

City of Westmorland REPORT TO THE CITY COUNCIL

MEETING DATE: September 18, 2024

FROM: Laura Fischer, City Manager

SUBJECT: Approve a 4% Rate Increase Adjustment for Waste Hauling Services According to Franchise Agreement with CR&R.

ISSUE:

Shall the City of Westmorland City Council approve a 4% Rate Increase Adjustment for Waste Hauling Services According to Franchise Agreement with CR&R?

GENERAL MANAGER RECOMMENDATION:

Approve rate modifications as presented.

FISCAL IMPACT:

Customers will see a 4% rate increase on their bill for trash services starting in October 2024 and reflected in their bill in October 2024. For Standard Residential Services that rate increase will be .92 cents per month. Current rate is \$23.04 (without the JPA Fee of \$1.50) and will increase to \$23.96 per month for residential services.

DISCUSSION:

The City of Westmorland received the attached letter from CR&R, and according to the Terms of the Franchise Agreement they have calculated the rate increase for FY 2024-25.

The current Franchise Agreement with CR&R allows for an annual rate increase based on an "Adjustment Formula" which is based on the Consumer Price Index (CPI). The Agreement also allows CR&R to request a rate increase based on increased operating costs due to changes in Federal and State laws, rising cost of fuel, insurance, and other market driven expenses. Based on the approved annual rate increase formula based on CPI, the rate increase should be at 4.1%.

Most importantly, the current Franchise Agreement caps the rate increase at 4% per year starting October.

CONCLUSION:

A rate adjustment of 4% was determined to be appropriated and capped according to the Terms and Conditions of the existing Franchise Agreement with CR&R.

Staff recommends approval.

Respectfully Submitted,
Laura Fischer, Manager

Attachments: Letter from CR&R & Annual Price Adjustment Schedule



August 30, 2024

Ms. Laura Fischer
City of Westmorland
355 S. Center Street
P.O. Box 699
Westmorland, CA 92281

(email: lfischer@cityofwestmorland.net)

Re: Annual Rate adjustment for Solid Waste Services - 2024

Dear Ms. Fischer:

It has been a pleasure serving the City of Westmorland over the last several years. CR&R sincerely values your patronage and looks forward to continuing our partnership. Based on the methodology outlined in Section 6.3 of the Franchise, CR&R respectfully submits the following annual solid waste rate adjustment. The rate exhibit schedule and supporting index are included as attachments.

Summary of adjustment factors:

- CPI – using US City Average and the change is 4.1%
- CPI is capped at 4%

Our goal is to continue to provide the highest quality, environmentally responsible service to the City of Westmorland. If you have any additional questions, please feel free to contact me. With your approval, all rates including ancillary services will be adjusted effective October 1, 2024.

Respectfully submitted,

Matthew Gray

cc: Mitch Driskill
Francisco Ochoa
Dean Ruffridge
Victor Carrillo
Tami Castro

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Databases, Tables & Calculators by Subject

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Data extracted on: February 20, 2024 (2:47:57 PM)

Consumer Price Index for All Urban Consumers (CPI-U)

Series Id: CUUR0000SA0
 Not Seasonally Adjusted
Series Title: All items in U.S. city average, all urban consumers, not seasonally adjusted
Area: U.S. city average
Item: All items
Base Period: 1982-84=100

Download: [.xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2014	233.916	234.781	236.293	237.072	237.900	238.343	238.250	237.852	238.031	237.433	236.151	234.812	236.736	236.384	237.088
2015	233.707	234.722	236.119	236.599	237.805	238.638	238.654	238.316	237.945	237.838	237.336	236.525	237.017	236.265	237.769
2016	236.916	237.111	238.132	239.261	240.229	241.018	240.628	240.849	241.428	241.729	241.353	241.432	240.007	238.778	241.237
2017	242.839	243.603	243.801	244.524	244.733	244.955	244.786	245.519	246.819	246.663	246.669	246.524	245.120	244.076	246.163
2018	247.867	248.991	249.554	250.546	251.588	251.989	252.006	252.146	252.439	252.885	252.038	251.233	251.107	250.089	252.125
2019	251.712	252.776	254.202	255.548	256.092	256.143	256.571	256.558	256.759	257.346	257.208	256.974	255.657	254.412	256.903
2020	257.971	258.678	258.115	256.389	256.394	257.797	259.101	259.918	260.280	260.388	260.229	260.474	258.811	257.557	260.065
2021	261.582	263.014	264.877	267.054	269.195	271.696	273.003	273.567	274.310	276.589	277.948	278.802	270.970	266.236	275.703
2022	281.148	283.716	287.504	289.109	292.296	296.311	296.276	296.171	296.808	298.012	297.711	296.797	292.655	288.347	296.963
2023	299.170	300.840	301.836	303.363	304.127	305.109	305.691	307.026	307.789	307.671	307.051	306.746	304.702	302.408	306.996
2024	308.417														

12-Month Percent Change

Series Id: CUUR0000SA0
 Not Seasonally Adjusted
Series Title: All items in U.S. city average, all urban consumers, not seasonally adjusted
Area: U.S. city average
Item: All items
Base Period: 1982-84=100

Download: [.xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2014	1.6	1.1	1.5	2.0	2.1	2.1	2.0	1.7	1.7	1.7	1.3	0.8	1.6	1.7	1.5
2015	-0.1	0.0	-0.1	-0.2	0.0	0.1	0.2	0.2	0.0	0.2	0.5	0.7	0.1	-0.1	0.3
2016	1.4	1.0	0.9	1.1	1.0	1.0	0.8	1.1	1.5	1.6	1.7	2.1	1.3	1.1	1.5
2017	2.5	2.7	2.4	2.2	1.9	1.6	1.7	1.9	2.2	2.0	2.2	2.1	2.1	2.2	2.0
2018	2.1	2.2	2.4	2.5	2.8	2.9	2.9	2.7	2.3	2.5	2.2	1.9	2.4	2.5	2.4
2019	1.6	1.5	1.9	2.0	1.8	1.6	1.8	1.7	1.7	1.8	2.1	2.3	1.8	1.7	1.9
2020	2.5	2.3	1.5	0.3	0.1	0.6	1.0	1.3	1.4	1.2	1.2	1.4	1.2	1.2	1.2
2021	1.4	1.7	2.6	4.2	5.0	5.4	5.4	5.3	5.4	6.2	6.8	7.0	4.7	3.4	6.0
2022	7.5	7.9	8.5	8.3	8.6	9.1	8.5	8.3	8.2	7.7	7.1	6.5	8.0	8.3	7.7
2023	6.4	6.0	5.0	4.9	4.0	3.0	3.2	3.7	3.7	3.2	3.1	3.4	4.1	4.9	3.4
2024	3.1														

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**WESTMORLAND
ANNUAL PRICE ADJUSTMENT**

**RATE YEAR 2024-2025
EFFECTIVE OCTOBER 1**

CPI
US City Average - Annual
CUUR0000SA0

New 304.702	Previous 292.655	% CPI 4.10%	% Increase 4.00%	CPI Cap 4.0%
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	Previous Rate	Less JPA Fee	Net Previous Rate	CPI Change	Rate Change	New Rate	Net New Rate	Unit Measure
Standard service	\$ 24.54	\$ 1.50	\$ 23.04	4.0%	\$ 0.92	\$ 25.46	\$ 23.96	per month
Additional cart	\$ 16.63	\$ -	\$ 16.63	4.0%	\$ 0.67	\$ 17.30	\$ 17.30	per month
Additional cart pick up	\$ 16.63	\$ -	\$ 16.63	4.0%	\$ 0.67	\$ 17.30	\$ 17.30	per pickup
10 and 40 cubic yard roll-off	\$ 263.06	\$ -	\$ 263.06	4.0%	\$ 10.52	\$ 273.58	\$ 273.58	per pull
Compactor roll-off service	\$ 398.48	\$ -	\$ 398.48	4.0%	\$ 15.94	\$ 414.42	\$ 414.42	per pull
40 cubic yard COD	\$ 588.26	\$ -	\$ 588.26	4.0%	\$ 23.53	\$ 611.79	\$ 611.79	per pull
10 cubic yard COD	\$ 783.40	\$ -	\$ 783.40	4.0%	\$ 31.34	\$ 814.74	\$ 814.74	per pull
3 yard Clean-up Bin	\$ 102.56	\$ -	\$ 102.56	4.0%	\$ 4.10	\$ 106.66	\$ 106.66	per load
4 yard Clean-up Bin	\$ 131.88	\$ -	\$ 131.88	4.0%	\$ 5.28	\$ 137.16	\$ 137.16	per load
Refuse Bin Rates 3-Yard								
1 x week	\$ 114.17	\$ 1.50	\$ 112.67	4.0%	\$ 4.51	\$ 118.68	\$ 117.18	per month
2 x week	\$ 223.62	\$ 3.00	\$ 220.62	4.0%	\$ 8.82	\$ 232.44	\$ 229.44	per month
3 x week	\$ 333.07	\$ 4.50	\$ 328.57	4.0%	\$ 13.14	\$ 346.21	\$ 341.71	per month
Extra Pickup	\$ 34.09	\$ -	\$ 34.09	4.0%	\$ 1.36	\$ 35.45	\$ 35.45	per pickup
Refuse Bin Rates 4-Yard								
1 x week	\$ 152.53	\$ 1.50	\$ 151.03	4.0%	\$ 6.04	\$ 158.57	\$ 157.07	per month
2 x week	\$ 298.77	\$ 3.00	\$ 295.77	4.0%	\$ 11.83	\$ 310.60	\$ 307.60	per month
3 x week	\$ 445.03	\$ 4.50	\$ 440.53	4.0%	\$ 17.62	\$ 462.65	\$ 458.15	per month
Extra Pickup	\$ 46.00	\$ -	\$ 46.00	4.0%	\$ 1.84	\$ 47.84	\$ 47.84	per pickup
Refuse Bin Rates 5-Yard								
1 x week	\$ 190.95	\$ 1.50	\$ 189.45	4.0%	\$ 7.58	\$ 198.53	\$ 197.03	per month
2 x week	\$ 374.15	\$ 3.00	\$ 371.15	4.0%	\$ 14.85	\$ 389.00	\$ 386.00	per month
3 x week	\$ 557.35	\$ 4.50	\$ 552.85	4.0%	\$ 22.11	\$ 579.46	\$ 574.96	per month
Extra Pickup	\$ 57.93	\$ -	\$ 57.93	4.0%	\$ 2.32	\$ 60.25	\$ 60.25	per pickup
Refuse Bin Rates 6-Yard								
1 x week	\$ 222.12	\$ 1.50	\$ 220.62	4.0%	\$ 8.82	\$ 230.94	\$ 229.44	per month
2 x week	\$ 444.23	\$ 3.00	\$ 441.23	4.0%	\$ 17.65	\$ 461.88	\$ 458.88	per month
3 x week	\$ 661.64	\$ 4.50	\$ 657.14	4.0%	\$ 26.29	\$ 687.93	\$ 683.43	per month
Extra Pickup	\$ 68.11	\$ -	\$ 68.11	4.0%	\$ 2.72	\$ 70.83	\$ 70.83	per pickup
Refuse Bin Rates 8-Yard								
1 x week	\$ 303.53	\$ 1.50	\$ 302.03	4.0%	\$ 12.08	\$ 315.61	\$ 314.11	per month
2 x week	\$ 599.66	\$ 3.00	\$ 596.66	4.0%	\$ 23.87	\$ 623.53	\$ 620.53	per month
3 x week	\$ 893.24	\$ 4.50	\$ 888.74	4.0%	\$ 35.55	\$ 928.79	\$ 924.29	per month
Extra Pickup	\$ 92.01	\$ -	\$ 92.01	4.0%	\$ 3.68	\$ 95.69	\$ 95.69	per pickup
Recycle Bins								
3 yard 1x week	\$ 77.04	\$ -	\$ 77.04	4.0%	\$ 3.08	\$ 80.12	\$ 80.12	per month
4 yard 1x week	\$ 98.17	\$ -	\$ 98.17	4.0%	\$ 3.93	\$ 102.10	\$ 102.10	per month
5 yard 1x week	\$ 143.58	\$ -	\$ 143.58	4.0%	\$ 5.74	\$ 149.32	\$ 149.32	per month
6 yard 1x week	\$ 154.05	\$ -	\$ 154.05	4.0%	\$ 6.16	\$ 160.21	\$ 160.21	per month
Organic Cart Rates								
35/65 Gal Food - 1x week	\$ 42.64	\$ -	\$ 42.64	4.0%	\$ 1.71	\$ 44.35	\$ 44.35	per month
35/65 Gal Food - 2x week	\$ 85.29	\$ -	\$ 85.29	4.0%	\$ 3.41	\$ 88.70	\$ 88.70	per month
35/65 Gal Food - 3x week	\$ 127.94	\$ -	\$ 127.94	4.0%	\$ 5.12	\$ 133.06	\$ 133.06	per month
96 Gal Green (Multi-family) - 1x week	\$ 42.64	\$ -	\$ 42.64	4.0%	\$ 1.71	\$ 44.35	\$ 44.35	per month
96 Gal Green (Multi-family) - 2x week	\$ 85.29	\$ -	\$ 85.29	4.0%	\$ 3.41	\$ 88.70	\$ 88.70	per month
96 Gal Green (Multi-family) - 3x week	\$ 127.94	\$ -	\$ 127.94	4.0%	\$ 5.12	\$ 133.06	\$ 133.06	per month
300 Gal Green (Multi-family) - 1x week	\$ 127.94	\$ -	\$ 127.94	4.0%	\$ 5.12	\$ 133.06	\$ 133.06	per month
300 Gal Green (Multi-family) - 2x week	\$ 255.88	\$ -	\$ 255.88	4.0%	\$ 10.24	\$ 266.12	\$ 266.12	per month
300 Gal Green (Multi-family) - 3x week	\$ 383.82	\$ -	\$ 383.82	4.0%	\$ 15.35	\$ 399.17	\$ 399.17	per month
Extra Pickup 35/65 Gal Food	\$ 23.45	\$ -	\$ 23.45	4.0%	\$ 0.94	\$ 24.39	\$ 24.39	per pickup
Extra Pickup 96 Gal Green	\$ 23.45	\$ -	\$ 23.45	4.0%	\$ 0.94	\$ 24.39	\$ 24.39	per pickup
Extra Pickup 300 Gal Green	\$ 70.36	\$ -	\$ 70.36	4.0%	\$ 2.81	\$ 73.17	\$ 73.17	per pickup
Bin Replacement	\$ 174.93	\$ -	\$ 174.93	4.0%	\$ 7.00	\$ 181.93	\$ 181.93	per service
Cart Replacement	\$ 71.28	\$ -	\$ 71.28	4.0%	\$ 2.85	\$ 74.13	\$ 74.13	per service
New Acct Delivery Bins and R/O	\$ 45.35	\$ -	\$ 45.35	4.0%	\$ 1.81	\$ 47.16	\$ 47.16	per service
Install Wheels	\$ 71.28	\$ -	\$ 71.28	4.0%	\$ 2.85	\$ 74.13	\$ 74.13	per service
Bin Locking Charges	\$ 7.79	\$ -	\$ 7.79	4.0%	\$ 0.31	\$ 8.10	\$ 8.10	per pickup
Steam Cleaning Service	\$ 72.57	\$ -	\$ 72.57	4.0%	\$ 2.90	\$ 75.47	\$ 75.47	per service