

City Council Agenda Item 7.a.

12/10/2020



Informational Report on the Rate Adjustment Process and Schedule for Solid Waste, Organic Waste and Recycling Collection Services and Storm Water Fee Surcharge for Fiscal Year 2020-21.

Annual Rate Setting Process



Franchise Agreements


- Eligible for an annual adjustment in compensation
- Solid waste, organics and recycling collection rates are set to generate sufficient revenue to compensate the two contractors
- FY2019-20 combined compensation: \$20.7 million w/City Fees

Ratepayers

Commercial Customers

Billed directly for service by Republic Services

1



REPUBLIC
SERVICES

PO Box 123
Anytown, Any State 55555-5555

A division of REPUBLIC SERVICES

Account Summary

Account Number3-0123-0001234

Invoice DateDecember 31, 20XX

Invoice Number0123-012345678

Previous Balance\$XXXX.XX

Payments/Adjustments-\$XXXX.XX

Unpaid Balance\$XXXX.XX

Current Invoice Charges\$XXXX.XX

Pay This Amount

\$XXXX.XX

Due By:01/20/20XX

Contact Information

Customer Service (800) 555-5555

ABC Customer

Invoice

Page 1 of 1

6

Date	Description	Reference	Amount
11/20	Payment - Thank You	0123456	-\$XXXX.XX

7

Current Invoice Charges

Administrative Fee

\$X.XX

ABC Customer - 1234 Any Street (L-1) CSA 1234567

1 - 42 Yd. Roll Off Compacted Cont On Call Service (S5)

Date	Description	Reference	Quantity	Unit Price	Amount
12/01	Disposal/Recycling	123456	1.2300 Tons	\$XX.XX	\$XXX.XX
12/01	Basic Service	Customer A	1.0000	\$XXX.XX	\$XXX.XX
12/15	Disposal/Recycling	123456	4.5600 Tons	\$XX.XX	\$XXX.XX
12/15	Basic Service	Customer B	1.0000	\$XXX.XX	\$XXX.XX
	Total Fuel/Environmental Recovery Fee				\$XX.XX
	Current Invoice Charges				\$XXXX.XX

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ABC Customer			
Invoice			
Page 1 of 1			
Payments/Adjustments6			
Date	Description	Reference	Amount
11/20	Payment - Thank You	0123456	-\$XXXX.XX
Current Invoice Charges7			
Administrative Fee			\$X.XX
ABC Customer - 1234 Any Street (L-1) CSA 1234567			
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Date	Description	Reference	
12/01	Disposal/Recycling	123456	
12/01	Basic Service	Customer A	
12/15	Disposal/Recycling	123456	
12/15	Basic Service	Customer B	
Total Fuel/Environmental Recovery Fee			
Current Invoice Charges			


Residential Customers

Assessments on property tax statement

2019-2020

INTERNET COPY

For Fiscal Year Beginning July 1, 2019 and Ending June 30, 2020

ALAMEDA COUNTY

SECURED PROPERTY TAX STATEMENT

Henry C. Levy, Treasurer and Tax Collector
1221 Oak Street, Room 131
Oakland, California 94612

Parcel Number	Tracer Number	Tax-Rate Area	Special Handling
		15-011	

Location of Property
ST, UNION CITY

Assessed to on January 1, 2019

ASSESSEE NAME AND ADDRESS ARE NOT AVAILABLE ONLINE
PER CA GOV CODE §6254.21

Fixed Charges and/or Special Assessments			
Description	Phone	Amount	
UNION SEWER SVC	510-477-7626	421.36	
MOSQUITO ABATEMENT	800-273-5167	1.74	
CSA PARAMEDIC	925-867-3400	34.02	
CSA VECTOR CONTROL	800-273-5167	5.92	
PARAMEDIC SUPPLMNT	800-676-7516	15.00	
SFBRA MEASURE AA	888-508-8157	12.00	
FLOOD BENEFIT 5	510-670-5212	26.60	
HAZ WASTE PROGRAM	800-273-5167	6.64	
CSA VECTOR CNTRL B	800-273-5167	5.08	
MOSQUITO ASSESS 2	800-273-5167	2.50	
CITY PUBLIC SAFETY	800-676-7516	151.76	
REFUSE /YARD WASTE	800-676-7516	403.88	
RECYCLING	800-676-7516	169.44	
STORM WATER UTIL	800-676-7516	51.88	
* EAST BAY TRAIL LLD	888-512-0316	5.44	
CITY LANDSCP/LIGHT	800-676-7516	90.18	
* Possible Sr Exemption - Call Agency			
Total Fixed Charges and/or Special Assessments		1,403.44	
Tax Computation Worksheet			
Description	Full Valuation	x Tax Rate	= Tax Amount



FY 2020-21 Rate Setting Process

Republic Services & Tri-CED
forward applications to City

Submittal date:
January 1, 2020

Rate Adjustment Application

Description	FINAL	FINAL	FINAL (Combined)	Adjustment Factor	BEFORE NEW PROGRAM COSTS			WITH NEW PROGRAM COST	
					PROPOSED	PROPOSED	PROPOSED (Combined)	Add CNG Straight line Depreciation	PROPOSED (Combined)
Cost of Operations:									
Labor-related costs	\$ 1,967,655	\$ 579,950	\$ 2,547,605	102.83%	\$ 2,023,340	\$ 596,363	\$ 2,619,702	\$ -	\$ 2,619,702
Fuel costs	\$ 266,354	\$ 50,792	\$ 317,146	98.13%	\$ 261,373	\$ 49,842	\$ 311,215	\$ -	\$ 311,215
Net Organic Materials Composting Costs	\$ 388,915	\$ -	\$ 388,915	102.81%	\$ 399,839	\$ -	\$ 399,839	\$ -	\$ 399,839
Direct Depreciation	\$ 492,795	\$ 88,958	\$ 581,753	100.00%	\$ 492,795	\$ 88,958	\$ 581,753	\$ 46,608	\$ 628,361
Allocated Costs (Labor, Vehicle & Other Costs)	\$ 1,854,815	\$ 254,489	\$ 2,109,304	102.83%	\$ 1,907,306	\$ 261,691	\$ 2,168,997	\$ -	\$ 2,168,997
Allocated Costs (Depreciation)	\$ -	\$ 4,215	\$ 4,215	100.00%	\$ -	\$ 4,215	\$ 4,215	\$ -	\$ 4,215
Total Annual Cost of Operations	\$ 4,970,534	\$ 978,404	\$ 5,948,938		\$ 5,084,653	\$ 1,001,069	\$ 6,085,722	\$ 46,608	\$ 6,132,330
Profit*	\$ 801,103	\$ 73,643	\$ 874,747		\$ 819,496	\$ 75,349	\$ 894,845	\$ 7,512	\$ 902,357
Pass-Through Costs:									
Disposal costs	\$ 2,743,857	\$ -	\$ 2,743,857	103.03%	\$ 2,827,065	\$ -	\$ 2,827,065	\$ -	\$ 2,827,065
Interest expense	\$ 231,131	\$ 38,436	\$ 269,567	100.00%	\$ 231,131	\$ 38,436	\$ 269,567	\$ -	\$ 269,567
Rate Review Consulting Fees	\$ 69,195	\$ -	\$ 69,195	100.00%	\$ 69,195	\$ -	\$ 69,195	\$ -	\$ 69,195
Total Pass-Through Costs	\$ 3,044,183	\$ 38,436	\$ 3,082,619		\$ 3,127,391	\$ 38,436	\$ 3,165,827	\$ -	\$ 3,165,827
Adjustment for 6% Cap	\$ -	\$ -	\$ (595,525)		\$ -	\$ -	\$ (595,525)	\$ -	\$ (595,525)
Contractor's Comp before City Fees	\$ 8,815,821	\$ 1,090,483	\$ 9,310,780		\$ 9,031,540	\$ 1,114,854	\$ 9,550,870	\$ 54,120	\$ 9,604,990
City Fees:									
Administrative Fee (not included in gross revenue)	\$ 116,125	\$ -	\$ 116,125	102.83%	\$ 119,411	\$ -	\$ 119,411	\$ -	\$ 119,411
AB939 Fee (not included in gross revenue)	\$ 116,125	\$ -	\$ 116,125	102.83%	\$ 119,411	\$ -	\$ 119,411	\$ -	\$ 119,411
Vehicle Impact Fee (not included in gross revenue)	\$ 181,246	\$ -	\$ 181,246	102.83%	\$ 186,375	\$ -	\$ 186,375	\$ -	\$ 186,375
Storm Water Fee (@ 11.7% of gross revenues)	\$ 1,510,177	\$ 186,803	\$ 1,594,965		\$ 1,547,131	\$ 190,978	\$ 1,636,093	\$ 9,271	\$ 1,645,364
Franchise Fees (@ 20.0% of gross revenues)	\$ 2,581,500	\$ 319,322	\$ 2,726,436		\$ 2,644,668	\$ 326,458	\$ 2,796,741	\$ 15,848	\$ 2,812,589
Total City Fees	\$ 4,505,173	\$ 506,125	\$ 4,734,897		\$ 4,616,997	\$ 517,436	\$ 4,858,032	\$ 25,119	\$ 4,883,151

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Republic Services & Tri-CED
forward applications to City

Submittal date:
January 1, 2020

City Review

Check for accuracy, closely
examine projected revenues,
allowable expenses and proposed
rates

January / February

FY 2020-21 Rate Setting Process



City Council Meeting **March 24, 2020**

- Consideration and discussion of the proposed solid waste and recycling rates to become effective July 1, 2020
- Council authorizes initiation of a public notification process

FY 2020-21 Rate Setting Process

April 15, 2020

Written notice mailed to all property owners of proposed solid waste rate increase for residential and commercial collection services.

- Amount of adjustment or new rates
- Basis upon which rates or charges were calculated
- The reason for the fees or charges
- Date, time and location of a public hearing on the proposed rate adjustment.
- Hearing at least 45 days after receipt of notice



CITY OF UNION CITY NOTICE OF PUBLIC HEARING

PROPOSED ADJUSTMENT TO SOLID WASTE, ORGANICS,
RECYCLING RATES AND STORM WATER FEE SURCHARGE
FOR 2020/2021

NOTICE is hereby given that the City Council of the City of Union City, CA for the purpose inviting the public to a public hearing at the City Council Chambers located at 34009 Alvarado-Niles Road, Union City, CA for the purpose of considering and adopting the proposed adjustment to the rates and storm water fee surcharge for 2020/2021.

Proposed adjustment to the rates and storm water fee surcharge for 2020/2021.



34009 Alvarado-Niles Road
Union City, CA 94587

Property Owner
34001 Alvarado-Niles Rd
Union City, CA 94587

Public Hearing on Solid Waste Rates

June 9, 2020 @ 7 pm

Council Chambers

Majority Protest Proceedings

- Council will hear and consider all testimony concerning the proposed increase to the solid waste rates and storm water fee surcharge
- A majority protest exists if written protests against the rate increase are presented by a majority of owners of identified parcels
- If majority protest is received, Council cannot increase the rates, and the rates will remain unchanged.

Public Hearing on Solid Waste Rates

June 9, 2020 @ 7 pm

Council Chambers

Council Approved Rates

- New residential and commercial rates effective July 1, 2020
- Begin monthly/quarterly payments to Tri-CED and Republic Services
- County mails annual tax statements to Union City property owners: Fall 2020

Union City Ratepayers: Making a Difference



- Curbside collection of residential solid waste, organics and recycling
- Increased diversion from landfill of commercial recycling & food scraps
- E-waste, holiday tree pickup, annual compost giveaway day, etc.
- Heightened public awareness about environmental sustainability

FY 2020-21 Rate Setting Process

This is an informational item and no Council action
is required at this time.

