



Finance Committee

April 3, 2024

Rate Increase Proposal FY 2024-2025

Budget Timeline

Budget Timeline:

- April
 - Discussion of proposed fee changes for purpose of developing budget for FY 2024/25
- May
 - Receive draft budget for FY 2024/25 and provide direction to staff
 - Schedule public hearing for changes to fees
- June
 - Public hearing to consider changes to fees
 - Approval of changes to fees effective July 1, 2024
 - Adopt resolution to approve final budget

Summary

Requesting Rate Increase Guidance:

- Seek Board's guidance for proposed fee changes for the purpose of developing the preliminary budget for FY 2024/2025 for review by the Board next month
- Increase Municipal Solid Waste (MSW) disposal fee from \$74/ton to \$77/ton (~ 4.05%)
- Increase single-stream recyclables (SSR) processing fees to Recology (for San Benito County) from \$37.50/ton and to Republic (for Salinas) from \$36.75/ton to \$40/ton.
- Changes to minimum charge per load and other fees

Municipal Solid Waste Fee

Municipal Solid Waste Disposal Fee

- Increase of \$3/ton from \$74/ton to \$77/ton
- This is approximate increase of 4.05%
- Prior year increase was 5%

Cost Factors:

- 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 CalPERS Unfunded Pension Liability Reserve

ReGen Fee Increase Impact – Varies by Jurisdiction based on City Rate Setting Policies

Impact by Jurisdiction – All Increases

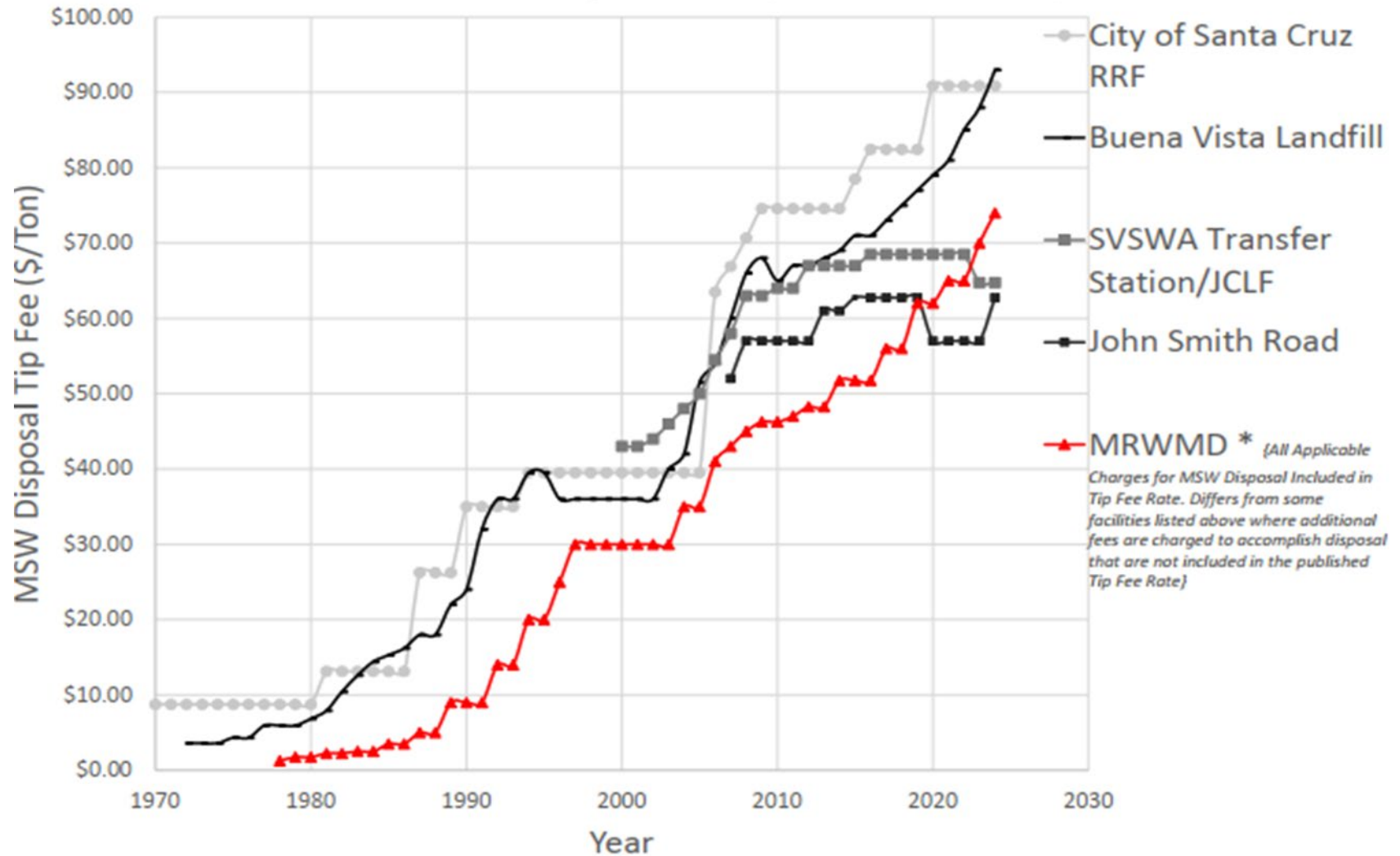
\$ increase per month of service – attributable to ReGen Increase Only

	RESIDENTIAL	COMMERCIAL
	<u>30-35 Gallon</u>	<u>1 Cubic Yard 1/wk</u>
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

Regional Tip Fee History

MSW Disposal Tip Fee History



Proposed Rate Changes

MRF Processing rates:

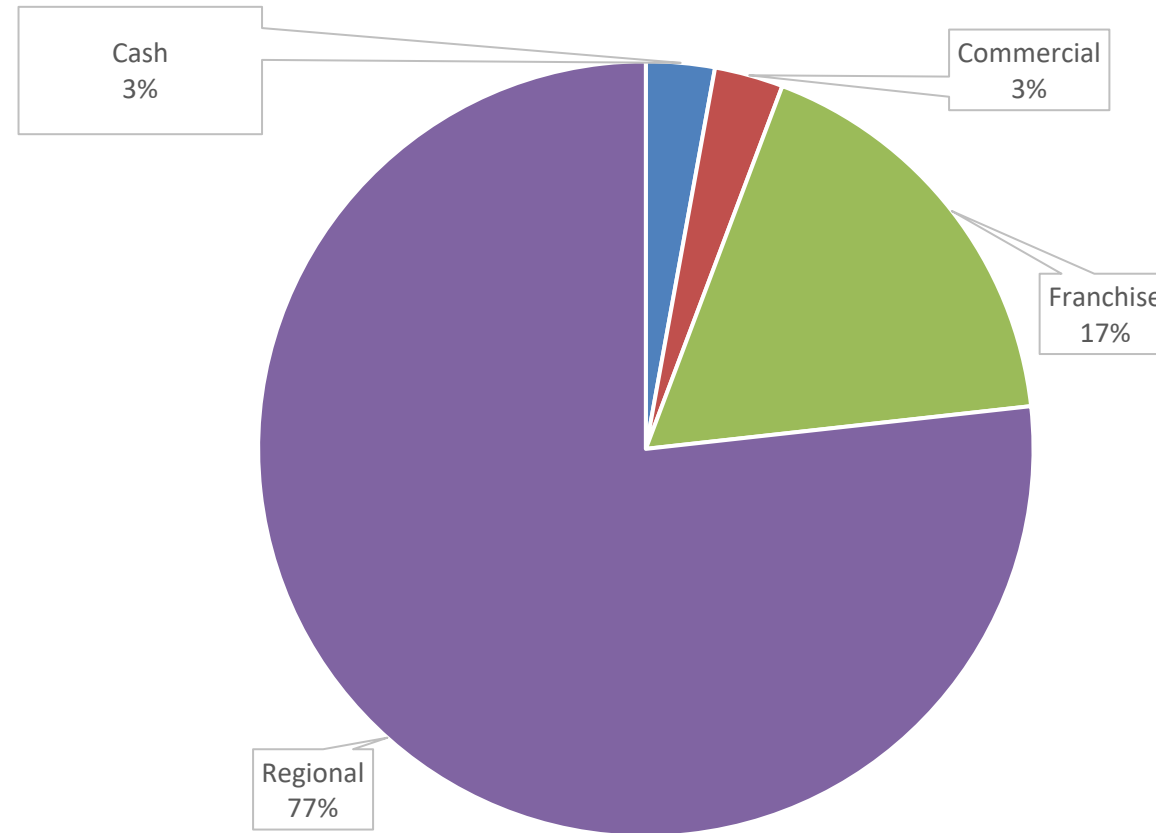
Material	Current Rate	Proposed Rate	Date of last increase
GreenWaste Recovery (Monterey Peninsula)	\$40.00	\$40.00	N/A
Republic Services of Salinas	\$36.75	\$40.00	7/1/2023
Waste Management	\$40.00	\$40.00	7/1/2019
Recology South Valley	\$37.50	\$40.00	7/1/2023
City of Watsonville	\$40.00	\$40.00	7/1/2019

Fee Increase Impact – Varies by Jurisdiction Based on City Rate Setting Policies

Impact by Jurisdiction – Single-Stream Recyclables (SSR) Processing

- Eight (8) member agencies (Monterey excluded) will not see any single-stream recycling price increase—\$40/ton rate will remain.
- City of Monterey does not utilize ReGen Monterey's single-stream processing services thus, no fee is charged for single-stream recyclables processing to the City of Monterey.

MSW Tons July 2023 – March 2024 by Customer Type





ReGen Monterey

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ReGen Monterey
is the public name of
Monterey Regional Waste
Management District

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