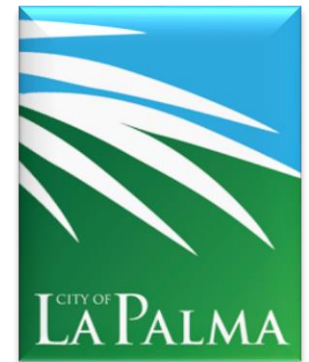


Sanitation Services Rate Adjustment

City Council
June 4, 2019



Rate Adjustment

- Contract with EDCO provides for annual CPI increase
 - December 31, 2017 CPI 3.61%
 - December 31, 2018 CPI 3.24%
- Cost Increases due to tipping fee in refuse and recycling, fuel, CPI, and operational expenses
- EDCO deferred implementation for 2016

Rate Adjustment

- 4.25% residential customer increase from 2017
- 6.68% commercial increase from 2017
- Effective July 1, 2019
- Residential Rate =
\$0.77 per month
- Commercial Rate =
\$8.80 per month

Residential Rate	2008-2012	2013	2015	2017	2019
Contractor Component	\$7.97	\$10.62	\$10.83	\$13.11	\$14.03
Processing Component	\$8.59	\$ 6.36	\$ 6.78	\$ 5.00	\$4.85
Total	\$16.56	\$16.98	\$17.61	\$18.11	\$18.88
Commercial Rate (3-cy bin)					
Contractor Component	\$77.08	\$86.69	\$88.32	\$91.88	\$98.29
Processing Component*	\$41.78	\$39.63 (\$4.45)	\$41.62 (\$3.25)	\$42.00 (\$ 2.00)	\$43.40 (\$1.00)
Total	\$118.86	\$121.87	\$126.69	\$131.88	\$140.69

Monthly Residential Rate Comparisons

La Habra	\$21.54
Brea	\$20.12
Yorba Linda	\$20.78
Stanton	\$19.95
<i>La Palma</i>	<i>\$18.88</i>
Buena Park	\$18.37 (8/1/19)
Cypress	\$15.07
Westminster	\$14.75
Los Alamitos	\$13.63

Fiscal Impact

- Franchise Fees equal 10% of annual gross receipts (excluding processing component)
- Estimated \$7,500 in additional revenue from rate adjustment

Recommendation

- Receive and file Rate Adjustment Report for Residential and Commercial Sanitation Services Effective July 1, 2019

Comments & Questions