 24.32
	Increase	\$ 1.56	\$ 0.96
	New Rate	\$ 40.78	\$ 25.28
76-100	Current Rate	\$ 58.83	\$ 36.48
	Increase	\$ 2.34	\$ 1.44
	New Rate	\$ 61.17	\$ 37.92
101-125	Current Rate	\$ 78.44	\$ 48.64
	Increase	\$ 3.12	\$ 1.92
	New Rate	\$ 81.56	\$ 50.56
126-150	Current Rate	\$ 98.05	\$ 60.80
	Increase	\$ 3.90	\$ 2.40
	New Rate	\$ 101.95	\$ 63.20
151-175	Current Rate	\$ 117.66	\$ 72.96
	Increase	\$ 4.68	\$ 2.88
	New Rate	\$ 122.34	\$ 75.84
176-200	Current Rate	\$ 137.27	\$ 85.12
	Increase	\$ 5.46	\$ 3.36
	New Rate	\$ 142.73	\$ 88.48

- (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 \$20.39 multiplied by the number of 25 foot increments minus 1.
- (3) For extra pushes greater than 200 feet, the charge is 0.62 times \$20.39 multiplied by the number of 25 foot increments minus 1.

**ATTACHMENT B**  
**RECYCLE PLUS MULTI-FAMILY CONTAMINATED RECYCLING RATES**  
 Effective July 1, 2009

**Contaminated Recycling Collection**

Bins		
Bin Size (cu. yd.)	Rates	Pick-Up Charge
1	Current Rate	\$ 37.65
	Increase	\$ 1.51
	New Rate	\$ 39.16
1.5	Current Rate	\$ 42.87
	Increase	\$ 1.71
	New Rate	\$ 44.58
2	Current Rate	\$ 48.07
	Increase	\$ 1.92
	New Rate	\$ 49.99
3	Current Rate	\$ 58.51
	Increase	\$ 2.34
	New Rate	\$ 60.85
4	Current Rate	\$ 68.95
	Increase	\$ 2.76
	New Rate	\$ 71.71
5	Current Rate	\$ 78.81
	Increase	\$ 3.15
	New Rate	\$ 81.96
6	Current Rate	\$ 88.70
	Increase	\$ 3.55
	New Rate	\$ 92.25
8	Current Rate	\$ 110.65
	Increase	\$ 4.43
	New Rate	\$ 115.08

Carts		
Number of Carts	Rates	Pick-Up Charge
1	Current Rate	\$ 37.83
	Increase	\$ 1.51
	New Rate	\$ 39.34
2	Current Rate	\$ 47.28
	Increase	\$ 1.89
	New Rate	\$ 49.17
3	Current Rate	\$ 85.11
	Increase	\$ 3.40
	New Rate	\$ 88.51
4	Current Rate	\$ 94.55
	Increase	\$ 3.78
	New Rate	\$ 98.33
5	Current Rate	\$ 132.39
	Increase	\$ 5.30
	New Rate	\$ 137.69
6	Current Rate	\$ 141.86
	Increase	\$ 5.67
	New Rate	\$ 147.53
7	Current Rate	\$ 179.71
	Increase	\$ 7.19
	New Rate	\$ 186.90
8	Current Rate	\$ 189.17
	Increase	\$ 7.57
	New Rate	\$ 196.74
9+	Current Rate	\$ 23.64
	Increase	\$ 0.95/cart
	New Rate	\$24.59/cart

(1) Extra Pick-Up rates apply to the collection of recycling bins or carts which are contaminated with garbage

**ATTACHMENT B**  
**ADDITIONAL RECYCLE PLUS MULTI-FAMILY SERVICE RATES**  
 Effective July 1, 2009

Service	Current Rate	New Rate
<u>Large Item Collection</u>		
Per-Item Charge (1-3):	\$ 55.50	No Change
Each additional item:	\$ 18.50	No Change
<u>Garbage Overflow</u>		
Delivery and Pick-Up of Bin	\$ 38.63	\$ 40.18
Rental Rate	Regular monthly charge for bin service prorated to the number of weeks the overflow bin is requested	
<u>Lock Services</u>		
Lock Installed, Plus Key	Bins \$ 173.51 Carts \$ 104.98	Bins \$ 180.45 Carts \$ 109.18
Lock 3 Carts Together	NA \$ 104.98 /three	NA \$ 109.18
Repaired, Including Lock	\$ 112.27	\$ 116.76
Repaired, Excluding Lock	\$ 94.78	\$ 98.57
Removed (damaged by customer)	\$ 128.30	\$ 133.43
Removed (requested by customer)	\$ 64.14	\$ 66.71
Special Services, Welding or Retrofit	\$ 63.56	\$ 66.10
<u>Other Services</u>		
Service Level Changes (bin or 2 carts)	\$ 25.00	No Change
(in excess of once per year)	\$ 25.00	No Change
Container Cleaning (bin or 2 carts)	\$ 25.00	No Change
(in excess of once per year)	NA	NA
Yard Trimmings Cart	\$ 9.63	\$ 10.02
Hardship Rate (for uninhabitable properties)	\$0.00	No Change

**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 2009. **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 4% 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 \$184.90— far lower than the countywide average of \$237.23 per month.

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

<b>Santa Clara County Cities</b>	<b>Current Monthly Rate</b>
Los Altos Hills	\$33.76
Milpitas	\$30.11
Los Altos	\$28.11
Unincorporated County Districts	\$20.37-\$33.76
<b>San Jose (Proposed)</b>	<b>\$27.50</b>
<b>San José (Current)</b>	<b>\$26.95</b>
Palo Alto	\$26.58
Gilroy	\$26.22
<b>Countywide Weighted Average</b>	<b>\$25.62</b>
Sunnyvale	\$25.31
Monte Sereno	\$23.98
Morgan Hill	\$23.35
Santa Clara	\$21.10
Saratoga	\$20.97
Cupertino	\$19.89
Campbell	\$19.03
Los Gatos	\$18.95
Mountain View	\$16.40

\*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.

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

<b>Other Northern California Cities</b>	<b>Current Monthly Rate</b>
Sacramento	\$29.19
<i>San José (Proposed for FY 09-10)</i>	<b>\$27.50</b>
<b>San José (Current)</b>	<b>\$26.95</b>
Oakland	\$26.51
Fremont	\$24.10
San Francisco	\$24.76