

RESOLUTION NO. _____

**A RESOLUTION OF THE CUPERTINO CITY COUNCIL
ADOPTING A MAXIMUM RATE SCHEDULE FOR RATE PERIOD FOUR PER THE
FRANCHISE AGREEMENT WITH RECOLOGY CUPERTINO RELATED TO RECYCLING,
ORGANICS, AND SOLID WASTE COLLECTION, PROCESSING, AND DISPOSAL; AND
AUTHORIZING THE USE OF \$547,800 OF RESTRICTED-USE ENTERPRISE FUNDS TO
SMOOTH AND MITIGATE THE RATE PERIOD FOUR ADJUSTMENT.**

WHEREAS, pursuant to state constitutional and statutory authority, the City of Cupertino has the authority to regulate the handling of solid waste within its jurisdiction; and

WHEREAS, the City enacted and maintains Municipal Code Chapters 6.24 and 9.16, in part, to satisfy solid waste collection and diversion obligations, and other requirements of the California Integrated Waste Management Act AB 939, Assembly Bill 1826, the Short-Lived Climate Pollutants Bill of 2016 SB 1383, and related laws and regulations; and

WHEREAS, pursuant to Municipal Code Section 6.24.120 and applicable statutory authority, where the public health, safety, and well-being require it, the City may award an exclusive franchise to any person or entity the City Council believes is qualified to perform solid waste collection service; and

WHEREAS, the City has determined that collection of solid waste, which includes garbage, recyclables, and organic waste, is a health, sanitary, and safety measure necessary for the promotion, protection, and preservation of the health, safety, and general welfare of the people of the City, and the City and its residents benefit from granting an exclusive franchise for same; and

WHEREAS, in 2020 the City entered an exclusive franchise agreement with Recology South Bay d/b/a Recology Cupertino ("Recology") for collection and processing or recyclable and compostable materials, and the collection of disposal of garbage (the "Existing Franchise Agreement"), the base term of which is scheduled to expire on January 31, 2031; and

WHEREAS, the City does not provide solid waste collection services; rather, it regulates the private solid waste collection industry to protect public health, safety and welfare and ensure compliance with applicable laws; and

WHEREAS, as part of its regulatory role, pursuant to Municipal Code Section 6.24.150, the City reserves the right to establish a maximum schedule of rates and charges for all levels of solid waste collection services to be rendered by the solid waste collector in order to avoid an abuse of the franchise rights granted; and

WHEREAS, the Existing Franchise Agreement with Recology includes a methodology set forth in Exhibit E.2 to the agreement for determining the maximum schedule of rates and charges for all levels of solid waste collection services for Rate Period Four; and

WHEREAS, the City reviewed all aspects of the rate request from Recology using the approved methodology; and

WHEREAS, the solid waste collector is solely responsible for setting and collecting such rates and charges at a level at or below the established maximum schedule; and

WHEREAS, the Resource Recovery Enterprise Fund 520-330 ("Resource Recovery Fund") is an enterprise fund held by the City whose purpose is to pay for operating costs related to the collection, disposal, and recycling of solid waste performed under franchise; and

WHEREAS, the City Council approved on December 16, 2020 that it would be prudent to establish a target reserve for the Resource Recovery Fund of Five Hundred Thousand Dollars (\$500,000), which is approximately two percent of the City's current annual solid waste program operating costs, and that such reserve may be drawn below the targeted reserve amount based on the reasonable discretion of the Director of Public Works consistent with the City's budget and other financial policies and procedures; and

WHEREAS, the City has determined that it would be appropriate to make strategic use of amounts in the Resource Recovery Fund in excess of the recommended reserve to smooth and mitigate rate adjustments for the benefit of ratepayers; and

WHEREAS, such strategic use of the Resource Recovery Fund was anticipated during the development of the Fiscal Year 23-24 Base Budget; and

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

1. Acknowledge the foregoing recitals are true and correct and incorporated into this Resolution by this reference.
2. Adopt the maximum rate schedule for Rate Period Four (beginning February 1, 2024) (Exhibit A).
3. Authorize use of \$547,800 from the Resource Recovery Fund 520-330 to smooth and mitigate the rate adjustment in Rate Period Four, in the manner as more particularly described in the Franchise Agreement at Section 8.2.C.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 5th day of December, 2023, by the following vote:

Members of the City Council

AYES:

NOES:

ABSENT:

ABSTAIN:

<p>SIGNED:</p> <p>_____</p> <p>Hung Wei, Mayor City of Cupertino</p>	<p>_____</p> <p>Date</p>
<p>ATTEST:</p> <p>_____</p> <p>Kirsten Squarcia, City Clerk</p>	<p>_____</p> <p>Date</p>

Exhibit A

Residential Rate Schedule City of Cupertino February 1, 2024

Single Family Dwelling

Curbside	24 gallon	\$39.67
Curbside	32 gallon	\$42.19
Curbside	64 gallon	\$81.20
Curbside	96 gallon	\$120.20
Curbside	Add'l Cart	\$39.00
Walk-up	24 gallon	\$60.62
Walk-up	32 gallon	\$63.15
Walk-up	64 gallon	\$123.09
Walk-up	96 gallon	\$183.02
Walk-up	Add'l Cart	\$59.94

Additional Organics/YW Toter: No Charge

Low Income

Curbside	24 gallon	\$19.17
Curbside	32 gallon	\$21.69
Walk-up	24 gallon	\$31.28
Walk-up	32 gallon	\$33.80

Additional Charges

Extra Bag Tag	\$11.34
10 Bag Tags	\$107.91
Extra Can (1-Time)	\$19.54
Dirty Cart Exchange	\$44.14
Extra Bulky Item Pickup	\$195.00
Extra Bulky = charge for maximum allowed quantity at one pickup per the Franchise Agreement. Actual charge based on material collected.	

24 HR Container Service

Bin By The Day	4 Yard	\$252.24
Bin By The Day	6 Yard	\$308.92
Bin By The Day	7 Yard	\$337.26

Late Charge Fee

1.2% Per Month Delinquent
(Not compounded)

**Multi-Family Garbage Rate Schedule
City of Cupertino
February 1, 2024**

<u>Front Loader Containers</u>					
1.5 CY	1XWK	\$198.14	1.5 CY	4XWK	\$792.6
1.5 CY	2XWK	\$396.32	1.5 CY	5XWK	\$990.7
1.5 CY	3XWK	\$594.46	1.5 CY	6XWK	\$1,188.9
			Extra P/l	\$61.4	
2 CY	1XWK	\$237.84	2 CY	4XWK	\$951.1
2 CY	2XWK	\$475.52	2 CY	5XWK	\$1,188.9
2 CY	3XWK	\$713.38	2 CY	6XWK	\$1,426.6
			Extra P/l	\$76.8	
3 CY	1XWK	\$317.04	3 CY	4XWK	\$1,268.2
3 CY	2XWK	\$634.07	3 CY	5XWK	\$1,585.2
3 CY	3XWK	\$951.10	3 CY	6XWK	\$1,902.2
			Extra P/l	\$83.9	
4 CY	1XWK	\$396.32	4 CY	4XWK	\$1,585.2
4 CY	2XWK	\$792.62	4 CY	5XWK	\$1,981.5
4 CY	3XWK	\$1,188.90	4 CY	6XWK	\$2,377.8
			Extra P/l	\$104.7	
6 CY	1XWK	\$554.82	6 CY	4XWK	\$2,219.3
6 CY	2XWK	\$1,109.65	6 CY	5XWK	\$2,774.1
6 CY	3XWK	\$1,664.47	6 CY	6XWK	\$3,328.9
			Extra P/l	\$145.7	
8 CY	1XWK	\$713.40	8 CY	4XWK	\$2,853.3
8 CY	2XWK	\$1,426.66	8 CY	5XWK	\$3,566.7
8CY	3XWK	\$2,140.07	8CY	6XWK	\$4,280.0
			Extra P/l	\$188.4	

Bin Pushout Service

1XW	\$69.7	4XW	\$279.4
2XW	\$139.9	5XW	\$348.7
3XW	\$209.4	6XW	\$419.5

* Pushout service only applies if containers are moved more than 25ft.

Cart Pushout Service per set of 3 carts: Garbage, Recycle, Organic

1XWK	\$16.50	4XW	\$65.96
2XWK	\$32.98	5XW	\$82.46
3XWK	\$49.48	6XW	\$98.94

* Pushout service only applies if containers are moved more than 25ft. Rate includes up to 50ft. More than 50ft add an addition 10% for each addition 10ft.

Key Servic
\$77.6

Multi Family Garbage Cart

32 gallon increments \$31.50

**Front Load Compactor
Per Cubic Yard Per Pull**
\$55.97

Special Services **\$129.52**

Steam Clean and Re-Delivery of Bin
(Shall be provided once per year w/o charge)
Furnishing Chains (One Time Only)

Extra Bulky Item Pickup

Extra Bulky Item Pickup \$195.00

Extra Bulky = charge for maximum allowed quantity
at one pickup per the Franchise Agreement.
Actual charge based on material collected.

**Commercial Garbage Rate Schedule
City of Cupertino
February 1, 2024**

<u>Front Loader Containers</u>					
1.5 CY	1XWK	\$198.14	1.5 CY	4XWK	\$792.6
1.5 CY	2XWK	\$396.32	1.5 CY	5XWK	\$990.7
1.5 CY	3XWK	\$594.46	1.5 CY	6XWK	\$1,188.9
			Extra P/I	\$61.4	
2 CY	1XWK	\$237.84	2 CY	4XWK	\$951.1
2 CY	2XWK	\$475.52	2 CY	5XWK	\$1,188.9
2 CY	3XWK	\$713.38	2 CY	6XWK	\$1,426.6
			Extra P/I	\$76.8	
3 CY	1XWK	\$317.04	3 CY	4XWK	\$1,268.2
3 CY	2XWK	\$634.07	3 CY	5XWK	\$1,585.2
3 CY	3XWK	\$951.10	3 CY	6XWK	\$1,902.2
			Extra P/I	\$83.9	
4 CY	1XWK	\$396.32	4 CY	4XWK	\$1,585.2
4 CY	2XWK	\$792.62	4 CY	5XWK	\$1,981.5
4 CY	3XWK	\$1,188.90	4 CY	6XWK	\$2,377.8
			Extra P/I	\$104.7	
6 CY	1XWK	\$554.82	6 CY	4XWK	\$2,219.3
6 CY	2XWK	\$1,109.65	6 CY	5XWK	\$2,774.1
6 CY	3XWK	\$1,664.47	6 CY	6XWK	\$3,328.9
			Extra P/I	\$145.7	
8 CY	1XWK	\$713.40	8 CY	4XWK	\$2,853.3
8 CY	2XWK	\$1,426.66	8 CY	5XWK	\$3,566.7
8CY	3XWK	\$2,140.07	8CY	6XWK	\$4,280.0
			Extra P/I	\$188.4	

Bin Pushout Service

1XW	\$69.7	4XW	\$279.4
2XW	\$139.9	5XW	\$348.7
3XW	\$209.4	6XW	\$419.5

* Pushout service only applies if containers are moved more than 25ft.

Cart Pushout Service per set of 3 carts: Garbage, Recycle, Organic

1XWK	\$16.50	4XWK	\$65.96
2XWK	\$32.98	5XWK	\$82.46
3XWK	\$49.48	6XWK	\$98.94

* Pushout service only applies if containers are moved more than 25ft. Rate includes up to 50ft. More than 50ft add an addition 10% for each addition 10ft.

Commercial Garbage Cart

32 gallon increments \$31.50

Key Service

\$77.69

Special Services

\$129.52

Steam Clean and Re-Delivery of Bin
(Shall be provided once per year w/o charge)
Furnishing Chains (One Time Only)

**Front Load Compactor
Per Cubic Yard Per Pull**

\$55.97

Return Trip Fee \$17.27

Commercial/Multi Family Recycle Rate Schedule
City of Cupertino
February 1, 2024

Front Loader Containers

1.5 CY	1XWK	\$95.12	1.5 CY	4XWK	\$380.5
1.5 CY	2XWK	\$190.26	1.5 CY	5XWK	\$475.6
1.5 CY	3XWK	\$285.38	1.5 CY	6XWK	\$570.7
			Extra P/l	\$29.5	
2 CY	1XWK	\$114.17	2 CY	4XWK	\$456.5
2 CY	2XWK	\$228.28	2 CY	5XWK	\$570.7
2 CY	3XWK	\$342.47	2 CY	6XWK	\$684.8
			Extra P/l	\$36.8	
3 CY	1XWK	\$152.21	3 CY	4XWK	\$608.8
3 CY	2XWK	\$304.40	3 CY	5XWK	\$761.0
3 CY	3XWK	\$456.59	3 CY	6XWK	\$913.2
			Extra P/l	\$40.3	
4 CY	1XWK	\$190.26	4 CY	4XWK	\$761.0
4 CY	2XWK	\$380.51	4 CY	5XWK	\$951.2
4 CY	3XWK	\$570.75	4 CY	6XWK	\$1,141.5
			Extra P/l	\$50.2	
6 CY	1XWK	\$266.35	6 CY	4XWK	\$1,065.4
6 CY	2XWK	\$532.70	6 CY	5XWK	\$1,331.7
6 CY	3XWK	\$799.04	6 CY	6XWK	\$1,598.1
			Extra P/l	\$69.9	
8 CY	1XWK	\$342.48	8 CY	4XWK	\$1,369.7
8 CY	2XWK	\$684.88	8 CY	5XWK	\$1,712.2
8CY	3XWK	\$1,027.36	8CY	6XWK	\$2,054.7
			Extra P/l	\$90.4	

Bin Pushout Service

1XW	\$69.77	4XW	\$279.4
2XW	\$139.90	5XW	\$348.7
3XW	\$209.48	6XW	\$419.5

* Pushout service only applies if containers are moved more than 25ft.

Cart Pushout Service per set of 3 carts: Garbage, Recycle, Organic

1XWK	\$16.50	4XWK	\$65.96
2XWK	\$32.98	5XWK	\$82.46
3XWK	\$49.48	6XWK	\$98.94

* Pushout service only applies if containers are moved more than 25ft. Rate includes up to 50ft. More than 50ft add an addition 10% for each addition 10ft.

Recycle Cart

32 gallon increments **\$15.12**

Key Servic

\$77.6

Special Services **\$129.52**

Steam Clean and Re-Delivery of Bin

(Shall be provided once per year w/o charge)

Furnishing Chains (One Time Only)

Return Trip Fee **\$17.27**

Commercial/Multi Family Organic Rate Schedule
City of Cupertino
February 1, 2024

Front Loader Containers

1.0 CY	1XWK	\$158.43	1.0 CY	4XWK	\$633.7
1.0 CY	2XWK	\$316.88	1.0 CY	5XWK	\$792.1
1.0 CY	3XWK	\$475.31	1.0 CY	6XWK	\$950.6
Extra P/I			\$51.1		
1.5 CY	1XWK	\$198.14	1.5 CY	4XWK	\$792.6
1.5 CY	2XWK	\$396.32	1.5 CY	5XWK	\$990.7
1.5 CY	3XWK	\$594.46	1.5 CY	6XWK	\$1,188.9
Extra P/I			\$61.4		
2 CY	1XWK	\$237.84	2 CY	4XWK	\$951.1
2 CY	2XWK	\$475.52	2 CY	5XWK	\$1,188.9
2 CY	3XWK	\$713.38	2 CY	6XWK	\$1,426.6
Extra P/I			\$76.8		
3 CY	1XWK	\$317.04	3 CY	4XWK	\$1,268.2
3 CY	2XWK	\$634.07	3 CY	5XWK	\$1,585.2
3 CY	3XWK	\$951.10	3 CY	6XWK	\$1,902.2
Extra P/I			\$83.9		
4 CY	1XWK	\$396.32	4 CY	4XWK	\$1,585.2
4 CY	2XWK	\$792.62	4 CY	5XWK	\$1,981.5
4 CY	3XWK	\$1,188.90	4 CY	6XWK	\$2,377.8
Extra P/I			\$104.7		
6 CY	1XWK	\$554.82	6 CY	4XWK	\$2,219.3
6 CY	2XWK	\$1,109.65	6 CY	5XWK	\$2,774.1
6 CY	3XWK	\$1,664.47	6 CY	6XWK	\$3,328.9
Extra P/I			\$145.7		
8 CY	1XWK	\$713.40	8 CY	4XWK	\$2,853.3
8 CY	2XWK	\$1,426.66	8 CY	5XWK	\$3,566.7
8CY	3XWK	\$2,140.07	8CY	6XWK	\$4,280.0
Extra P/I			\$188.4		

Bin Pushout Service

1XW	\$69.7	4XW	\$279.4
2XW	\$139.9	5XW	\$348.7
3XW	\$209.4	6XW	\$419.5

* Pushout service only applies if containers are moved more than 25ft.

Cart Pushout Service per set of 3 carts: Garbage, Recycle, Organic

1XWK	\$16.50	4XWK	\$65.96
2XWK	\$32.98	5XWK	\$82.46
3XWK	\$49.48	6XWK	\$98.94

* Pushout service only applies if containers are moved more than 25ft. Rate includes up to 50ft. More than 50ft add an addition 10% for each addition 10ft.

Organic Cart

increments \$31.50

Key Service

\$77.69
32 gallon

Special Services

\$129.52
 Steam Clean and Re-Delivery of Bin
 (Shall be provided once per year w/o charge)
 Furnishing Chains (One Time Only)

Organic Compactor

Per Cubic Yard Per Pull

\$55.97

Return Trip Fee \$17.27

Debris Box Service Rate Schedule City of Cupertino February 1, 2024

Description	16DO	20DO	26DO	30DO	40DO
Allowed Tons					
Base Rates	\$ 667.8	\$ 745.63	\$ 1,021.98	\$ 1,208.3	\$ 1,289.0
Add'l Tons	\$ 124.2	\$ 124.23	\$ 124.23	\$ 124.2	\$ 124.2
Processor	Newby	Newby	Newby	Newby	Newby

Source Separated Recycling	08DOR	08DOR	08DO	16DOR-40DO	16DOR-40DOR
	Clean Dirt	Clean Concrete Asphalt	Mix rock, dirt & concrete	Clean Wood	Sheet Rock
Allowed Tons			6		
Haul Rate	\$ 598.32	\$ 598.32	\$ 1,040.47	\$ 598.3	\$ 598.32
Recycling Process Rate per ton	\$ 57.97	\$ 57.97	\$ 57.97	\$ 57.9	\$ 57.97

Note: Source Separated Recycling Loads will be charged the regular box rate if contaminated or mixed

Other Miscellaneous Rates

Description	Code	Amount
Daily Rental Rate For Boxes Beyond 7 Days	RENT	\$ 31.76
Weekly Rental Rate For Boxes Beyond 7 Days	RENT	\$ 201.84
Trip Charge For Empty Debris Box/Compactor (No Dump)	TRIP	\$ 119.67
Dry Run, Scheduled Service Bin Empty	TRIP	\$ 239.33
Relocate Container After Initial Delivery	RELOC	\$ 119.67
Same Day Cancelation (No Dump)	CANCL	\$ 79.79
Steam Clean after exchange bring back to yard	TRIP	\$ 239.33

Garbage, Organic, and Recycling Compactor Rates

Description	Amount	Processor	Dirty
Garbage Compactor Rates Per Yard Per Pull	\$ 56.30	Newby	N/A
Organic Compactor Rates Per Yard Per Pull	\$ 56.30	Recology	\$ 70.38
Mixed Recycling Compactor Rates Per Pull	\$ 541.86	GW Recovery	\$ 680.69
Mixed Recycling Compactor Rates Per Ton	\$ 83.90	GW Recovery	\$ 119.81