



**MEETING DATE:** October 9, 2024

**AGENDA ITEM:** 6. Intermountain Disposal - Rate Increase

**FROM:** Tom Valentino, Solid Waste consultant

**RE:** 2025 Refuse Collection Rate Increase

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**BACKGROUND:**

**BACKGROUND** Under the revised and amended franchise agreement between the City of Portola and Intermountain Disposal Company, the company is entitled to an annual rate adjustment for changes in the cost of doing business, consistent with Section 5.3 of the agreement.

The adjustment for increases of the cost of doing business is based on U.S. Bureau of Labor Statistics and the U.S. Energy Information Administration data for consumer indices and fuel price changes over a one-year period (August 2023 to August 2024). Specifically, the two federal agency statistics used to calculate the annual increase are:

Ø Bureau of Labor Statistics Consumer Price Index for All West Urban Consumers, Non-Seasonally Adjusted; and

Ø Energy Information Administration California No. 2 Diesel Retail Prices.

Staff calculated the inflation and diesel fuel increases using August 2023 and August 2024 federal data and the calculation procedure stated in section 5.3 of the franchise agreement. The combined CPI/Diesel Fuel rate increase is 0.61%. Intermountain Disposal's accounting firm VT Accounting Associates separately calculated the CPI and Fuel increases and agreed with our calculation.

**Transfer Station Fee Increases**

The Plumas County Board of Supervisors approved fee increases at the Delleker Transfer Station of 8.91% (effective July 5, 2022) and 6.09% (effective July 1, 2024). IMD seeks to increase refuse collection rates for the transfer station increases, consistent with section 5.5 of the franchise agreement - Pass-Through Costs.

To determine the percentage of the two transfer station increases to pass-through to the refuse collection rates, VT Accounting Associates provided IMD financial information for 2023. VT states IMD had total revenue of \$627,927 and disposal fees at the transfer station of \$150,777 in 2023. Disposal fees (\$150,777) as a percentage of revenue (\$627,927) is 24.0 percent.

To calculate the transfer station fee increases on the 2025 refuse collection rates, we sum the two fee increases and multiply the sum by 24.0%. The result is a 3.60% increase for trash disposal services, effective 2025.

Proposed 2025 refuse collection rate sheets and the federal data sheets are attached.

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**RECOMMENDATION:**

Staff recommends that the City Council review the proposed 2025 refuse collection rates and direct staff to commence the Proposition 218 process to approve the 2025 rates. Following written notification of the proposed 2025 rates to affected residents and businesses in Portola, there is a 45-day public comment period. Staff anticipates a public hearing on the 2025 rates at a city council meeting on December 11, 2024

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**ATTACHMENTS:**

- A. 2025 RATE INCREASE V 3.0 W FED DATA

**INTERMOUNTAIN DISPOSAL COMPANY  
ANNUAL ADJUSTMENT OF RATES FOR THE 2025 CALENDAR YEAR (RATE YEAR 8)**

*Annual Rate Adjustment Calculated per Section 5.3 of the Franchise Agreement, as Amended August 25, 2021*

**Rate Adjustment Calculations**

**Adjust for Changes in CPI and Fuel Costs August 2023 through August 2024**

% Increase = 90% Annual Change West Region CPI (Aug/Aug) + 10% Annual Change California Fuel (Aug/Aug)

August 2022 West Urban CPI:	326.234	Data Reference: <a href="https://data.bls.gov/cgi-bin/surveymost?cu">https://data.bls.gov/cgi-bin/surveymost?cu</a>
August 2023 West Urban CPI:	333.442	
August 2022 EIA Cal Diesel Fuel:	\$5.518	Date Reference: <a href="http://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_sca_m.htm">www.eia.gov/dnav/pet/pet_pri_gnd_dcus_sca_m .htm</a>
August 2023 EIA Cal Diesel Fuel:	\$4.758	
<b>CPI/Fuel Rate Increase =</b>	<b>0.61%</b>	

**Adjust for Increased Disposal Fees at Delleker Transfer Station**

DTS Disposal Fee Increase Effective July 5, 2022	8.91%
DTS Disposal Fee Increase Effective July 1, 2024	6.09%
Disposal Cost as Percentage of Total IMD Revenues (2023)	24.0%
<b>Disposal Fee Rate Increase (15.00% x 0.240) =</b>	<b>3.60%</b>

**INTERMOUNTAIN DISPOSAL PROPOSED 2025 RATE INCREASE  
RATES EFFECTIVE JANUARY 1, 2025 UPON APPROVAL FROM PORTOLA CITY COUNCIL**

**COMMERCIAL AND RESIDENTIAL CAN RATES  
2025 RATE INCREASE (RATE YEAR 8)**

<b>Item</b>	<b>Current 2024 Monthly Rates</b>	<b>CPI/Diesel Fuel Increase (0.61%)</b>	<b>Delleker Transfer Station Fee Increases (3.60%)</b>	<b>Proposed 2025 Monthly Rates</b>
<b><i>Wastecarts</i></b>				
32 Gallon Cart	\$15.39	\$0.09	\$0.55	\$16.03
64 Gallon Cart	\$20.92	\$0.13	\$0.75	\$21.80
96 Gallon Cart	\$26.48	\$0.16	\$0.95	\$27.59
<b><i>Replace Carts</i></b>				
32 Gallon Cart	\$77.84	\$0.47	-	\$78.31
64 Gallon Cart	\$88.23	\$0.54	-	\$88.77
96 Gallon Cart	\$108.99	\$0.66	-	\$109.65
<b><i>Recycling Service</i></b>				
64 Gallon Cart	\$5.43	\$0.03	-	\$5.46
<b><i>Green Waste Service</i></b>				
96 Gallon Cart	\$16.75	\$0.10	\$0.60	\$17.45
<b><i>Extra Services</i></b>				
New Service & Reinstatement Fee	\$8.66	\$0.05	-	\$8.71
Backyard Collection	\$8.67	\$0.05	-	\$8.72
Car Tire	\$5.50	\$0.03	\$0.20	\$5.73
Truck Tire	\$11.19	\$0.07	\$0.40	\$11.66
Appliances	\$26.36	\$0.16	\$0.95	\$27.47
Mattress/Box Spring	\$52.59	\$0.32	\$1.89	\$54.80
Waste Cart Delivery	\$15.60	\$0.10	-	\$15.70
One-Time Collection, Up to Four Cans	\$26.09	\$0.16	-	\$26.25
Returned Check Fee	\$54.30	\$0.33	-	\$54.63

**INTERMOUNTAIN DISPOSAL PROPOSED 2025 RATE INCREASE**  
**RATES EFFECTIVE JANUARY 1, 2025 UPON APPROVAL FROM PORTOLA CITY COUNCIL**

**COMMERCIAL BIN SERVICE RATES**  
**2025 RATE INCREASE (RATE YEAR 8)**

Item	Pick-ups Per Week	Current 2024 Monthly Rates	CPI/Diesel Fuel Increase (0.61%)	Delleker Transfer Station Fee Increases (3.60%)	Proposed 2025 Monthly Rates
<b>Bin Size</b>					
1 CY	1x	\$67.87	\$0.41	\$2.44	\$70.72
	2x	\$135.63	\$0.83	\$4.88	\$141.34
	3x	\$203.29	\$1.24	\$7.32	\$211.85
1.5 Cy	1x	\$102.16	\$0.62	\$3.68	\$106.46
	2x	\$204.18	\$1.25	\$7.35	\$212.78
	3x	\$306.21	\$1.87	\$11.02	\$319.10
2 CY	1x	\$150.80	\$0.92	\$5.43	\$157.15
	2x	\$301.47	\$1.84	\$10.85	\$314.16
	3x	\$452.11	\$2.76	\$16.28	\$471.15
3 CY	1x	\$254.66	\$1.55	\$9.17	\$265.38
	2x	\$509.17	\$3.11	\$18.33	\$530.61
4 CY	1x	\$271.06	\$1.65	\$9.76	\$282.47
	2x	\$542.01	\$3.31	\$19.51	\$564.83
5 CY	1x	\$338.78	\$2.07	\$12.20	\$353.05
	2x	\$677.40	\$4.13	\$24.39	\$705.92
6 CY	1x	\$421.70	\$2.57	\$15.18	\$439.45
	2x	\$843.27	\$5.14	\$30.36	\$878.77
8 CY	1x	\$593.28	\$3.62	\$21.36	\$618.26
	2x	\$1,186.39	\$7.24	\$42.71	\$1,236.34
<b>Extra Services</b>					
New Service & Reinstatement Fee		\$8.66	\$0.05	-	\$8.71
Extra Yardage		\$17.55	\$0.11	\$0.63	\$18.29
Extra Cans		\$6.69	\$0.04	\$0.24	\$6.97
Container Delivery		\$58.82	\$0.36	-	\$59.18
Container Relocation		\$29.39	\$0.18	-	\$29.57
Weekly Rental Charge					
1 CY		\$10.83	\$0.07	-	\$10.90
1.5 CY		\$16.28	\$0.10	-	\$16.38
2 CY		\$23.97	\$0.15	-	\$24.12
3 Cy		\$40.57	\$0.25	-	\$40.82
4 CY		\$43.02	\$0.26	-	\$43.28
5 Cy		\$53.99	\$0.33	-	\$54.32
Car Tire		\$5.50	\$0.03	\$0.20	\$5.73
Truck Tire		\$11.19	\$0.07	\$0.40	\$11.66
Return Charge		\$12.99	\$0.08	-	\$13.07
Off-Day Collection		\$25.96	\$0.16	-	\$26.12
Bear-Resistant Bin		\$22.21	\$0.14	-	\$22.35
Bin Unlock/Lock		\$42.23	\$0.26	-	\$42.49
Bin Repair Per Hour		\$78.43	\$0.48	-	\$78.91

**INTERMOUNTAIN DISPOSAL PROPOSED 2025 RATE INCREASE  
RATES EFFECTIVE JANUARY 1, 2025 UPON APPROVAL FROM PORTOLA CITY COUNCIL**

**ROLL-OFF BOX RATES  
2025 RATE INCREASE (RATE YEAR 8)**

	ROLL-OFF BOXES				Delivery Charge		
	Current 2024 Rates	CPI/Diesel Fuel Increase (0.61%)	Delleker Transfer Station Fee Increases (3.60%)	Proposed 2025 Rates	Current 2024 Rates	CPI/Diesel Fuel Increase (0.61%)	Proposed 2025 Rates
<b>Box Size</b>							
10 CY	\$328.28	\$2.00	\$11.82	\$342.10	\$57.39	\$0.35	\$57.74
12 CY	\$409.58	\$2.50	\$14.74	\$426.82	\$57.39	\$0.35	\$57.74
20 CY	\$569.04	\$3.47	\$20.49	\$593.00	\$57.39	\$0.35	\$57.74
25 CY	\$685.67	\$4.18	\$24.68	\$714.53	\$57.39	\$0.35	\$57.74
30 CY	\$835.65	\$5.10	\$30.08	\$870.83	\$57.39	\$0.35	\$57.74
40 CY	\$1,135.21	\$6.92	\$40.87	\$1,183.00	\$57.39	\$0.35	\$57.74
<b>Demurrage Charge</b>							
Daily	\$17.37	\$0.11	-	\$17.48			
Weekly	\$50.69	\$0.31	-	\$51.00			
<b>Extra Services</b>							
Off-Day Relocation, Per Hour	\$113.55	\$0.69	-	\$114.24			
Overweight Per ton (>8Tons)	\$100.82	\$0.62	\$3.63	\$105.07			
Standby Monday- Friday, Per Hour	\$109.93	\$0.67	-	\$110.60			
Standby Off Hours, Per Hour	\$170.33	\$1.04	-	\$171.37			



# Databases, Tables & Calculators by Subject

Change Output Options:

From: 2014 To: 2024 [GO](#)

[Special Notices](#) 4/25/2024

include graphs  include annual averages

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Data extracted on: September 11, 2024 (11:52:08 AM)

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

Series Id: CUUR0400SA0

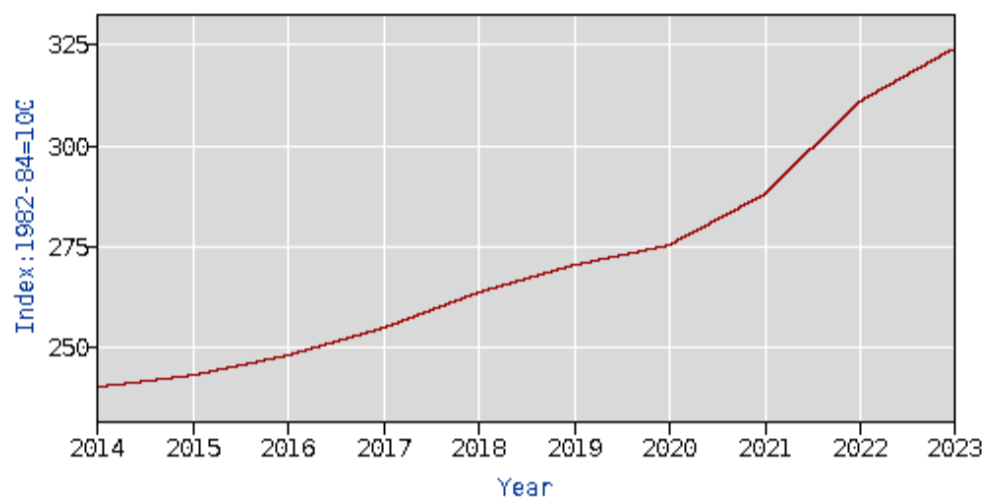
Not Seasonally Adjusted

Series Title: All items in West urban, all urban consumers, not seasonally adjusted

Area: West

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	236.707	237.614	239.092	239.808	241.350	241.616	241.850	241.660	241.920	241.650	240.220	239.095	240.215	239.365	241.066
2015	238.318	239.748	241.690	242.302	244.227	244.332	245.040	244.737	244.257	244.341	243.749	243.434	243.015	241.770	244.260
2016	244.600	244.821	245.404	246.589	247.855	248.228	248.375	248.498	249.234	249.897	249.448	249.516	247.705	246.250	249.161
2017	250.814	252.252	252.949	253.806	254.380	254.469	254.708	255.282	256.504	257.223	257.126	257.347	254.738	253.112	256.365
2018	258.638	259.986	260.994	262.037	263.240	263.732	263.971	264.395	265.105	266.195	265.658	265.209	263.263	261.438	265.089
2019	265.624	266.215	267.370	269.522	270.880	270.957	271.029	271.264	272.102	273.524	273.128	272.584	270.350	268.428	272.272
2020	273.340	274.412	273.995	272.913	273.062	274.155	275.597	276.443	276.422	276.876	276.875	276.593	275.057	273.646	276.468
2021	277.238	278.702	280.625	283.507	285.793	288.263	289.863	290.393	291.053	293.397	294.986	296.102	287.494	282.355	292.632
2022	298.705	301.158	305.082	307.145	309.645	313.496	313.951	314.013	315.094	317.299	315.919	314.599	310.509	305.872	315.146
2023	317.477	319.130	320.715	322.187	323.525	324.448	324.865	326.234	327.491	327.708	326.299	325.932	323.834	321.247	326.422
2024	328.053	329.339	332.202	334.050	334.292	333.662	333.174	333.442						331.933	

U.S. BUREAU OF LABOR STATISTICS Postal Square Building 2 Massachusetts Avenue NE Washington, DC 20212-0001

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# Petroleum & Other Liquids

## Weekly Retail Gasoline and Diesel Prices

(Dollars per Gallon, Including Taxes)

Area: California Period: Monthly

Show Data By:

Product  Area Graph Clear

		Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	View History
<b>Gasoline - All Grades</b>	<input type="checkbox"/>	4.831	5.255	5.118	4.777	4.590	4.451	<a href="#">2000-2024</a>
All Grades - Reformulated Areas	<input type="checkbox"/>	4.831	5.255	5.118	4.777	4.590	4.451	<a href="#">1995-2024</a>
Regular	<input type="checkbox"/>	4.720	5.145	5.005	4.663	4.471	4.332	<a href="#">2000-2024</a>
Reformulated Areas	<input type="checkbox"/>	4.720	5.145	5.005	4.663	4.471	4.332	<a href="#">1995-2024</a>
Midgrade	<input type="checkbox"/>	5.028	5.433	5.310	4.982	4.796	4.663	<a href="#">2000-2024</a>
Reformulated Areas	<input type="checkbox"/>	5.028	5.433	5.310	4.982	4.796	4.663	<a href="#">1995-2024</a>
Premium	<input type="checkbox"/>	5.159	5.590	5.454	5.112	4.944	4.801	<a href="#">2000-2024</a>
Reformulated Areas	<input type="checkbox"/>	5.159	5.590	5.454	5.112	4.944	4.801	<a href="#">1995-2024</a>
<b>Diesel (On-Highway) - All Types</b>	<input type="checkbox"/>	5.216	5.239	5.078	4.927	4.901	4.758	<a href="#">1995-2024</a>
Ultra Low Sulfur (15 ppm and Under)	<input type="checkbox"/>	5.216	5.239	5.078	4.927	4.901	4.758	<a href="#">2007-2024</a>

Click on the source key icon to learn how to download series into Excel, or to embed a chart or map on your website.

- = No Data Reported; -- = Not Applicable; NA = Not Available; W = Withheld to avoid disclosure of individual company data.

**Notes:** Conventional area is any area that does not require the sale of reformulated gasoline. All types of finished motor gasoline may be sold in this area. RFG area is an ozone nonattainment area designated by the U.S. Environmental Protection Agency (EPA), which requires the use of reformulated gasoline. We stopped publishing Low Sulfur On-Highway Diesel (LSD) prices at the U.S. level on December 8, 2008, because fewer stations were selling LSD as a result of EPA diesel fuel regulations. We continued to collect LSD prices from retail outlets and included them in the Diesel Average All Types price until July 26, 2010, when no more outlets reported LSD sales. Beginning July 26, 2010, publication of Ultra Low Sulfur Diesel (ULSD) price became fully represented by the Diesel Average All Types price. As of December 1, 2010 (September 1, 2006 in California), any on-highway diesel fuel sold is ULSD as mandated by EPA on-highway diesel fuel regulations. We did not collect weekly retail motor gasoline data between December 10, 1990, and January 14, 1991. Monthly and annual averages are simple averages of the weekly data. For months and years with incomplete weekly data series, the monthly and/or annual averages are not available. On May 14, 2018, we implemented [statistical methodology changes](#) to improve the accuracy of the weekly retail gasoline price estimates. As a result of these statistical methodology changes, the published retail gasoline estimates for May 14, 2018, are not directly comparable to those published for May 7, 2018. On June 13, 2023, we implemented [statistical methodology changes](#) to improve the accuracy of the weekly retail on-highway diesel fuel price estimates. As a result of these statistical methodology changes, the published retail on-highway diesel fuel prices for June 13, 2022 are not directly comparable to those published for June 6, 2022. See Definitions, Sources, and Notes link above for more information on this table.

Release Date: 9/9/2024

Next Release Date: 9/16/2024