



Subject: ADOPTION OF RESOLUTION TO INCREASE RECYCLE PLUS LARGE ITEM COLLECTION RATES EFFECTIVE JULY 1, 2012

**Council Agenda: 6-12-12
Item: 2.11**

City Council Action Request

Department: ESD	CEQA: Not a Project PP10-066	Coordination: CAO and CMO Budget	CMO Approval:
			Dept. Approval: /s/ Kerrie Romanow

RECOMMENDED ACTION:

Adopt a resolution revising Recycle Plus Rates to increase the single-family and multi-family Large Item Collection service rates effective July 1, 2012, as follows:

- a) Increase rates for single-family large item collection services by 3.46%,
- b) Increase rates for multi-family large item collection services by 3.44%.

BASIS FOR RECOMMENDATION:

Large Item Collection is an optional service available to residential households. Rate increases of 3.46% for Single-Family Dwelling (SFD) Large Item Collections and 3.44% for Multi-Family Dwelling (MFD) Large Item Collections would offset increases in the cost of service. Per the agreements with the City's recycling contractors, customer rates for Large Item Collection services are required to be adjusted annually by a specified formula. Other Recycle Plus (RP) service rates are not proposed to be increased and will not be impacted. Adjusting the rates for Large Item Collections in 2012-2013 ensures the City complies with the agreement terms.

The current and proposed rates for Large Item Collection are shown in the table below. Approval of the recommendation would increase the ratepayer cost of SFD large item collection services by \$0.86 per collections of up to 3 items, by \$1.90 for MFD large item collections of up to 3 items, and by \$0.63 for each additional MFD large item.

Large Item Collection Rates

<i>Service</i>	<i>Description</i>	<i>Current Rate 2011-2012</i>	<i>RRI 2012- 2013</i>	<i>Proposed Rate 2012-2013</i>
Single-Family	Resident requests pick-up of unwanted Large Items	\$25.00 for up to 3 items	3.46%	\$25.86 for up to 3 items
Multi-Family	On-demand collection of Large Items	\$55.50 for up to 3 items	3.44%	\$57.40 for up to 3 items
Multi-Family	Per-item charge for each additional item in the same pick-up	\$18.50 per item	3.44%	\$19.13 per item

COST AND FUNDING SOURCE:

There are no cost impacts to the City associated with this recommendation. Staff recommendation is consistent with Council Policy that programs be self-supporting whenever possible. Effective April 2, 2012, Large Item Collection services transitioned from the City to the City's recycling service providers who have assumed customer service, billing, and revenue collection responsibilities for this service. Delinquent payment for Large Item Collection Service is not collected through the City's lien process for collection of mandatory residential garbage service. This efficiency measure to streamline the City's business processes was included in the RP Agreements and approved by the City Council on June 22, 2010. The City no longer bills the RP rate payer directly for this service; the contractor is now authorized to collect the payment directly from the customer.

FOR QUESTIONS CONTACT: Donna Perala, Recycle Plus Program Manager, Environmental Services, at (408) 975-2511.