

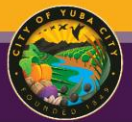


Amendment to the 2019 Collection Services Franchise Agreement with Recology Yuba-Sutter

April 19, 2022

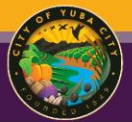


**Presentation By:
Diana Langley, City Manager**



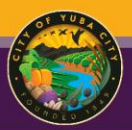
Background

- October 2, 2018 – City Council approved a new Collection Services Franchise Agreement (Agreement) with Recology Yuba-Sutter (Recology)
 - Agreement scheduled to go into effect October 1, 2019
 - In February 2019, Recology submitted a request to change the Agreement
- August 20, 2019 – City Council approved Amendment No. 1 to the Agreement



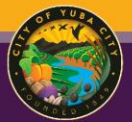
Background

- Senate Bill 1383 (SB 1383)
 - The most significant waste reduction and recycling mandate to be adopted in California in the last 30 years.
 - Includes state-wide requirements to reduce organic waste disposal (food, green, paper products, and other materials) and increase edible food waste recovery
 - Reduce organic waste disposal by 75% by 2025
 - Increase the rescue of food for people to eat to at least 20% of currently disposed surplus food by 2025



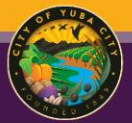
Background

- City's current Agreement provides for food waste collection service for commercial customers, but not for residential customers
- An amendment is necessary to add residential food waste collection services
- Recology is also requesting modifications to the Agreement



Analysis

- Yuba City Requests
 1. Stabilize Biosolids Handling Rates
 2. Add a Residential Food Waste Collection Program
 3. Provide for Billing and Service Level Audit Provisions
 4. Require an Emergency Action Plan
 5. Add Yuba City to a combined diversion calculation with the other 5 Regional Waste Management Authority (RWMA) member agencies
 6. Recology to pay RWMA Surcharge Fee directly to the RWMA
 7. Miscellaneous Agreement Language and Minor Service Modifications
 8. Addition of a Second Recycling Coordinator



- **Recology Requests**
 1. Adjust rates to compensate for the addition of a Residential Food Waste Collection Program
 2. Match RWMA CPI Rate Methodology
 3. Request additional ancillary charges to match the other RWMA jurisdictions
 4. Remove requirement to maintain an office in Yuba City
 5. Modify the term of the Agreement to match the term of the other RWMA jurisdictions



Residential Food Waste Program

INCLUDE THE FOOD



YUBA CITY RESIDENTS
CAN NOW COMPOST
FOOD SCRAPS &
FOOD-SOILED PAPER

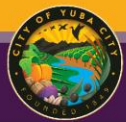


ACCEPTABLE ITEMS:

- ✓ **FOOD SCRAPS & FOOD-SOILED PAPER:**
 - Bread, grains & pasta
 - Coffee grounds & paper filter
 - Tea & tea bags
 - Fruit & vegetables
 - Leftovers & spoiled food
 - Meat (including bones)
 - Seafood (including shellfish)
 - Pizza boxes
 - Paper (plates, bags, napkins, tissues & towels)
- ✓ **YARD WASTE:**
 - Grass clippings
 - Leaves, woods & plants
 - Tree trimmings less than 8" in diameter and cut to fit in your cart
 - Undecorated, unflocked Christmas trees, cut into 3' sections
- ✓ **OTHER:**
 - Cotton balls & swabs
 - Hair, fur & feathers (non-synthetic)
 - Small pieces of lumber (unpainted & untreated)
 - Wooden chop sticks & corks

✗ UNACCEPTABLE:

- Plastic bags
- Wax-lined containers
- Aluminum foil or trays
- Glass, metal or plastic
- Cat litter or animal feces
- Clothing, linens & rags
- Cooking oil
- Diapers
- Dirt, rocks or stone
- Flower pots or trays
- Clean cardboard & paper
- Styrofoam
- Plywood, press board, painted or stained wood



Fiscal Impact

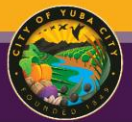
- Yuba City's Base Rates will be raised to match Sutter County's Base Rates
 - Will increase Recology's revenue by 2.24%
- Yuba City's Franchise Fee of 11.24% will be reduced to 10% to match Sutter County's Franchise Fee
 - Will decrease Yuba City's revenue approximately \$260,000
- With the modifications, Yuba City's and Sutter County's Base Rates and Franchise Fees will match



Fiscal Impact

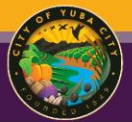
RECOLOGY YUBA-SUTTER SOLID WASTE SERVICES FOR CITY OF YUBA CITY RESIDENTIAL (SFD) COLLECTION SERVICES

		YUBA CITY RATES EFFECTIVE OCTOBER 1, 2021			YUBA CITY PROPOSED RATES THROUGH SEPTEMBER 30, 2022 (SUTTER COUNTY BASE RATES WITH 10.00% FRANCHISE FEE)				
		Current Base Rate	Franchise fees 13.38%	Current Monthly Rate	Proposed Base Rate	Franchise fees 10.00%	Proposed Monthly Rate	RWMA Surcharge	Total Monthly Charges
Basic SFD Cart Service									
1	1-32G MSW, 1-64G Recycling, 1-96G -Organics	\$26.18	\$4.04	\$30.22	\$26.87	\$2.99	\$29.86	\$0.75	\$30.61
2	1-64G MSW, 1-64G Recycling, 1-96G -Organics	\$26.65	\$4.12	\$30.77	\$27.36	\$3.04	\$30.40	\$0.75	\$31.15
3	1-96G MSW, 1-64G Recycling, 1-96G -Organics	\$27.11	\$4.18	\$31.29	\$27.83	\$3.09	\$30.92	\$0.75	\$31.67
Low Income Senior									
4	1-32G MSW, 1-64G Recycling, 1-96G -Organics	\$19.57	\$3.02	\$22.59	\$20.08	\$2.23	\$22.31	\$0.75	\$23.06
Additional Carts									
5	MSW: 32G 2nd or more carts - each addl cart	\$11.59	\$1.79	\$13.38	\$11.89	\$1.32	\$13.21		\$13.21
6	MSW: 64G 2nd or more carts - each addl cart	\$12.98	\$2.00	\$14.98	\$13.32	\$1.48	\$14.80		\$14.80
7	MSW: 96G 2nd or more carts - each addl cart	\$14.37	\$2.22	\$16.59	\$14.74	\$1.64	\$16.38		\$16.38
8	Recycling: 3rd or more carts - each addl cart	\$3.71	\$0.57	\$4.28	\$3.71	\$0.41	\$4.12		\$4.12
9	Organic Material 3rd or more carts - each addl cart	\$14.37	\$2.22	\$16.59	\$14.37	\$1.60	\$15.97		\$15.97
10	Extra Bag of Refuse (Per Pickup Rate)	\$0.00	\$0.00	\$0.00	\$4.22	\$0.47	\$4.69		\$4.69
Bulky Item Collection									
11	Extra Bulky Item Collection	\$55.61	\$8.59	\$64.20	\$57.07	\$6.34	\$63.41		\$63.41
12	Extra Per Bulky Item Charge	\$11.12	\$1.72	\$12.84	\$11.41	\$1.27	\$12.68		\$12.68
13	Excess Bulky Item Charge (exceeds 2 cubic yards)	\$11.12	\$1.72	\$12.84	\$11.41	\$1.27	\$12.68		\$12.68
Carts Exchange or Replacement									
14	Cart Exchange - greater than one (1) per year	\$18.54	\$2.86	\$21.40	\$19.02	\$2.11	\$21.13		\$21.13
15	Cart Replacement (due to customer negligence)	\$69.51	\$10.75	\$80.26	\$71.34	\$7.93	\$79.27		\$79.27



Fiscal Impact

- Increase to Yuba City's Base Rates will be effective May 1, 2022
- All of the RWMA member agencies' rates will increase 3% on October 1, 2022, due to the annual CPI adjustment
- Biosolids Handling Rate will be \$63/ton instead of \$76/ton, effective October 1, 2022, which will positively impact the Wastewater Treatment Facility's operational costs on an ongoing basis



Recommendation

Adopt a Resolution authorizing the Mayor to execute a second amendment to the 2019 Collection Services Franchise Agreement with Recology Yuba-Sutter, subject to immaterial modifications by the City Manager upon approval of the City Attorney as to legal form