DATE: March 21, 2023

TO: Mayor and Council Members

FROM: Public Works Department

SUBJECT: Approval of Solid Waste Rate Adjustment

RECOMMENDATION:
It is recommended that the Mayor and Council Members take the following actions:
1. Authorize approval of the special rate adjustment for residential solid waste collections, as permitted in the Amended and Restated Integrated Solid Waste Services Agreement with Consolidated Disposal Service, LLC dba Republic Services (Republic); and
2. Adopt a resolution amending the Fiscal Year 2022-2023 Budget to increase the Sanitation Fund (Residential and Commercial Expenditure and Revenue lines).

BACKGROUND:
On November 22, 2022, the City Council approved Agreement No. 22-087, a four (4)-year Agreement (with an additional extension of a four (4)-year term). The Amended and Restated Agreement began on January 1, 2022. The Agreement provides for the collection, removal, diversion, and disposal of solid waste generated by residential, commercial, and industrial customers in the City, as mandated by the California Integrated Waste Management Act of 1989.

DISCUSSION:
Under the Agreement, the City approved a rate adjustment, effective December 1, 2022, which excluded the special rate adjustment, as identified in Section 6.5.3 of Agreement No. 22-087. The residential special rate adjustment is required to provide funds for street signage, as it relates to increasing the amount of time for residential on-street parking. The action requested is the approval of a special rate increase of three and twelve-hundredths percent (3.12%) applied to rates in place before December 1, 2022, to be billed for the period of April 1, 2023, to November 30, 2023.

The proposed language for Section 6.3.1 of Agreement No. 22-087 (One-time Residential Rate Adjustment) is as follows:

The Company [RS] will be allowed a one-time Residential rate adjustment for rates implemented April 1, 2023, as shown in Attachment 1, including the special rate adjustment that was delayed from December 1, 2022, and a temporary increase to be billed from April 1, 2023, through November 30, 2023, as described in Section 6.5.3. The temporary increase will be removed prior to calculating the December 1, 2023 rate adjustment.
The standard annual rate adjustment is based on the rate of change and associated calculations in the average annual Consumer Price Index for Trash and Garbage Collection (CUUR0000SEHG02), published by the Bureau of Labor Statistics.

Additionally, the expenditure line will increase annually, due to the cost of providing the services.

The residential rates from April 1, 2023, through November 30, 2023, will be as follows:

<table>
<thead>
<tr>
<th>Residential Services</th>
<th>Picked Up</th>
<th>Rates (April 1, 2023, to November 30, 2023)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black Cart Service - Refuse/Trash – Blue (Recycle) &amp; Green (Organic Materials) carts are provided at no additional charge</td>
<td>1 x weekly</td>
<td>$21.82 per unit per month</td>
</tr>
<tr>
<td>Reduced Rate – Senior &amp; Disabled customers</td>
<td>1 x weekly</td>
<td>$19.61 per unit per month</td>
</tr>
<tr>
<td>Twice Per Week Refuse Collection (Darby Dixon area)</td>
<td>1 x weekly</td>
<td>$33.95 per unit per month</td>
</tr>
<tr>
<td>Extra Refuse Carts</td>
<td>Above one</td>
<td>$10.21 per cart per month</td>
</tr>
<tr>
<td>Additional Recycling &amp; Organic Materials Carts</td>
<td>-</td>
<td>No charge</td>
</tr>
<tr>
<td>Cart Overage Pickup (Above free pickups per Section 4.2.2)</td>
<td>Each pickup</td>
<td>$11.58 per pickup</td>
</tr>
<tr>
<td>Single and Multi-Family Bulky Collection</td>
<td>Scheduled pick-ups</td>
<td>No charge</td>
</tr>
</tbody>
</table>

FINANCIAL/FUNDING ISSUES AND SOURCES:
Upon City Council adoption of the proposed resolution amending the Fiscal Year 2022-2023 Budget, the Sanitation Fund (Residential and Commercial Expenditure and Revenue lines) will be increased. With the rate adjustment, residential customers will experience an increase in their monthly rate charge for solid waste collection services. Funds will be deposited in the following Account Code Nos.:

<table>
<thead>
<tr>
<th>Account Code No.</th>
<th>Description</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>070-060-6052-6101.00</td>
<td>Sanitation Fund-Public Works –Public Services –Environmental Services-Refuse Collection-Commercial</td>
<td>$1,283,220</td>
</tr>
<tr>
<td>070-060-6052-6102.00</td>
<td>Sanitation Fund-Public Works –Public Services –Environmental Services-Refuse Collection- Residential</td>
<td>$733,709</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td><strong>$2,016,929</strong></td>
</tr>
</tbody>
</table>
## Account Code No. | Description                                                                 | Expenditure |
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>070-060-6052-44881.00</td>
<td>Sanitation Fund-Public Works - Public Services - Environmental Services - Refuse Collection - Residential</td>
<td>$733,709</td>
</tr>
<tr>
<td>070-060-6052-44882.00</td>
<td>Sanitation Fund-Public Works - Public Services - Environmental Services - Refuse Collection - Commercial</td>
<td>$2,872,011</td>
</tr>
</tbody>
</table>

**TOTAL** $3,605,720

### DESCRIPTION OF ANY ATTACHMENTS:
Attachment No. 1: Amendment to Agreement No. 22-087
Attachment No. 2: Resolution

### PREPARED BY:
Angela Williams, Environmental Services Manager

### COUNCIL PRESENTER:
Angela Williams, Environmental Services Manager
APPROVAL VERIFICATION SHEET

DEPARTMENT HEAD/ASSISTANT CITY MANAGER APPROVAL: Louis A. Atwell, PW Director/Asst. City Mgr.

CITY MANAGER APPROVAL: Artie Fields, City Manager
Attachment No. 1
THIS AMENDMENT ONE TO AGREEMENT NO.: 22-087, (the “First Amendment”) is
made and entered into this ______ day of______________, 2023, by and between the
CITY OF INGLEWOOD (the “City”), a municipal corporation, One Manchester Boulevard,
Inglewood, California 90301; a municipal corporation and charter city, and CONSOLIDATED
DISPOSAL SERVICE, LLC, dba RECPUBLIC SERVICES (hereinafter referred to as the “Company”).
City and Company may be collectively referred to herein as “the Parties.”

RECITALS

WHEREAS, City entered into that Amended and Restated Agreement No.: 22-087
(hereinafter referred to as “Agreement”), on December 14, 2021, with Company to provide
Collection, Transportation, Recycling, Processing, and Disposal of Solid Waste and other
services related to meeting the goals and requirements of the California Integrated Waste
Management Act of 1989; and

WHEREAS, the Term of the Amended and Restated Agreement began on January 1,
2022; and

WHEREAS, Section 6.3 of Agreement No.: 22-087 states that future rate adjustments will
be effective December 1; and

WHEREAS, Section 6.5 of Agreement No.: 22-087 grants the Company special rate
adjustments in Rate Years two (2) through four (4) in an initial effort to reduce the rate impact
to ratepayers in addition to the annual adjustment granted per Section 6.3; and

WHEREAS, on November 22, 2022, City approved the rate adjustment for rate year two
(2) to be effective December 1, 2022, without inclusion of the residential special rate
adjustment identified in Section 6.5.3 of Agreement No.: 22-087; and

WHEREAS, Parties desire to implement the delayed residential special rate adjustment,
including recovery of billings related to such delay through a temporary rate increase of three
and twelve hundredths percent (3.12%) applied to rates that were in place prior to December
1, 2022, and to be billed for the period April 1, 2023, to November 30, 2023.

NOW, THEREFORE, the City and the Company (collectively referred to as the “Parties,”
and individually as the “Party”) hereto mutually agree as follows:
SECTION 1.
The recitals are true and correct and are incorporated herein by this reference.

SECTION 2.
Section 6.3.1 of Agreement No.: 22-087 is hereby added to allow for approval of new Residential rates on April 1, 2023, and reads as follows:

"Section 6.3.1 One-time Residential Rate Adjustment
The Company will be allowed a one-time Residential rate adjustment for rates implemented April 1, 2023, as shown in Attachment 1, including the special rate adjustment that was delayed from December 1, 2022 and a temporary increase to be billed from April 1, 2023, through November 30, 2023, as described in Section 6.5.3. The temporary increase will be removed prior to calculating the December 1, 2023 rate adjustment."

SECTION 3.
Section 6.5.3 is hereby deleted in its entirety and replaced as follows:

"Section 6.5.3 Residential Special Rate Adjustment
April 1, 2023, – 6.24% plus a temporary increase from April 1, 2023, to November 30, 2023, as identified in Exhibit 1.
December 1, 2023 - 6.24%
December 1, 2024 - 6.24%"

SECTION 4.
Exhibit 1 - Solid Waste Collection Rate Schedule Residential is added in its entirety to Agreement No.: 22-087

SECTION 5.
Except as changed by this First Amendment, all other terms and provision of Agreement No.: 22-087, its Exhibits and Attachments, shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date and year first above written.
CITY OF INGLEWOOD

James T. Butts, Jr.,
Mayor

ATTEST:

Aisha L. Thompson,
City Clerk

CONSOLIDATED DISPOSAL SERVICE
LLC., dba REPUBLIC SERVICES

Tonya Griffin,
General Manager

APPROVED AS TO FORM:

Kenneth R. Campos,
City Attorney
Exhibit 1
CITY OF INGLEWOOD - SOLID WASTE COLLECTION RATE SCHEDULE RESIDENTIAL

Customer Rates for Services Billed by City of Inglewood
(Customer rates below include City franchise fee)

Customer Rates

<table>
<thead>
<tr>
<th>Residential Services</th>
<th>Customer Rates (April 1, 2023 to November 30, 2023) (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cart Service - refuse, recycling and organics (1)</td>
<td>$ 21.82 per unit per month</td>
</tr>
<tr>
<td>Reduced Rate - senior &amp; disabled customers (1)</td>
<td>$ 19.61 per unit per month</td>
</tr>
<tr>
<td>Twice Per Week Refuse Collection (Darby Dixon area) (1)</td>
<td>$ 33.95 per unit per month</td>
</tr>
<tr>
<td>Extra Refuse Carts (above one)</td>
<td>$ 10.21 per cart per month</td>
</tr>
<tr>
<td>Additional Recycling &amp; Organic Materials Carts</td>
<td>$ - no charge</td>
</tr>
<tr>
<td>Replacement Kitchen Pail</td>
<td>$ 15.63 per pail</td>
</tr>
<tr>
<td>Cart Overage Pickup (Above free pickups per Section 4.2.2)</td>
<td>$ 11.58 per pickup</td>
</tr>
<tr>
<td>Single and Multi-Family Bulky Item Collection</td>
<td>$ - no charge</td>
</tr>
</tbody>
</table>

(1) Per unit for single and multi-family dwellings with cart refuse service.
(2) Rate includes the delayed residential special rate adjustment, and a temporary rate increase to be
Attachment No. 2
RESOLUTION NO.: _____

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF INGLEWOOD, CALIFORNIA, AMENDING
THE FISCAL YEAR 2022-23 BUDGET TO INCREASE
THE SANITATION FUND LINE.

WHEREAS, the City’s sanitation fund budget line needs amending to account for a
possible increase in funds; and

WHEREAS, this budget amendment will facilitate the recordation of said fund increase,
if any, and will track said funds.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of
Inglewood, California, does hereby:

Section 1. Amend the City’s 2022-2023 fiscal year budget as shown in Exhibit “A,”
which is attached to this resolution and incorporated herein as if set forth in full.

Section 3. Request that the City Clerk shall certify the adoption of this resolution,
and the same shall be in full force and effect immediately upon adoption.

Passed, approved and adopted this _____________ day of ___________, 2023

CITY OF INGLEWOOD:

_______________________________________
James T. Butts, Jr.,
Mayor

ATTEST:

_______________________________________
Aisha L. Thompson,
City Clerk
Exhibit A
EXHIBIT A  
Budget Amendment

| Fund: | 070 | Agency: | 080 | Orgn: | 6052 |

### REVENUE

<table>
<thead>
<tr>
<th>From</th>
<th>Account Code</th>
<th>Current Budget FY 22/23</th>
<th>Amended Budget</th>
<th>Increase / Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>6101</td>
<td>Refuse Collection-Commercial</td>
<td>10,716,780.00</td>
<td>12,000,000.00</td>
<td>1,283,220.00</td>
</tr>
<tr>
<td>6102</td>
<td>Refuse Collection-Residential</td>
<td>4,372,426.00</td>
<td>5,106,135.00</td>
<td>733,709.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>2,016,929.00</td>
</tr>
</tbody>
</table>

### EXPENSE

<table>
<thead>
<tr>
<th>To</th>
<th>Expenditure Description</th>
<th>Current Budget FY 22/23</th>
<th>Amended Budget</th>
<th>Increase / Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>44881</td>
<td>Contract Services-Residential Refuse</td>
<td>3,678,073.00</td>
<td>4,411,782.00</td>
<td>733,709.00</td>
</tr>
<tr>
<td>44882</td>
<td>Contract Services-Commercial Refuse</td>
<td>9,127,989.00</td>
<td>12,000,000.00</td>
<td>2,872,011.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td>3,605,720.00</td>
</tr>
</tbody>
</table>

6052: Public Services-Environmental Services
Exhibit A
Page 1 of 1