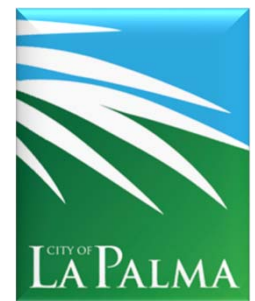


Sanitation Services Rate Adjustment & Residential Source-Separated Collection

City Council

May 2, 2017



Rate Adjustment

- Contract with EDCO provides for annual CPI increase
 - October 2015 CPI 2.03%
 - October 2016 CPI 1.97%
- Annual Orange County landfill tonnage increases
 - 4.33% since 2015
- EDCO deferred implementation for 2016

Rate Adjustment

- 2.84% residential customer increase from 2015
- 4.10% commercial increase from 2015
- Effective July 1, 2017

Residential Rate	2008-2012	2013**	2015	2017
Contractor Component	\$7.97	\$10.62	\$10.83	\$13.11
Processing Component	\$8.59	\$ 6.36	\$ 6.78	\$ 5.00
Total	\$16.56	\$16.98	\$17.61	\$18.11
Commercial Rate (3-cy bin)				
Contractor Component	\$77.08	\$86.69	\$88.32	\$91.88
Processing Component*	\$41.78	\$39.63 (\$4.45)	\$41.62 (\$3.25)	\$42.00 (\$ 2.00)
Total	\$118.86	\$121.87	\$126.69	\$131.88

Monthly Residential Rate Comparisons

Stanton	\$19.95
Brea	\$19.94
Yorba Linda	\$18.40
La Habra	\$18.40
<i>La Palma</i>	<i>\$18.11</i>
Buena Park	\$16.87
Westminster	\$14.75
Cypress	\$13.28
Los Alamitos	\$12.51

Residential Source-Separation

- Trash & Green-Waste manually collected
- Sent to Material Recycling Facility (MRF) for sorting and recycling
- Current collection method no longer viable
- Automated commingled recycling began in 2012



Calculated Disposal Rate

- La Palma is exceeding its target Calculated Disposal Rate (pounds per person, per day) for both residential and commercial customers.
- Residential Target Rate is 5.1
 - 3.2 achieved in 2015
- Commercial Target Rate is 15.7
 - 7.5 achieved in 2015

Implementation & Timeline

- 95 Gallon Bins: Grey = Trash and Green = Yard Waste
 - Smaller 65 or 35 Gallon Bins available if desired
 - Additional bins available if requested
- New Bin Delivery
 - Week 1: Green-Waste
 - Week 2: Trash
 - Week 3: Pick-Up old cans (if desired by residents)

- Use begins immediately on specified pick-up days
- 2-Week Grace Period
- Anticipated implementation July/August

Public Education

- Direct Mail & Email Notifications
- Display Carts
- Newsletter
- Dedicated Webpage on EDCO Site – linked to La Palma
- Cart Tags
- Follow-up postcards after implementation



Fiscal Impact

- Estimated \$3,000 in additional revenue from rate adjustment
- No fiscal impact to Residents or City due to source-separated collection

Recommendation

- Receive and file Rate Adjustment Report for Residential and Commercial Sanitation Services Effective July 1, 2017
- Approve the implementation of Residential Source-Separated Automated Trash and Green-Waste Collection

Comments & Questions