

## **REFUSE COLLECTION SERVICE – RATE INCREASE**

### **Frequently Asked Questions**

#### **Why are the rates going up so much?**

Solid waste collection fees have not been increased since March of 2015, while the costs of providing solid waste services have continued to increase. New regulations mandate a substantial reduction in the amount of refuse and organic materials that may be disposed at landfills over the next few years. This requires the development and utilization of expensive new collection, sorting, delivery and bio-recycling processes. Cal-Waste is investing millions of dollars in new collection trucks, containers and facility upgrades and must pay for enhanced disposal and recycling services to meet the new waste diversion requirements.

#### **Why are rates going up annually?**

The proposed rates spread the cost increases over a 3 year period, to reduce the initial rate increase that would otherwise be required. In subsequent years, rates will be tied to a consumer price index to keep pace with rising costs.

#### **When will the proposed rates go into effect?**

If the proposed rates are approved at the January 15, 2019 public hearing, they will become effective February 1, 2019. An initial one-month increase will be reflected on customer's February 2019 utility bill, with the full two-month increase reflected on the April 2019 billing.

#### **Can I change the size of my refuse cart?**

Yes, contact the City Finance Department at City Hall or by calling 209-366-7150. They will adjust your service billing and coordinate delivery of a different size container with Cal-Waste.

#### **Why are 20 gallon carts being phased out?**

They are more expensive for Cal-Waste to purchase than 38 gallon carts. There is a tendency for customers with 20 gallon carts to have higher contamination levels in their recycling and green waste carts.

#### **If I currently have a 20 gallon cart can I keep it?**

Yes, existing 20 gallon customers may request to keep their existing cart, but will pay the same rate as they would for a 38 gallon cart. Once the existing cart is no longer serviceable, it will be replaced with a 38 gallon cart. Note: 38 gallon carts are the same outer dimensions as a 20 gallon cart. 20 gallon carts have an insert that limits their capacity.

#### **I have no lawn waste or other green waste, can I discontinue green waste service?**

Green waste includes plant debris, such as grass clippings, leaves, pruning, weeds, branches, brush, Christmas trees, and other forms of organic waste. A separate green waste container is consistent with State diversion requirements, and it helps minimize the contamination of other recyclables. Customers may opt out of receiving a green waste container (or may return a container) if they can show they consistently do not generate any green waste. However, the monthly residential rate will remain the same as Cal-Waste must continue to make the green waste service available and fund the expanded waste diversion efforts needed to meet the new State mandates.

#### **What is our diversion percentage as of this year?**

The City's current diversion percentage rate as recognized by the State is approximately 63%. The state is currently utilizing a city wide disposal average measured in 'pounds per person per day' to determine diversion compliance. The current state target is a maximum average disposal rate of 4.1 pounds per person per day (PPD). Galt is currently at approximately 3.5 PPD, which meets the current standard. However, the compliance target (PPD) will soon become more stringent.

**Is or will the State provide funding to Cities and Counties to help fund new programs?**

The various state laws governing waste diversion and recycling programs do not provide any funding for meeting the mandates, leaving it to local jurisdictions to enact service fees sufficient to cover local program costs. State legislation does not address what local jurisdictions may/should charge for refuse collection services or diversion programs.

**How much of the rate increase revenues go to the City?**

The City has historically received a 10% franchise fee for granting Cal-Waste the exclusive right to collect both residential and commercial waste within the City Limits. The City also collects a 2% administrative fee that is used to fund the City's costs for administering waste collection, diversion reporting, household hazardous waste disposal and outreach programs. These fee percentages remain unchanged under the new contract.

**How did the City determine the proposed rates?**

Cal-Waste has developed a business plan for meeting the required diversion and recycling requirements, which is reflected in the proposed refuse collection rates. The City hired R3 Consulting to review the Cal-Waste plan in detail and validate the soundness of their rate model. Additionally, R3 conducted a rate comparison between those proposed by Cal-Waste and other Northern California municipalities that have recently adopted programs to meet the new solid waste mandates and found Cal-Waste's rates to be reasonable. Future performance and cost reviews are an integral component of the accountability provisions built into the contract.

**Is there a discount for seniors?**

No, Proposition 218 requires that rates be proportional to the benefits received, which are based upon the cart size selected by each customer.

**Will residents still be eligible for two recycling and two yard-waste containers?**

Yes, customers are eligible for up to two recycling and two yard-waste containers upon request. To obtain a second recycling or yard-waste container, residents should contact the City of Galt Finance Department (209-366-7150) to arrange delivery of a second container. Clients that currently have two containers will receive two containers at the time of container exchange (Please note that the existing containers will need to be available for collection at the time of delivery).