

NOVATO SANITARY DISTRICT

Solid Waste Committee

Meeting Date: September 23, 2019

The Solid Waste Committee of Novato Sanitary District will hold a meeting at 3:00 p.m., Monday, September 23, 2019 at the District offices, 500 Davidson Street, Novato CA.

Materials related to items on this agenda that are public records, are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours. They are also available on the District's website: www.novatosan.com. Note: All times and/or order of consideration for agenda items are for reference only. The Committee may consider item(s) in a different order than set forth herein.

AGENDA

1. AGENDA APPROVAL:

2. PUBLIC COMMENT: (PLEASE OBSERVE A THREE MINUTE TIME LIMIT)

This item is to allow anyone present to comment on any subject not on the agenda, or to request consideration to place an item on a future agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Board at this time as a result of any public comments made.

3. CALENDAR YEAR (CY) 2020 SOLID WASTE RATE ADJUSTMENT:

- a. Review report and make recommendation to District Board.

4. ADJOURN:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 892-1694 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.

NOVATO SANITARY DISTRICT

MEMORANDUM

Meeting Date: September 23, 2019

To: Board Solid Waste Committee – Jean Mariani, Jerry Peters

From: Sandeep Karkal, General Manager-Chief Engineer
Dee Johnson, Solid/HHW Coordinator

Subject: Calendar Year (CY) 2020 Solid Waste Rate Adjustment.

The Solid Waste Franchise Agreement (Agreement) between Novato Disposal Service and the District (as assigned to Recology Sonoma Marin or RSM), provides for an annual adjustment to RSM's rates based on the changes in the specified Refuse Rate Index (RRI), and any other relevant or applicable factors.

In CY 2017, CY 2018, and CY 2019, the rate adjustments were +1.02 percent, +5.04 percent and +3.35 percent respectively, based on: (a) Changes in the RRI (CY 2017 and CY 2019); or (b) A combination of changes in the RRI, and Balancing Account adjustments (CY 2018). In 2018, the District and RSM also agreed to eliminate balancing account adjustments going forward.

For CY 2020, RSM timely submitted an overall rate adjustment of +5.93 percent, comprising of a +4.24 percent change in the RRI, and a +1.69 percent truck purchase change.

As in prior years, the District engaged R3 Consulting Group (R3), Sacramento, CA, to review RSM's CY 2020 rate adjustment request. R3 completed their analysis and submitted the attached report to the District. Based on their review, the R3 report concurs with RSM's request for a +4.24 percent RRI adjustment. However, it notes adjustments to RSM's vehicle depreciation methodology, and arrives at a +2.08 percent adjustment to account for the purchase of the new vehicles. In summary, the R3 report recommends that the District grant a rate adjustment of +6.32 percent. RSM has indicated that they are in agreement with R3's recommendation.

Based on the R3 report, staff recommends that the Solid Waste Committee accept R3's recommendation, and recommend a CY 2020 maximum solid waste rate adjustment of +6.32 percent to the District Board for its approval.

Attachments:

1. R3 report: "Review of Recology-Sonoma-Marin's Requested Rate Adjustment for Rate Year 2020", (including the Recology Sonoma-Marin 2020 Rate Adjustment Request provided as Attachment 1 to the R3 report).

1512 Eureka Road, Suite 220, Roseville, CA 95661
Tel: 916-782-7821 | Fax: 916-782-7824

2600 Tenth Street, Suite 424, Berkeley, CA 94710
Tel: 510-647-9674

September 17, 2019

Mr. Sandeep Karkal
Novato Sanitary District
5000 Davidson Street
Novato, CA 94945

Re: Review of Recology Sonoma-Marin's Requested Rate Adjustment for Rate Year 2020

Dear Mr. Karkal:

R3 Consulting Group, Inc. (R3) was engaged by the Novato Sanitary District (District) to assist with a review of Recology Sonoma-Marin's (Company) requested rate adjustment for Rate Year 2020 (January 1, 2020 – December 31, 2020). Specifically, R3 was asked to confirm that the rate adjustment methodology used by the Company is consistent with the Refuse Rate Index (RRI) Rate Adjustment Methodology set forth in Exhibit 2 of the Amended and Restated Franchise Agreement (Agreement), and that the calculation is mathematically accurate. Our review also included reviewing the reasonableness of the Company's requested purchase of four (4) new vehicles and associate rate impact. This Draft Letter Report communicates our findings and recommendations.

Recommended Rate Adjustment

R3 is recommending a 6.32% rate increase as compared to the Company's initial requested rate increase of 5.93%, as discussed below.

The Company's Rate Adjustment Application calculated an overall rate increase of 5.93%, consisting of a 4.24% RRI rate increase, and a 1.69% rate increase associated with the purchase of four (4) new vehicles. The Company subsequently provided R3 with an electronic copy of its Rate Adjustment Application that included a correction to the cost associated with the proposed purchase of the four new vehicles. Specifically, increasing the associated depreciation savings (forgone depreciation) related to the older existing vehicles that would be replaced to account for a full year of that savings rather than 9 months as originally projected. The result is that the rate increase associated with the proposed purchase of the new vehicles decreases from 1.69% to 1.61%, with the overall calculated rate increase decreasing from 5.93% to 5.85% (**Attachment 1**).¹

Review of RRI Rate Calculated Rate Adjustment

As part of our review, we verified that the Company's financial information, cost category index values, and mathematical formulas were consistent with the RRI methodology included in the Agreement and that its calculation was mathematically accurate. Based on our review, we found the Company's calculated RRI rate adjustment of 4.24% to be correct.

¹ **Note:** The Company's Rate Adjustment Application references a profit margin of 10% on the proposed 4 new vehicles. The actual calculated profit (\$19,304) represents and 11.1% profit margin, consistent with the 90% operating ratio specified in the Agreement.

Review of Proposed Rate Adjustment for the Purchase of New Vehicles

As referenced above, the Company's Rate Adjustment Application includes a request for four new collection vehicles that would replace existing vehicles that are 12 years old and older. While the RRI methodology does not provide for rate adjustments outside of the calculated indexed adjustments, given the age of the vehicles to be replaced the request does not seem unreasonable. It is anticipated that the Company will propose the replacement of additional older vehicles as part of future rate reviews given the age of the existing fleet that it acquired from North Bay Corporation (North Bay).

The Company's calculated cost and rate impact of its proposed four additional collection vehicles is mathematically accurate based on the information provided. That calculation accounts for the annual cost to finance the purchase of the new vehicles, less the existing annual depreciation expense associated with the older vehicles that Recology is proposing to replace. Recology's calculated offsetting depreciation expense is based on the book value Recology assigned during the audit it conducted at the time it acquired those assets. Those vehicles, however, have already been fully depreciated based on the depreciation schedule that North Bay originally established for those vehicles.

While the use of the depreciation of Recology's assigned book value for these four vehicle reduces the rate impact, as noted above those assets have already effectively been fully depreciated. It is R3's position that any depreciation that Recology presents as part of this and any future rate application should be the actual remaining depreciation on those assets, as established by North Bay rather than based on the assigned book value from the acquisition audit. In that case, the purchase price of the four new vehicles would not be reduced by any associated "foregone depreciation" as there is no depreciation to forego for the four vehicles that are being replaced. Similarly, Recology would not be allowed any depreciation on assets that have already been fully depreciated and paid for by the ratepayers as part of next year's planned detailed rate review.

If we eliminate Recology's forgone depreciation cost there is an increase in the associated annual cost of \$46,591, which increases the rate increase associated with Recology's proposed vehicle purchase from 1.61% to 2.08%, an increase of 0.47%. The overall requested rate increase, including the RRI rate adjustment increases from 5.85% to 6.32%.

Objectives

- To review the Company's requested rate increase to confirm that:
 - It is consistent with applicable terms and conditions of the Agreement;
 - It is mathematically accurate; and
 - It correctly accounts for the required Balancing Account adjustment to the rates.
- To recommend the appropriate Rate Year 2020 rate adjustment based on the results of our review.

Background

The Agreement provides for an annual adjustment to the Company's rates based on the specified Refuse Rate Index (RRI), with the option to conduct a detailed rate review not more frequently than once every three (3) years.

As specified in the Agreement, the RRI adjustment is the sum of the weighted average percentage change in the twelve (12) month annual average of the specified indices for each of the following cost categories:

- Labor;
- Fuel;

- Vehicle Replacement;
- All Other.
- Vehicle Maintenance; and

The RRI also provides for adjusting the Disposal Fee and Organic Waste Processing Fee based on the change in the associated tipping fees.

Section 6.3 of the Agreement (RRI Financial Information) states that:

“On or before September 1, 2011, and annually thereafter during the term of this Agreement, the Company shall deliver to the District information for the specific services performed under this Agreement for the preceding Agreement Year. Such financial information shall be in a format as set forth in Exhibit 2, or as may be further revised by the District from time to time. If the Company fails to submit the financial information in the required format by September 1st, it is agreed that the Company shall be deemed to have waived the RRI adjustment for that year...”

The Company submitted an electronic copy of its 2019 Rate Adjustment Application to the District on August 29, 2019.

Proposed New Service Levels and Rates

As part of its Rate Application, Recology proposed rates for 1.0 and 1.5 cubic yard commercial organic (food waste) service; rates for those service levels do not currently exist. We reviewed the proposed new rates and Recology’s logic behind the creation of the rates and find the proposed rates to be reasonable. The Company also proposed rates for 15, 20 and 30-yard MSW compactors, which they set the same as the Cleanup Bin rates for the same volume (cubic yards). The Company also set rates for Recycling and Cardboard Compactors and Cart/Bin Cleaning and Bin Replacement. All proposed rates are provided in **Attachment 1**.

* * * * *

We appreciate the opportunity to be of assistance to the District. If you have any questions regarding this submittal, please feel free to contact me by phone at (916) 782-7821, or by email at wschoen@r3cgi.com.

Sincerely,

R3 CONSULTING GROUP



William Schoen | Project Director

Attachments:

- 1 Recology Original Rate Application August 28, 2019



August 28, 2019

Mr. Sandeep Karkal
Novato Sanitary District
500 Davidson Street
Novato, CA 94945

Dear Mr. Karkal,

Per Section 6.2 of the contract, please find attached the requested adjustments to service rates using the refuse rate index for calendar 2020 rates and the appropriate supporting information. When approved, these rates will take effect on January 1, 2020. Based on the city's request last year, this application does not include an element for the recyclable materials balancing account as defined in Exhibit 7 of the contract. Further to discussions last year, Recology will propose an alternative methodology for incorporating changes in the Recycling markets as part of the detailed rate review process, which will be completed for rates to be effective 1/1/21.

We have included in this rate application an additional increase related to the proposed purchase of 4 new trucks. RSM is proposing this purchase to begin putting new trucks in service in the Novato area prior to the detailed rate review process next year to expedite correction of truck issues in Novato. The application presents the rate increase with and without the new truck purchases to enable comparison.

Also, please note the rate table included with this application includes several rates requested by customers for services not previously included on the contract rate chart. In all cases, these rates were developed based on contractual rates. These added rates are designated in blue on the rate chart.

Please contact me or Nikki Burke at 707-586-8233 or nburke@recology.com if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'F Stemmler', is written over a light blue horizontal line.

Fred Stemmler
General Manger
Recology Sonoma Marin

cc: Dee Johnson
Nikki Burke

Attached: Novato Rate Increase – Effective 1.1.20-Submitted 8.28.19.pdf

**Novato Request for Rate Increase
Summary Page
Rates Effective 1/1/2020**

Cost Category	AFS FY 2018 RSM Op. Expenses ⁽¹⁾	Expense % Weight	Index % Change for July 2018 - June 2019	Weighted Percentage
Labor	\$ 3,652,908	39.05%	3.95%	1.54%
Fuel	574,047	6.14%	12.46%	0.77%
Vehicle Replacement/Lease	726,216	7.76%	4.03%	0.31%
Vehicle Maintenance	394,764	4.22%	4.00%	0.17%
Disposal Fee	1,347,158	14.40%	2.63%	0.38%
Organic Waste Processing Fee	454,595	4.86%	2.63%	0.13%
All Other	2,204,624	23.57%	3.98%	0.94%
Total Allowed Operating Costs	\$ 9,354,314	100.00%		4.24%
Balancing Account Adjustment (Discontinued 2018)				0.00%
Refuse Rate Adjustment				4.24%
Truck Purchase for 2019-2020				1.69%
Adjusted Refuse Rate Adjustment ⁽¹⁾				5.93%

(1) Rates not currently listed on the table will increase by RRI rate of 5.93%.

Novato New Truck Purchase for Rate Year 2020

	<u>Unit Price</u>	<u>Total Cost</u>
4 Collection Trucks	\$ 398,000	\$ 1,592,000
New IC Lease		208,682
Foregone Depreciation		(34,944)
Net Annual Truck Costs		\$ 173,738
Profit Margin	10%	19,304
Franchise Fees		NA
Total Required Revenue Increase		\$ 193,042
% Revenue Increase		1.7%
Projected Revenue for 1/1/19 -12/31/19		\$ 11,427,254

**Novato Request for Rate Increase
Index Change Calculations
Rates Effective 1/1/2020**

Labor Index													
BLS Series ID: ceu6056210008 Production Workers-Waste Collection													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	July-June Avg.
2017	19.46	19.43	19.31	19.29	19.33	19.43	19.42	19.23	19.56	19.31	19.60	19.50	
2018	19.53	19.41	19.66	19.51	19.76	19.81	19.68	19.76	20.09	20.15	20.03	20.22	19.5250
2019	20.40	20.34	20.68	20.55	20.90	20.75							20.2958
Percentage change			3.95%		Weight	39.05%		Weighted percentage		1.54%			
Fuel													
California No. 2 Ultra Low Sulfur Diesel - Monthly http://tonto.eia.doe.gov/oog/info/wohdp/diesel.asp													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	July-June Avg.
2017	2.932	2.957	2.935	2.938	2.922	2.895	2.876	2.959	3.168	3.172	3.587	3.559	
2018	3.639	3.680	3.654	3.773	3.941	3.982	3.957	3.940	3.973	4.086	4.018	3.858	3.4992
2019	3.753	3.734	3.789	3.953	4.128	4.035	3.949						3.9353
Percentage change			12.46%		Weight	6.14%		Weighted percentage		0.77%			
Vehicle Replacement													
BLS Series ID: pcu3336211336211 Truck, bus, car and other vehicle bodies, for sale separately.													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	July-June Avg.
2017	238.40	238.40	238.70	239.00	239.30	239.50	240.20	240.40	240.60	240.60	240.70	241.00	
2018	241.90	242.50	243.10	244.10	244.60	245.40	246.30	247.40	248.10	249.30	250.20	250.40	242.0917
2019	253.50	254.50	255.50	255.60	255.70	255.70	258.80						251.8500
Percentage change			4.03%		Weight	7.76%		Weighted percentage		0.31%			
Vehicle Maintenance													
BLS Series ID: pcu333924333924 Parts and attachments for Industrial work trucks													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	July-June Avg.
2017	240.0	241.0	241.1	241.4	242.7	243.2	243.2	243.2	243.2	243.2	243.2	244.6	
2018	244.2	245.9	247.4	247.5	249.2	249.4	250.3	252.4	254.8	255.1	255.5	255.4	245.3500
2019	256.1	256.5	256.6	256.6	255.8	257.0	256.5						255.1750
Percentage change			4.00%		Weight	4.22%		Weighted percentage		0.17%			
Disposal													
The per-Ton tip fee charged at the Approved Disposal Site.													
						<u>Feb-18</u>		<u>Feb-19</u>					
			Redwood Landfill			\$ 59.97		\$ 61.55					
Percentage change			2.63%		Weight	14.40%		Weighted percentage		0.38%			
Organic Waste Processing Fee													
The per-Ton tip fee charged at the Approved Disposal Site.													
						<u>Feb-18</u>		<u>Feb-19</u>					
			Redwood Landfill			\$ 41.03		\$ 42.11					
Percentage change			2.63%		Weight	4.86%		Weighted percentage		0.13%			
All Other													
Series ID: CUURS49BSA0 Consumer Price Index, All Urban Consumers, All Items, San Francisco-Oakland-Hayward, CA ⁽¹⁾													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	July-June Avg.
2017		271.626		274.589		275.304		275.893		277.570		277.414	
2018		281.308		283.422		286.062		287.664		289.673		289.896	280.2782
2019		291.227		294.801		295.259							291.4200
Percentage change			3.98%		Weight	23.57%		Weighted percentage		0.94%			

(1) Note: Series ID CUURA422SA0, contractually defined for All Other RRI increase, was changed by the Bureau of Labor Statistics to CUURS49BSA0 in 2018.

Total Weighted Percentage Increase	4.24%
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Novato Request for Rate Increase
RRI Financials-Audited Financial Statement FY2018
Rates Effective 1/1/2020

	<u>AFS FY18</u>		<u>AFS FY18</u>
Total Expenses		Categorized Expenses	
Payroll & Related	\$ 3,552,554	Labor	\$ 3,652,908
Temporary Labor & Subcontractors	100,355	Fuel	574,047
Liability Insurance	107,127	Replacment	726,216
Disposal	1,801,754	Maintenance	394,764
Recycling Processing Fee	767,723	Disposal	1,347,158
Rent & lease	71,729	Organic Processing	454,595
Supplies	131,907	Other	<u>2,204,624</u>
Franchise Fees	263,501		\$ 9,354,314
Repairs & Maintenance	394,764		
Fuel & Oil	574,047		
Buildings & Facilities	32,429	Costs Not Included:	
Licences & Permits	28,249	Franchise Fees	<u>263,501</u>
Utilities	25,604	Total Expenses	\$ 9,617,815
Freight	16,096		
Recycling & COGS	275,637		
Bad Debt	17,535		
Professional Services	66,509		
Travel, meals & entertainment	16,150		
Office expenses	107,106		
Taxes	38,101		
Regional Allocations			
Coporate Allocations	147,530		
Other Operating Expenses	84,826		
Depreciation & Depletion	706,594		
Amortization	270,367		
(Gain)/loss on sale	-		
I/C equipment & property	<u>19,622</u>		
Total Expenses	\$ 9,617,815		

Novato Request for Rate Increase Rate Table Rates Effective 1/1/2020

Rate Classification	Maximum Monthly Fee	RRI Increase	Maximum Monthly Fee
	<i>Effective 1/1/19</i>	5.93%	<i>Effective 1/1/20</i>
Single Family Residential:			
20 Gal. can collected weekly	\$ 13.26	\$ 0.79	\$ 14.05
32 Gal. can collected weekly	21.20	1.26	22.46
68 Gal. can collected weekly	42.37	2.51	44.88
95 Gal. can collected weekly	63.58	3.77	67.35
Special Trips - Can not set out	\$ 13.22	\$ 0.78	\$ 14.00
Special Rate - Containers >50 feet from street (each 50 feet)	6.11	0.36	6.47
Special Equipment - PAL Truck	13.22	0.78	14.00
Extra Pickups	6.50	0.39	6.89
Additional 95 gl. Green Waste Carts after 2	20.16	1.20	21.36
Multi-family, Mobile Home Parks, Commercial/Industrial:			
32 Gallon:			
1 x week	\$ 22.96	\$ 1.36	\$ 24.32
1 x week - Foodwaste	17.23	1.02	18.25
2 x week	48.98	2.90	51.88
3 x week	74.91	4.44	79.35
6 x week	152.81	9.06	161.87
68 Gallon:			
1 x week	\$ 44.07	\$ 2.61	\$ 46.68
1 x week - Foodwaste	33.05	1.96	35.01
2 x week	93.96	5.57	99.53
3 x week	143.67	8.52	152.19
6 x week	293.12	17.38	310.50
95 Gallon:			
1x week	\$ 66.09	\$ 3.92	\$ 70.01
1 x week - Foodwaste	49.57	2.94	52.51
2 x week	140.91	8.35	149.26
3 x week	215.51	12.78	228.29
6 x week	439.69	26.07	465.76
Extra Pickups	\$ 6.50	\$ 0.39	\$ 6.89

Novato Request for Rate Increase
Rate Table
Rates Effective 1/1/2020

Rate Classification	Maximum Monthly Fee <i>Effective</i> 1/1/19	RRI Increase 5.93%	Maximum Monthly Fee <i>Effective</i> 1/1/20
Debris Box Service:			
2 Cu. Yd. Containers:			
1 x week	\$ 218.98	\$ 12.98	\$ 231.96
2 x week	384.35	22.79	407.14
3 x week	549.67	32.59	582.26
4 x week	714.91	42.39	757.30
5 x week	880.18	52.19	932.37
6 x week	1,045.47	61.99	1,107.46
Above rates include container rental as follows:	53.72	3.19	56.91
Extra Pickups	59.79	3.55	63.34
3 Cu. Yd. Containers:			
1 x week	\$ 276.21	\$ 16.38	\$ 292.59
2 x week	480.66	28.50	509.16
3 x week	685.37	40.64	726.01
4 x week	889.79	52.76	942.55
5 x week	1,094.44	64.89	1,159.33
6 x week	1,298.94	77.02	1,375.96
Above rates include container rental as follows:	71.70	4.25	75.95
Extra Pickups	59.79	3.55	63.34
4 Cu. Yd. Containers:			
1 x week	\$ 359.63	\$ 21.32	\$ 380.95
2 x week	630.93	37.41	668.34
3 x week	902.38	53.50	955.88
4 x week	1,173.67	69.59	1,243.26
5 x week	1,445.09	85.68	1,530.77
6 x week	1,716.44	101.77	1,818.21
Above rates include container rental as follows:	71.70	4.25	75.95
Extra Pickups	71.70	4.25	75.95

Novato Request for Rate Increase Rate Table Rates Effective 1/1/2020

Rate Classification	Maximum Monthly Fee <i>Effective</i> 1/1/19	RRI Increase 5.93%	Maximum Monthly Fee <i>Effective</i> 1/1/20
6 Cu. Yd. Containers:			
1 x week	\$ 526.45	\$ 31.21	\$ 557.66
2 x week	931.47	55.23	986.70
3 x week	1,336.46	79.24	1,415.70
4 x week	1,741.40	103.25	1,844.65
5 x week	2,146.43	127.27	2,273.70
6 x week	2,551.41	151.28	2,702.69
Above rates include container rental as follows:	71.70	4.25	75.95
Extra Pickups	119.58	7.09	126.67
15 Cu. Yd. Containers:			
1 x week	\$ 2,308.97	\$ 136.91	\$ 2,445.88
2 x week	4,623.30	274.13	4,897.43
3 x week	6,932.29	411.04	7,343.33
Above rates include container rental as follows:	71.70	4.25	75.95
Extra Pickups	533.25	31.62	564.87
Debris Box Service - Foodwaste:			
1 Cu. Yd. Containers: (New Rates created 5/20/19)			
1 x week	\$ 121.30	\$ 7.19	\$ 128.49
2 x week	216.03	12.81	228.84
3 x week	310.48	18.41	328.89
4 x week	405.04	24.02	429.06
5 x week	499.45	29.61	529.06
6 x week	594.00	35.22	629.22
1.5 Cu. Yd. Containers: (New Rates created 6/25/19)			
1 x week	\$ 142.77	\$ 8.47	\$ 151.24
2 x week	252.15	14.95	267.10
3 x week	361.37	21.43	382.80
4 x week	470.61	27.90	498.51
5 x week	579.79	34.38	614.17
6 x week	689.06	40.86	729.92
2 Cu. Yd. Containers:			
1 x week	\$ 164.23	\$ 9.74	\$ 173.97
2 x week	288.26	17.09	305.35
3 x week	412.25	24.44	436.69
4 x week	536.19	31.79	567.98
5 x week	660.14	39.14	699.28
6 x week	784.11	46.49	830.60

Novato Request for Rate Increase Rate Table Rates Effective 1/1/2020

Rate Classification	Maximum Monthly Fee	RRI Increase	Maximum Monthly Fee
	<i>Effective 1/1/19</i>	5.93%	<i>Effective 1/1/20</i>
3 Cu. Yd. Containers:			
1 x week	\$ 207.17	\$ 12.28	\$ 219.45
2 x week	360.50	21.38	381.88
3 x week	514.02	30.48	544.50
4 x week	667.34	39.57	706.91
5 x week	820.83	48.67	869.50
6 x week	974.21	57.76	1,031.97
4 Cu. Yd. Containers:			
1 x week	\$ 269.72	\$ 15.99	\$ 285.71
2 x week	473.20	28.06	501.26
3 x week	676.79	40.13	716.92
4 x week	880.25	52.19	932.44
5 x week	1,083.82	64.26	1,148.08
6 x week	1,287.33	76.33	1,363.66
Cleanup Bins:			
3 yd. - 2 days	\$ 193.02	\$ 11.44	\$ 204.46
3 yd. - weekend	193.02	11.44	204.46
6 yd. - 2 days	325.41	19.29	344.70
6 yd. - weekend	325.41	19.29	344.70
15 - yd. up to 3 tons - one week	533.25	31.62	564.87
20 yd. up to 3 tons - one week	598.42	35.48	633.90
30 yd. up to 4 tons - one week	998.53	59.21	1,057.74
Additional/ton charge for cleanup bins	64.62	3.83	68.45
Occasional or irregular collections per 5 cubic	6.50	0.39	6.89
Special collections other than debris box - plus regular rate	27.54	1.63	29.17
Special collections for debris boxes - plus regular rate	59.83	3.55	63.38
Monthly charge for special collection conditions	12.97	0.77	13.74

Novato Request for Rate Increase Rate Table Rates Effective 1/1/2020

Rate Classification	Maximum Monthly Fee	RRI Increase	Maximum Monthly Fee
	<i>Effective 1/1/19</i>		<i>Effective 1/1/20</i>
MSW Compactor (use clean up bin rates)		5.93%	
15 yard per haul (including 3 tons MSW)	\$ 533.25		\$ 564.87
20 yard per haul (including 3 tons MSW)	\$ 598.42		\$ 633.90
30 yard per haul (including 4 tons MSW)	\$ 998.53		\$ 1,057.74
RCY & Cardboard Compactors			
15 Yard per haul	\$ 239.11		\$ 242.78
20 Yard per haul	\$ 263.02		\$ 267.06
30 Yard per haul	\$ 289.32		\$ 293.77
Services			
Cart/Bin Cleaning (after 1st free)	\$ 100.00		\$ 100.00
Cart Replacement (1 free/year)			
Bin Replacement (after 1st free)	\$ 159.25		\$ 159.25

New Rates Created 4/22/19

Bulky Items:

Mattresses

Twin Bed	\$ 15.71	\$ 0.93	\$ 16.64
Double/Full	18.90	1.12	20.02
Queen	23.84	1.41	25.25
King	27.34	1.62	28.96

Box Springs

Twin Bed	\$ 17.45	\$ 1.03	\$ 18.48
Double/Full	22.39	1.33	23.72
Queen	27.34	1.62	28.96

Furniture

Bed Frame	\$ 9.30	\$ 0.55	\$ 9.85
Couch (under 6 feet)	56.14	3.33	59.47
Upholstered Chair	23.84	1.41	25.25
Wooden Chair	4.36	0.26	4.62
Dinette Table	25.01	1.48	26.49

Household Items

Rug (9' X 12')	\$ 14.25	\$ 0.84	\$ 15.09
Vacuum	6.11	0.36	6.47

Novato Request for Rate Increase Rate Table Rates Effective 1/1/2020

Rate Classification	Maximum Monthly Fee <i>Effective</i> <i>1/1/19</i>	RRI Increase 5.93%	Maximum Monthly Fee <i>Effective</i> <i>1/1/20</i>
Bulky Items (cont'd):			
Appliances			
Water Heater (32 Gal)	\$ 25.01	\$ 1.48	\$ 26.49
Water Heater (40-50 Gal)	37.53	2.23	39.76
Water Heater (up to 100 gallons }	56.14	3.33	59.47
Oven	18.90	1.12	20.02
Oven (stove top)	12.52	0.74	13.26
Oven-Stove unit	12.52	0.74	13.26
Microwave	29.08	1.72	30.80
Garbage Compactor	18.90	1.12	20.02
Dishwasher	31.11	1.84	32.95
Refrigerator	98.90	5.86	104.76
Freezer	73.59	4.36	77.95
Air Conditioner	49.73	2.95	52.68
	23.26	1.38	24.64
Washing Machine	37.53	2.23	39.76
Dryer	24.44	1.45	25.89
Wheelchairs	40.72	2.41	43.13
Bathtub - Fiberglass	23.27	1.38	24.65
Bathtub - Cast Iron	34.90	2.07	36.97
Building Materials			
Household Door	\$ 3.78	\$ 0.22	\$ 4.00
Sink	10.76	0.64	11.40
Toilet	6.40	0.38	6.78
Yard & Garden			
Gas Mower (must be drained)	\$ 11.93	\$ 0.71	\$ 12.64
BBQ	7.57	0.45	8.02
Ping Pong Table	25.01	1.48	26.49
Exercise Bike	18.90	1.12	20.02
Swing Set	17.45	1.03	18.48
Bicycle	9.30	0.55	9.85

Electronics

TV & PC Monitors cannot be picked up, they are considered hazardous waste.
The rest of the PC can be placed into the garbage can.

* pickups occur on Service Day*

**Novato Request for Rate Increase
Vehicle List
Rates Effective 1/1/2020**

Veh #	Lic #	VIN	Equipment Type	Year Model	Description	Anticipated Replacement	Route	Replacement Costs	New IC Lease Payment	FY 19 Depreciation	Depreciation End Date	Net Costs Increased 1/1/20 Rate
10220	8L20108	5VDC6BE57H205462	RL	07	07 AUTOCAR CHASSIS	Not Scheduled	58	\$ 316,000	\$ 41,422	\$ 2,442	12/31/2024	
11460	03709Z1	5VDC6JF88H205614	FL	08	08 AUTOCAR FRONT LOADER	12/31/2022	560	\$ 380,000	\$ 49,811	\$ 9,361	12/21/2020	
11471	07470C2	5VDC6MF36H202485	FL	06	06 AUTOCAR FRONT LOADER	Not Scheduled	582	\$ 380,000	\$ 49,811	\$ 7,746	12/21/2020	
11475	03710Z1	5VDC6MFX6H202948	FL	06	06 AUTOCAR FRONT LOADER	Not Scheduled	561	\$ 380,000	\$ 49,811	\$ 7,746	12/21/2020	
13450	8M78387	5VDC6BE77H205060	SA1	07	07 AUTOCAR SIDELOADER	Replace per John L.	57	\$ 398,000	\$ 52,170	\$ 11,665	12/21/2020	
13454	8M78383	5VDC6BE47H205064	SA1	07	07 AUTOCAR SIDELOADER	Replace per John L.	spare	\$ 398,000	\$ 52,170	\$ 11,680	12/21/2020	
13453	8M78384	5VDC6BE97H205061	SA1	07	07 AUTOCAR SIDELOADER	1/1/2020	55	\$ 398,000	\$ 52,170	\$ 11,665	12/21/2020	\$ 40,506
13468	7R94374	4V2EC2HEXYN249846	SA1	00	00 VOLVO SIDELOADER	1/1/2020	spare	\$ 398,000	\$ 52,170	\$ 4,901	12/21/2020	\$ 47,269
13486	8N22595	5VDC6JF88H206195	SA2	07	07 ARATA SIDELOADER	12/31/2022	52	\$ 398,000	\$ 52,170	\$ 11,665	12/21/2020	
13487	8N22596	5VDC6JF68H206194	SA2	07	07 ARATA SIDELOADER	12/31/2022	51	\$ 398,000	\$ 52,170	\$ 11,665	12/21/2020	
13489	8P87160	5VDC6JF28H206287	SA2	07	07 ARATA SIDELOADER	12/31/2022	50	\$ 398,000	\$ 52,170	\$ 11,665	12/21/2020	
13499	8A07109	1NPZL00X36D716641	SA2	06	06 PETERBILT SIDELOADER	Not Scheduled	spare	\$ 398,000	\$ 52,170	\$ 18,055	12/21/2020	
13451	8M78386	5VDC6BE07H205059	SA1	07	07 AUTOCAR SIDELOADER	1/1/2020	56	\$ 398,000	\$ 52,170	\$ 11,665	12/21/2020	\$ 40,506
13480	42631P1	5VDC6JF38H205911	SA1	08	08 AUTOCAR SIDELOADER	12/31/2022	53	\$ 398,000	\$ 52,170	\$ 13,028	12/21/2020	
5325	03755Z1	516M1D9B1CH214120	SA2	12	12 AUTOCAR SWEEPER	1/0/1900	N00/spare			\$ 5,909	12/21/2022	
13513	8E51427	49HHBVCY46RW11406	SA2	06	06 STRG SIDELOADER	1/1/2020	OS	\$ 398,000	\$ 52,170	\$ 6,713	12/21/2020	\$ 45,457
13482	8P71910	5VDC6JF98H206285	FL	07	07 AUTOCAR SIDELOADER	12/31/2022	spare	\$ 398,000	\$ 52,170	\$ 11,665	12/21/2020	
13508	15017S1	5VDC6MF96H202956	FL	06	06 AUTOCAR SIDELOADER	Not Scheduled	54	\$ 398,000	\$ 52,170	\$ 10,549	12/21/2020	