

# MEMO



## Discussion/Action

### Item #: 7.c

Meeting Date: April 19, 2024

To: Board of Directors  
From: Director of Finance and Administration, Helen Rodriguez  
Approved by: General Manager, Felipe Melchor

**Subject: Proposed 1) MSW Disposal Fee, 2) Single Stream Recycling fee, and 3) Changes to Certain Minimum Fees and Fees for Other Material Types in ReGen's fee schedule for Fiscal Year 2024/2025**

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## Recommendation

That the Board provide input and support for the proposed Municipal Solid Waste (MSW) Disposal Fee rate increase, proposed Single-Stream Recycling (SSR) processing rate increase, and changes to certain minimum fees and fees for other material types for Fiscal Year 2024/2025.

## Background

On April 3, 2024, the Finance committee discussed, provided input and support for the proposed MSW Disposal Fee rate increase, SSR processing rate increase, and changes to certain minimum fees and fees for other material types for Fiscal Year 2024/2025.

## Discussion

Staff is requesting feedback on the proposed rate fee changes for the purpose of developing the preliminary budget FY 2024/25 for review by the Board next month.

A \$3/ton increase for MSW Disposal Fee, from \$74/ton to \$77/ton or ~ 5% increase, is requested. The increase would contribute ~\$1.8M in revenues to fund anticipated costs such as:

- Ongoing labor negotiations and higher cost of employment
- Rising cost of capital expenditures
- Keeping pace with cost of ongoing regulatory mandates and compliance
- Funding of Capital Infrastructure and Capital Equipment Reserves established June, 2022
- Creation and funding of Closure and Post-Closure Liability Reserves
- Creation and funding of a CalPERS Unfunded Liability Reserve

The impact of the \$3 increase in MSW tip fee to the Member Jurisdiction rates is as follows:

#### Physical Address

14201 Del Monte Blvd.  
Salinas, CA 93908

#### Mailing Address

P.O. Box 1670  
Marina, CA 93933

#### Phone / Fax

831-384-5313 PHONE  
831-384-3567 FAX

#### Web / Social

ReGenMonterey.org  
@ReGenMonterey

*Let's not waste this.*



\$ increase per month of service attributable to ReGen proposed MSW rate increase		
	RESIDENTIAL 30-35 Gallon	COMMERICAL 1 Cubic Yd/wk
Carmel by the Sea	\$ 0.15	\$ 0.82
Del Rey Oaks	\$ 0.16	\$ 1.03
Marina	\$ 0.15	\$ 0.86
Pacific Grove	\$ 0.16	\$ 0.66
Pebble Beach CSD	\$ 0.10	\$ 0.35
Sand City *	\$ 0.12	\$ 0.58
Seaside	\$ 0.19	\$ 0.82
* Sand City 32-gallon rate is not available. 64-gallon rate is shown		

Staff requests increasing the SSR processing fee for services to the San Benito County area by Recology from \$37.50/ton, and Republic Services (for Salinas) from \$36.75/ton, to \$40/ton.

This will bring the SSR processing fee to Recology and Republic Services in-line with the GreenWaste Recovery (7 Member Agencies), Waste Management (unincorporated County of Monterey) and Watsonville who are currently at \$40/ton. In summary, the SSR processing fees for member agencies (City of Monterey excluded) is not proposed to be increased from the current rate of \$40/ton. The City of Monterey does not utilize ReGen's SSR processing services.

Other rate changes proposed for FY 2024/2025 include changes to certain minimum charge-per-load fees, and certain fees for other materials. The minimum charge-per-load has not increased in recent years and is being increased to bring certain fees in-line with, or closer, to prevailing market fees and to be consistent with other charges of similar items (refer to attached table).

The fee changes have been summarized in the table attached.

### Financial Impact

The financial impact to Fiscal 2024/2025 budget is an estimated \$1.8M of revenue increase.

### Conclusion

The Staff request that the Board provide input and support for the proposed MSW Disposal Fee rate increase, SSR processing fee and changes to certain minimum fees and fees for other material types for Fiscal Year 2024/2025.



Type of Material	Current		Proposed		Increase/(Decrease)	
	Per Ton	Min Charge	Per Ton	Min Charge	Per Ton	Min Charge
<b>Solid Waste</b>	\$ 74	\$ 20	\$ 77	\$ 20	\$ 3	
<b>Organics</b>						
Clean Wood ( <i><b>NEW</b></i> - segregated from yard trimmings)	\$ 47	\$ 10	\$ 47	\$ 15		\$ 5
Yard Trimmings	\$ 47	\$ 10	\$ 47	\$ 15		\$ 5
<b>Aggregates</b>						
Clean Drywall	\$ 34	\$ 7	\$ 34	\$ 10		\$ 3
Clean Concrete/Brick/Rock	\$ 1	\$ 5	\$ 2	\$ 10	\$ 1	\$ 5
Mixed load and Asphalt	\$ 2	\$ 5	\$ 2	\$ 10		\$ 5
Appliances with Refrigerant		\$ 20		\$ 50		\$ 30
Commerical Appliances with Refrigerants ( <b>NEW</b> )				\$ 50		\$ 50
Tires less than 42" ( <i>changed from 35"</i> )		\$ 2		\$ 5		\$ 3
Problem Waste	\$ 107	\$ 25	\$ 107	\$ 50		\$ 25
Fumigation Plastic	\$ 107	\$ 25	\$ 107	\$ 50		\$ 25
Clean Soil	\$ 1	\$ 5	\$ 1	\$ 10		\$ 5