CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Public hearing to consider refuse rate adjustment application from California Waste Recovery Systems.

MEETING DATE: March 19, 1996

PREPARED BY: Kirk J. Evans, Assistant to the City Manager

RECOMMENDED ACTION: That City Council consider the refuse rate adjustment application from California Waste Recovery Systems (CWRS).

BACKGROUND INFORMATION: Over the past six years, City Council has followed a Rate Methodology - adopted by Council December 4, 1991 - for establishing residential and commercial refuse collection rates in the City of Lodi. In accordance with this methodology, CWRS has submitted its rate adjustment application. CWRS proposes a 6% increase in residential rates and a 5.8% increase in commercial rates.

This is the first year of a two year rate adjustment cycle. This application is based on the period from April 1, 1997 to March 31, 1998. For the second year of the cycle, CWRS will file a rate application based on a Composite Cost Index formula.

One feature of this application addresses whether the Lodi franchise pays only its fair share of the total cost of operating the Materials Recovery Facility and composting operation. Exhibits 2 & 3 clearly show the Lodi franchise pays only for **24.49%** of recyclable and compostable material processing expenses.

Another feature of the application addresses whether the Lodi franchise receives full credit for the sale of recyclable and compostable materials. Following Exhibit 8, a sheet detailing the sale of these materials for the year ending March 31, 1998 projects total revenues of **$296,958**. This figure is shown on Exhibit 1 as a deduction to CWRS' total revenue requirement of $6,080,406. This yields a figure of $5,783,448 which is net revenue required from commercial and residential collection rates.

Staff has thoroughly reviewed the CWRS application and found it to be in conformance with the adopted methodology. This methodology is based on the submission of a budget forecast by CWRS for the provision of residential and commercial refuse, recyclable material and yard waste collection services in the City of Lodi. The methodology does state that "If actual test year expenses or revenues differ from these forecasts, then earned return will likewise differ from allowed return". If CWRS exceeds its budget, then its return will be diminished.

FUNDING: None required.

Kirk J. Evans
Assistant to the City Manager

APPROVED: _____
H. Dixon Flynn -- City Manager

December 4, 1991

Lodi Sanitary City Disposal
Rate Methodology
Detailed Procedure

INTRODUCTION

The purpose of this document is to set forth a methodology for periodically adjusting the rates charged by Lodi Sanitary City Disposal (LSCD) for refuse collection services provided within the City of Lodi. The franchise agreement of September 7, 1988, between LSCD and the City of Lodi (herein referred to as the "Agreement") governing the collection and transportation of refuse, gives the City the discretion to set the rates for these services. This methodology will ensure that the manner in which these rates are set is fair and reasonable.

The procedures set forth below ensure that LSCD faces substantial incentives for efficient operation. Rates are based on agreed-upon reasonable forecasts of expenses and revenues. Once the City adopts such forecasts, it is the company's responsibility, to the extent that expenses are controllable by the company, to live within those forecasts during the period those rates are in effect. If LSCD does not efficiently manage those expenses which it can control, then its profitability will be adversely affected.

I. SERVICES COVERED BY THE RATE METHODOLOGY

The rate methodology specified herein governs the setting of rates for the following categories of services rendered by LSCD in accordance with the franchise agreement between LSCD and the City of Lodi:

- Residential refuse, recyclable material, and yard waste collection and processing,
- Commercial refuse and recyclable material collection and processing, and
- Industrial refuse collection

II. DEFINITIONS

Rate Adjustment Application: The package submitted by LSCD to support its request for rate adjustment which will include the following:

1. The most current budget for the provision by LSCD of the above services.

2. A series of Exhibits that detail the rate request, including an exhibit which details projected test year revenue and related assumptions. Samples of exhibits are included as Attachment A.

Test Year: The 12-month period for which revenue requirements and rates will be estimated. Test years will correspond to the LSCD fiscal year, which begins on April 1 and extends through March 31 of the following year.

Allowable Revenues: Those revenues that correspond to the above services and are included as revenues for the purpose of determining the appropriate rate adjustment (as described in Section IV).

Allowable Expenses: Those expenses that correspond to the above services and are allowed as expenses to be recovered in rates (as described in Section IV).

Projected Test Year Revenue: Allowable test year revenues anticipated by LSCD at existing rates and adjusted for changes in quantity (e.g., projected number of accounts) for the test year.

Projected Test Year Expense: Allowable expenses estimated to be incurred during the test year.

Required Test Year Revenue: The level of test year revenues that will recover projected test year expenses and a reasonable return.

Rate Adjustment Percentage: The percentage by which rates for the test year must be adjusted. The computation of this percentage is described in Section V.

III. RATE ADJUSTMENT PROCESS

LSCD will file a detailed rate application to cover the costs incurred during the fiscal years ending March 31, 1992, March 31, 1993, and March 31, 1994. This application will be filed on an early 1992 date to be mutually determined by LSCD and the City and will propose two equal rate adjustments, the first of which will become effective on a mutually-determined date. The rate adjustments will be based on budget projections for

the test year periods from April 1, 1991 to March 31, 1992, from April 1, 1992 to March 31, 1993, and from April 1, 1993 to March 31, 1994.

LSCD will file a detailed rate application on February 15, 1993, for the period from April 1, 1993 to March 31, 1994. Based on this rate application, the second of the two rate adjustments discussed above will, if necessary, be modified.

The detailed rate application submitted on February 15, 1993 will be the start of a two year rate adjustment cycle. For the first year of each cycle, LSCD will file a detailed rate adjustment application by February 15, as described below, with rates to become effective on April 1. The detailed rate application and rate adjustment will be based on the test year for the period from April 1 to the following March 31. For the second year of each cycle, LSCD will file, by February 15, a rate adjustment request based on a composite cost index formula, as described below, with rates to become effective on April 1.

As specified in the Agreement, LSCD has the right to renegotiate the rates at times other than the regular submission of an application in the event of any unforeseen special occurrences, such as a change in landfill location, stricter environmental requirements on equipment, or change in service levels or frequency. In addition, rates will be adjusted based on any landfill fee adjustments on the provision of 30 days notification to the City of Lodi by LSCD.

IV. ALLOWABLE REVENUES, EXPENSES, and REASONABLE RETURN

Sections A and B below define the categories of revenues and expenses that are allowable. For all of these categories, there is a presumption of reasonableness. LSCD must, at the request of the City, demonstrate that any projected revenue or expense included in the ratemaking calculation is reasonable.

A. Allowable Revenues: Allowable revenues corresponding to the services specified in Section I shall include the following revenue categories:

1. Refuse, Recycling, and Yard Waste Collection Revenues
2. Revenues from the sale of recyclable and compostable material
3. Workers' Compensation Dividends
4. Other revenue, such as payments made to LSCD by the City of Lodi to cover the cost of the services described in Section I.

B. Allowable Expenses: Allowable expenses corresponding to the services specified in Section I shall include:

- Refuse, recycling, and yard waste collection expenses

- Recyclable and compostable material processing expenses
- Transfer station charges
- Disposal charges
- Franchise fees

Allowable expenses can either be exclusive to the City of Lodi franchise or shared with other jurisdictions. The rate application will identify shared expenses and document the formula used to allocate a portion of shared expenses to the City. LSCD will provide organization and staffing charts specifying numbers of employees, salaries, and allocation formulas where appropriate to support the payroll expenses of the budget projections.

B.1 Refuse, Recycling, and Yard Waste Collection Expenses:

- Payroll expenses
  - Salaries
  - Payroll Taxes and Workers' Compensation Insurance
  - Group Insurance and Pension Plan
  - Laundry and Uniforms

- Equipment expenses
  - Repairs and Maintenance - Parts, Supplies, and Tires
  - Fuel and Oil
  - Equipment Leases
  - Licenses and Fuel Use Tax
  - Insurance General

- Other Expenses
  - Interest
  - Depreciation
  - Debt Service
  - Telephone
  - Utilities
  - Computer Expenses
  - Equipment Rental
  - Office Supplies and Expenses
  - Facility Rental
  - Property Taxes
  - Permits and Licenses
  - Officers' Life Insurance
  - Accounting
  - Legal
  - Consulting
  - Education and Training
  - Public Awareness

- Subcontract Hauling
- Administrative Expenses
- Shop Expenses
- Miscellaneous (e.g., auto expense, repairs & maintenance - general, dues and subscriptions, freight, radio expense, 401k plan administration)

- Government imposed expenses due to regulatory or legal mandate

Depreciation expenses (not already included in the debt service, lease, or rental expense categories) will follow the straight line method. The depreciation life will be the lesser of the life permitted by the Internal Revenue Service, the financing terms for the particular asset, or the expected economic life for the level of use.

Interest expenses will be subject to an interest rate "cap" of the prime rate plus 2.75% multiplied by the projected capital amounts to be financed.

B.2 Recyclable and Compostable Material Processing Expenses: These expenses shall be calculated according to the following formula:

$$R = A \times (B/C) \qquad \text{where:}$$

R is the portion of the allowable projected recyclable and compostable material processing expenses assigned to the LSCD franchise.

A is the total projected CWRS recyclable and compostable material processing facility expenses that fall into the categories specified above in paragraph B.1.

B is the number of recyclable and compostable material tons from the City of Lodi franchise projected to be delivered in the test year by LSCD to the CWRS material processing facility.

C is the total number of tons projected to be received in the test year from all regulated jurisdictions by the CWRS material processing facility.

LSCD will provide documentation of recyclable and compostable material tons delivered to the CWRS material processing facility from all regulated jurisdictions for the most recent obtainable 12 month period preceding the test year of the rate application.

B.3 Transfer Station Charges: Charges assessed by the CWRS transfer station to process, transport, and dispose of refuse.

B.4 Disposal Charges: Tipping fee charges assessed by a landfill for refuse disposal.

B.5 Franchise Fees: Franchise fees as specified by the City of Lodi.

B.6 Community Programs: Community contributions promoting recycling as specified by the City of Lodi.

C. Reasonable Return: The allowed reasonable return is 12% of the allowed reasonable expenses included in paragraphs B.1 and B.2.

In order to ensure that LSCD has the opportunity to earn a reasonable return while, at the same time, providing incentives for efficient operation, LSCD shall be allowed a return that is based on the forecasted expenses judged by the City to be reasonable. If actual test year expenses or revenues differ from these forecasts, then earned return will likewise differ from the allowed return. Thus, if LSCD spends more than is forecast, its return will be less than authorized.

V. PROCEDURE FOR SETTING RATES

V.1 Detailed Rate Application Procedure

For the initial period through March 31, 1994, as well as the first year of each two year cycle, rates will be adjusted following the submission of a detailed rate application. The basis for the rates, revenues, expenses, and return shall be the annual budget for the provision of the services specified in Section I. The rate adjustment will be determined by the following steps:

- The application will include a budget for the provision of the above services for the test year. The budget will be adjusted so that only allowable revenues and expenses, as described in Section IV, are included.

- The Required Test Year Revenue (RTYR) will be calculated by adding the reasonable return to the allowable expenses presented in the budget.

- The Recycling Revenue Adjustment (RRA) will be calculated as follows:

$$RRA = REVACT - REVEST, \quad \text{where:}$$

REVACT is the actual revenue realized by LSCD from the sale of recyclables from the City of Lodi franchise during the prior fiscal year, and

REVEST is the estimate of LSCD recycling revenue from the City of Lodi franchise included in the prior test year's rate calculation.

[Note that in 1991, RRA is zero.]

The source and tonnage of recyclable and compostable material is tracked and documented using LSCD tonnage reports and the California State Recycling Center/Curbside Certification Number for each jurisdiction. Material is collected and sorted, and then weighed by commodity by jurisdiction. Revenue from the sale of recyclable and compostable material is documented by sale invoice. The City of Lodi franchise will be credited 100% of the actual commodity sales price.

- Projected Test Year Revenue (**PTYR**) will be calculated by estimating the allowable revenues expected to be received at existing rates during the test year.

- The Additional Required Revenue (**ARR**) is computed as follows:

$$ARR = RTYR - RRA - PTYR$$

- The Rate Adjustment Percentage (RAP) will be calculated by dividing the Additional Required Revenue (ARR) by the Projected Test Year Revenue (PTYR). An adjustment will be made to the ARR to reflect any timing lag in rate adjustment in the prior year due to the rate adjustment becoming effective after the start of the test year. The adjustment is based on the number of months delay during the prior fiscal year.

The Rate Adjustment Percentage (RAP) is calculated as follows:

$$RAP = \frac{ARR + PREVARR \times M/12 \times (1+r)}{PTYR} \quad \text{where:}$$

PREVARR is the previous year's additional required revenue

M is the number of months between the start of the previous test year and the effective date of the previous year's rate change

r is the most current interest rate on 1-year Treasury Bills

V.2 Index Year Rate Adjustment Procedure

In the second year of each two year cycle, rate adjustments will be determined following the calculation of a Composite Cost Index (CCI). Rates for the index year will be computed by multiplying the prior year rates by the CCI. The CCI includes an adjustment for new revenues and expenses due to growth, adjustment for the increased cost of serving all customers, and adjustment for delay in implementing prior year rates. The CCI is calculated as follows:

CCI = 1 - 0.50*uu% + [A*vv% + B*ww% + C*xx% + D*yy% + E*zz%] + (Prior Year Delay)

where,

uu% = Projected percentage change in customer accounts (Note: uu% is multiplied by 50% to reflect the fact that only 50% of costs remain fixed as new customers are served),

A = Prior Year Detailed Rate Application Payroll & Payroll Burden Expenses as a percent of total expenses,

vv% = Percentage change in the Employment Cost Index - Civilian Workers/Service-producing for the most recent 12 month period where information is available,

B = Prior Year Detailed Rate Application Equipment Expenses (except Equipment Leases) as a percent of total expenses,

ww% = Percentage change in the US CPI-U for Gasoline for the most recent 12 month period where information is available,

C = Prior Year Detailed Rate Application Depreciation, Interest, Equipment Leases, and Debt Service as a percent of total expenses,

xx% = Anticipated percent change in annual expense due to new capital additions through purchase or lease,

D = Prior Year Detailed Rate Application Transfer Station and Disposal Charges as a percent of total expenses,

yy% = Anticipated percentage change in annual transfer station and disposal fees,

E = Prior Year Detailed Rate Application All Other Expenses as a percent of total expenses,

zz% = Percentage change in the US CPI-U for All Items during the prior fiscal year for the most recent 12 month period where information is available, and

Prior Year Delay = RAP x M/12 x (1+r) where:

RAP is the previous year's rate adjustment percentage

M is the number of months between the start of the previous test year and the effective date of the previous year's rate change

r is the most current interest rate on 1-year Treasury Bills

V.3 Rate Adjustment

The Rate Adjustment Percentage (RAP) resulting from the submission of a detailed rate application or the Composite Cost Index (CCI) calculated during an index year will be applied uniformly to all rates for the services listed in Section I.

LSCD or the City of Lodi may, either as part of the rate application process or separate from that process, propose alternative rate structures. Alternative rate structures are subject to the City's review. Any such proposed change will have no effect on the amount of projected revenues.

California waste recovery systems

February 11, 1997

Mr. Dixon Flynn
City Manager
City of Lodi
P.O. Box 3006
Lodi, Ca. 95241

RE: California Waste Recovery Systems - Rate Application

Dear Mr. Flynn:

California Waste Recovery Systems is pleased to provide the enclosed rate adjustment application for the provision of refuse, recyclable materials, green waste collection, processing, transfer and disposal services. The rate application follows the procedure specified in the rate methodology approved by the City Council on December 4, 1991.

As detailed in the rate application, CWRS proposes a 6% increase in residential rates and a 5.8 % increase in commercial rates. The proposed commercial rate is reflective of an increase in diversion activities associated with our expanded commercial recycling programs.

It is important to point out that an overall decrease in recycling market prices is the major component of this rate increase. As a comparison, if recyclable markets were currently at the level they were at 12 months ago, the rate methodology would only produce the need for a 2.44% average increase.

As a part of the rate adjustment application package we have enclosed schedules detailing the various residential and commercial services we provide both with current and proposed rates. As with past practices, we have also prepared and enclosed new city ordinances which reflect the proposed rates beginning, April 1, 1997. It will be necessary for the City Clerk to assign an ordinance number for each ordinance in the space we have provided.

Please review the enclosed package and contact me should you have questions.

Sincerely,

Jack Fiori

Jack Fiori
Business Development Director

1333 E. TURNER ROAD, GATE 1 • P.O. BOX 241001 • LODI, CALIFORNIA 95241-9501 • (209) 369-8274

Printed on 50% Recycled Paper

Exhibit 1

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE

REVENUE PROJECTIONS, REVENUE REQUIREMENTS
AND RATE ADJUSTMENT CALCULATION
YEAR ENDING 3-31-98

REVENUE SOURCE	PROJECTED REVENUES INCLUDING FRANCHISE FEES *	PROJECTED REVENUES EXCLUDING FRANCHISE FEES	REVENUES REQUIRED EXCLUDING FRANCHISE FEES	FRANCHISE FEE RATE	FRANCHISE FEES	REVENUES REQUIRED INCLUDING FRANCHISE FEES **
COMMERCIAL	$2,019,869	$1,927,356	$2,039,143	4.8%	$97,879	$2,137,022
RESIDENTIAL	3,440,024	3,282,466	3,479,414	4.8%	167,012	3,646,426
TOTAL	$5,459,893	$5,209,822	$5,518,557		$264,891	$5,783,448
RECYCLING	296,958	296,958	296,958			296,958
TOTAL	**$5,756,851**	**$5,506,780**	**$5,815,515**		**$264,891**	**$6,080,406**

COMMERCIAL RATE ADJUSTMENT:

Projected Revenues at Current Rates $2,137,022
Required Revenues at Proposed Rates $2,019,869

$\frac{\$2{,}137{,}022}{\$2{,}019{,}869} - 1 = 5.8\%$

RESIDENTIAL RATE ADJUSTMENT:

Projected Revenues at Current Rates $3,646,426
Required Revenues at Proposed Rates $3,440,024

$\frac{\$3{,}646{,}426}{\$3{,}440{,}024} - 1 = 6.0\%$

* - Projected Revenues at Current Rates

** - Required Revenues at Proposed Rates

Exhibit 1A

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE
REVENUE REQUIREMENT
YEAR ENDING 3-31-98

EXPENSE ITEM	Refuse, Recycling & Yardwaste Collection	Total Expenses
Payroll		
Labor	$762,859	
Labor Burden	200,472	
Equipment		
Repairs and Maintenance	84,526	
Fuel and Oil	116,962	
Equipment Rentals	20,160	
Supplies	10,429	
Tires	30,210	
Licenses - DMV	40,753	
Insurance-General	22,534	
Radio Expense	5,250	
Other Expenses		
Interest	212,015	
Depreciation	693,837	
Telephone	2,962	
Property Taxes	35,387	
Permits and Licenses	3,076	
Public Awareness	13,668	
Administration Expenses	478,379	
Shop Expenses	318,845	
Miscellaneous	19,068	
Subtotal Collection Expenses		$3,071,392
Operating Margin		368,567
Allocated Material Processing		946,510
Transfer Station Charges		552,017
Disposal Charges		548,525
Subcontract Hauling		260,460
Community Contributions		25,000
Franchise Fees		264,891
Total Required Revenue for Test Year (RTYR)		6,037,362
Recycling Adjustment (RRA) (Exhibit 5)		43,044
Total Revenue Requirement		$6,080,406

Exhibit 2

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE
MATERIAL PROCESSING EXPENSE ALLOCATION
YEAR ENDING 3-31-98

EXPENSE ITEM	Recyclable & Compostable Material Processing
Payroll	
Labor	$710,318
Labor Burden	291,731
Equipment	
Repairs and Maintenance	173,822
Fuel and Oil	104,504
Equipment Rentals	94,858
Supplies	55,181
Tires	12,563
Licenses - DMV	12,570
Insurance-General	34,351
Radio Expense	300
Other Expenses	
Interest	364,498
Depreciation and Amortization	811,501
Telephone	5,992
Utilities	35,573
Property Taxes	70,325
Permits and Licenses	2,873
Public Awareness	3,400
Administration Expenses	443,524
Shop Expenses	271,111
Miscellaneous	22,555
Subtotal Expenses	$3,521,550
Transfer Station Charges	171,037
Disposal Charges	155,519
Subcontract Hauling	17,124
Total Expenses	$3,865,230
City of Lodi Franchise Allocation Factor	24.49%
Material Processing Expenses Allocated to City of Lodi Franchise	$946,510

Exhibit 3

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE
MATERIAL PROCESSING EXPENSES
ALLOCATION FACTOR CALCULATION
YEAR ENDING 3-31-98

CWRS MATERIAL PROCESSING FACILITY PROJECTED TEST YEAR VOLUMES	Projected Test Year Allocation Factor		
	Recyclables	Yard & Garden	Combined
Total Tons Projected Received From Lodi	4,631	8,790	13,421
Total Tons Projected Delivered To MRF	20,889	31,696	52,585
% of Material Processing Facility Volume Represented By Lodi	22.17%	27.73%	25.52%
% of Material Processing Facility Budget Associated With Each Process	58.32%	41.68%	100.00%
% of Material Processing Facility Budget Allocated to Lodi	12.93%	11.56%	24.49%

Exhibit 4

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE
ALLOWABLE REVENUES PROJECTIONS
YEAR ENDING 3-31-98

ALLOWABLE REVENUES	Projected Test Year Revenue
Refuse, Recycling and Yard Waste Collection (at Current Rates)	$5,459,893
Sale of Recyclable & Compostable Materials	296,958
Total Projected Test Year Revenues (PYTR)	$5,756,851

Exhibit 4 A

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE
ALLOWABLE REVENUES PROJECTIONS
YEAR ENDING 3-31-98

ALLOWABLE REVENUES PROJECTIONS	Projected Test Year Revenue
Commercial Revenue at Current Rates	$2,019,869
Residential Revenue at Current Rates	3,440,024
Sale of Recyclable & Compostable Materials	296,958
Total Projected Test Year Revenues (PYTR)	$5,756,851

Exhibit 5

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE
RECYCLING REVENUE ADJUSTMENT
YEAR ENDING 3-31-98

RECYCLING REVENUE	Adjustment Calculation
Estimate of Recycling Revenue Used in Prior Test Year Rate Calculation for Commercial and Residential (REVEST)	$475,770
Actual Revenue From the Sale of Recyclable Material - Two Year Average (REVACT)	432,726
Recycling Revenue Adjustment (RRA) to Current Test Year Required Revenue (REVEST - REVACT)	$43,044

Exhibit 6

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE
PRIOR YEAR TIMING ADJUSTMENT
YEAR ENDING 3-31-98

PRIOR YEAR DELAY IN RATE ADJUSTMENT	Timing Adjustment
Prior Year Additional Required Revenue (PREVARR)	$0
Prior Year Delay (in months) Between the Effective Date of Rate Adjustment and the Beginning of Test Year Effective Date: April 1, 1995 Beginning of Prior Test Year: April 1, 1995	0
Adjustment to Current Test Year Required Revenue	$0

= PREVARR x M/12 x (1 + r)

where M is length of delay in months
r is the annual interest rate of 1 year U.S. Treasury Bills

NOTE: Not used in this application.

Exhibit 7

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE
ADDITIONAL REQUIRED REVENUE CALCULATION
YEAR ENDING 3-31-98

ADDITIONAL REQUIRED REVENUE	Adjustment Calculation	
Total Required Test Year Revenue (RTYR)	$6,037,362	(Exhibit 1A)
Plus: Recycling Revenue Adjustment (RRA)	43,044	(Exhibit 5)
Total Revenue Requirement	6,080,406	
Less: Total Projected Test Year Revenue (PTYR)	5,756,851	(Exhibit 4)
Additional Required Revenue (ARR)	$323,555	

Exhibit 7 A

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE
PROPOSED REQUIRED REVENUES
YEAR ENDING 3-31-98

PROPOSED REQUIRED REVENUES	Proposed Test Year Revenue
Commercial	$2,137,022
Residential	3,646,426
Sale of Recyclable & Compostable Materials	296,958
Total Revenue Requirement	$6,080,406

Exhibit 8

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE
RATE ADJUSTMENT CALCULATION
YEAR ENDING 3-31-98

REQUIRED REVENUE	Adjustment Calculation	
Additional Required Revenue (ARR)	$323,555	(Exhibit 7)
Add: Prior Year Timing Adjustment	0	(Exhibit 6)
Total Additional required Revenue	$323,555	

Average Rate Adjustment % = $\frac{\text{Total Additional Required Revenue}}{\text{PTYR - Recyclables Revenue (Exhibit 4)}}$ 5.9%

CALIFORNIA WASTE RECOVERY SYSTEMS
CITY OF LODI FRANCHISE
SALE OF RECYCLABLE & COMPOSTABLE MATERIALS PROJECTIONS
YEAR ENDING 3-31-98

SALE OF RECYCLABLE & COMPOSTABLE MATERIALS FROM LODI

Recyclable Material	Tonnage	Market Price/Ton	Projected Revenue
Cardboard	992	$72	$71,424
Newspaper	1,711	42	71,862
White/Computer Paper	152	45	6,840
Tin	141	60	8,460
Aluminum	19	2,159	41,021
Mixed Glass	429	53	22,737
PET	58	506	29,348
HDPE Clear	75	305	22,875
HDPE Colored	28	100	2,800
Subtotal Revenue			277,367
Recyclable Material Purchase Expenses			(18,221)
Net Revenue			259,146
Composting (Yard & Garden)			37,812
Sale of Recyclable & Compostable Materials from Lodi			$296,958

CITY OF LODI

RESIDENTIAL CURBSIDE SERVICE RATES

EFFECTIVE APRIL 1, 1997

	Current Per mo.	New Rate Per mo.
1. **38 GALLON WASTE CART 1X PER WEEK**:		
Single Family		
1 Waste Cart	$ 16.53	$ 17.52
2 Waste Carts	$ 41.33	$ 43.80
3 Waste Carts	$ 66.13	$ 70.08
4 Waste Carts	$ 90.93	$ 96.36
Duplex and more, and Mobile Homes		
1 Waste Cart per Customer	$ 15.49	$ 16.42
2 Waste Carts per Customer	$ 38.73	$ 41.05
3 Waste Carts per Customer	$ 61.96	$ 65.68
2. **64 GALLON WASTE CART 1X PER WEEK**		
1 Waste Cart	$ 24.86	$ 26.35
2 Waste Carts	$ 62.15	$ 65.88
3 Waste Carts	$ 99.44	$105.40
3. **20 GALLON WASTE CART 1X PER WEEK**		
LOW VOLUME USERS		
1 Waste Cart	$ 11.25	$ 11.93

ccm 2/12/97
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CITY OF LODI

CITY HALL COMMERCIAL WASTE CART RATES

EFFECTIVE APRIL 1, 1997

COMMERCIAL 38 GALLON WASTE CART 1 X PER WEEK:

# of Waste Carts	Current Rate	New Rate
1 Waste Cart	$ 16.53	$ 17.49
2 Waste Carts	$ 41.33	$ 43.73
3 Waste Carts	$ 66.13	$ 69.96

COMMERCIAL 90 GALLON WASTE CART:

	Current		New	
# of Waste Carts	1 x Wk Rate	2 x wk Rate	1x wk Rate	2x wk Rate
1 Waste Cart	$ 54.69	$ 109.38	$ 57.86	$ 115.72
2 Waste Carts	$109.38		$115.72	
3 Waste Carts	$164.07		$173.58	

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California Waste Recove_ Systems - City of Lodi Franchise
Commercial Rate Design
Proposed Rates - 5.8 % Increase
Effective Date: April 1, 1997

Total Capacity of Containers	Frequency / Week 1	2	3	4	5	6
1						
1	$79.36	$158.71	$380.27	$696.61	$1,107.75	$1,613.70
2	$120.80	$241.59	$533.01	$938.20	$1,457.14	$2,089.83
3	$162.23	$324.47	$685.77	$1,179.79	$1,806.52	$2,565.97
4	$203.67	$407.34	$838.52	$1,421.37	$2,155.91	$3,042.11
5	$245.11	$490.21	$991.28	$1,662.96	$2,505.30	$3,518.25
6	$286.55	$573.09	$1,144.02	$1,904.56	$2,854.67	$3,994.39
7	$327.98	$655.97	$1,296.78	$2,146.14	$3,204.06	$4,470.53
8	$369.42	$738.84	$1,449.53	$2,387.73	$3,553.44	$4,946.66
9	$410.86	$821.72	$1,602.29	$2,629.32	$3,902.83	$5,422.81
10	$452.29	$904.59	$1,755.03	$2,870.90	$4,252.21	$5,898.94
2						
2	$118.92	$237.83	$508.64	$880.74	$1,354.10	$1,928.73
4	$197.33	$394.64	$774.25	$1,275.39	$1,898.03	$2,642.22
6	$275.74	$551.46	$1,039.86	$1,670.03	$2,441.97	$3,355.71
8	$354.13	$708.28	$1,305.46	$2,064.67	$2,985.91	$4,069.20
10	$432.54	$865.08	$1,571.07	$2,459.32	$3,529.86	$4,782.69
12	$510.95	$1,021.90	$1,836.65	$2,853.96	$4,073.80	$5,496.18
14	$589.36	$1,178.72	$2,102.27	$3,248.60	$4,617.74	$6,209.67
16	$667.77	$1,335.54	$2,367.87	$3,643.25	$5,161.68	$6,923.16
18	$746.18	$1,492.35	$2,633.48	$4,037.90	$5,705.62	$7,636.65
20	$824.58	$1,649.16	$2,899.07	$4,432.54	$6,249.57	$8,350.14
3						
3	$153.06	$306.12	$611.07	$1,017.30	$1,524.80	$2,133.56
6	$265.61	$531.21	$979.10	$1,548.50	$2,239.43	$3,051.90
9	$378.15	$756.31	$1,347.12	$2,079.71	$2,954.08	$3,970.22
12	$490.70	$981.39	$1,715.14	$2,610.91	$3,668.72	$4,888.56
15	$603.25	$1,206.49	$2,083.16	$3,142.12	$4,383.37	$5,806.89
18	$715.80	$1,431.58	$2,451.19	$3,673.32	$5,098.01	$6,725.22
21	$828.34	$1,656.68	$2,819.21	$4,204.53	$5,812.64	$7,643.55
24	$940.89	$1,881.77	$3,187.23	$4,735.74	$6,527.29	$8,561.89
27	$1,053.44	$2,106.87	$3,555.26	$5,266.94	$7,241.93	$9,480.22
30	$1,165.99	$2,331.96	$3,923.28	$5,798.15	$7,956.57	$10,398.55

California Waste Recove., Systems - City of Lodi Franchise
Commercial Rate Design
Proposed Rates - 5.8 % Increase
Effective Date: April 1, 1997

Total Capacity of Containers	Frequency / Week 1	2	3	4	5	6
4						
4	$187.20	$374.39	$713.49	$1,153.86	$1,695.50	$2,338.41
8	$333.88	$667.77	$1,183.93	$1,821.62	$2,580.84	$3,461.58
12	$480.57	$961.14	$1,654.38	$2,489.39	$3,466.18	$4,584.75
16	$627.26	$1,254.52	$2,124.82	$3,157.16	$4,351.52	$5,707.92
20	$773.94	$1,547.89	$2,595.26	$3,824.93	$5,236.87	$6,831.10
24	$920.63	$1,841.27	$3,065.71	$4,492.69	$6,122.21	$7,954.27
28	$1,067.32	$2,134.65	$3,536.15	$5,160.46	$7,007.56	$9,077.44
32	$1,214.02	$2,428.02	$4,006.61	$5,828.23	$7,892.90	$10,200.61
36	$1,360.70	$2,721.40	$4,477.05	$6,496.00	$8,778.24	$11,323.78
40	$1,507.39	$3,014.77	$4,947.49	$7,163.75	$9,663.58	$12,446.97
5						
5	$221.34	$442.67	$815.91	$1,290.42	$1,866.20	$2,543.24
10	$402.16	$804.32	$1,388.78	$2,094.75	$2,922.24	$3,871.25
15	$582.99	$1,165.99	$1,961.64	$2,899.07	$3,978.29	$5,199.28
20	$763.81	$1,527.64	$2,534.50	$3,703.41	$5,034.33	$6,527.29
25	$944.65	$1,889.29	$3,107.37	$4,507.73	$6,090.37	$7,855.30
30	$1,125.48	$2,250.95	$3,680.24	$5,312.06	$7,146.42	$9,183.31
35	$1,306.30	$2,612.61	$4,253.10	$6,116.38	$8,202.46	$10,511.33
40	$1,487.13	$2,974.27	$4,825.97	$6,920.72	$9,258.50	$11,839.35
45	$1,667.96	$3,335.92	$5,398.83	$7,725.04	$10,314.55	$13,167.36
50	$1,848.79	$3,697.57	$5,971.69	$8,529.36	$11,370.59	$14,495.37
6						
6	$255.48	$510.95	$918.34	$1,426.98	$2,036.89	$2,748.09
12	$470.44	$940.89	$1,593.62	$2,367.87	$3,263.64	$4,280.94
18	$685.42	$1,370.82	$2,268.91	$3,308.75	$4,490.39	$5,813.80
24	$900.38	$1,800.76	$2,944.18	$4,249.64	$5,717.13	$7,346.65
30	$1,115.35	$2,230.69	$3,619.47	$5,190.54	$6,943.88	$8,879.51
36	$1,330.31	$2,660.64	$4,294.76	$6,131.43	$8,170.63	$10,412.37
42	$1,545.29	$3,090.58	$4,970.04	$7,072.31	$9,397.38	$11,945.22
48	$1,760.25	$3,520.51	$5,645.33	$8,013.20	$10,624.11	$13,478.08
54	$1,975.22	$3,950.45	$6,320.62	$8,954.09	$11,850.86	$15,010.93
60	$2,190.19	$4,380.38	$6,995.90	$9,894.97	$13,077.61	$16,543.79

CITY OF LODI

COMMERCIAL 10 TO 50 CUBIC YARD ROLL-OFF BOX

RATE STRUCTURE SCHEDULE

EFFECTIVE APRIL 1, 1997

CONTRACT HIGH FREQUENCY DROP RATES:

		Current Rate	New Rate
1.	Drop-off/Pick-up Charge Per Box	$115.63	$122.34
2.	Tons Disposed/Box X Processing Charge	X $26.04	$ 27.55
3.	Franchise Fee (4.8% of 1 + 2)		
	TOTAL BILL (1 + 2 + 3)		

ONE-TIME DROP RATE:

1.	Drop-off/Pick-Up Charge Per Box	$188.86	$199.81
2.	Tons Disposed/Box x Processing Charge	X $26.04	$ 27.55
3.	Franchise Fee (4.8% of 1 + 2)		
	TOTAL BILL (1 + 2 + 3)		

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ORDINANCE NO. 1644

AN UNCODIFIED URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI, REPEALING ORDINANCE 1627 IN ITS ENTIRETY. AND ESTABLISHING NEW RATES FOR RESIDENTIAL SOLID WASTE COLLECTION

BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

Section 1. Ordinance 1627, adopted March 20, 1996, is repealed in its entirety.

Section 2. Pursuant to Lodi Municipal Code chapter 13.16 - SOLID WASTE - as it relates to residential solid waste collection, new monthly rates are hereby established, as more fully shown on Attachment "A" hereto, which is incorporated by reference as if fully set forth herein.

A. For any residence requesting "backyard service" for the collection of their waste cart(s), there shall be an additional rate of Ten Dollars ($10.00) per month, unless the residence is granted an exemption from the rate by the Citizen's Advisory Board.

B. For any residence requesting a commingled recycled cart(s) and/or a yard/garden waste cart(s), sufficient to meet its waste diversion needs, there shall be no additional charge.

C. Any residential customer may purchase from the City or the franchisee for the price of Five Dollars ($5.00) each, especially marked tags for affixing to trash bags which will then be collected with routine waste removal service. Such tags may be used to supplement, but not in lieu of other required solid waste collection services for residences.

D. Rates set forth in this Ordinance shall be effective on all bills which are prepared on or after April 1, 1997.

Section 3 - No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 4 - Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or application of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

Section 5. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

Section 6. This is an urgency ordinance under Government Code §36934, and is based on health, safety and welfare considerations arising from the need to collect appropriate fees for waste removal.

Section 7. This urgency ordinance shall be published one time in the "Lodi News Sentinel", a daily newspaper of general circulation printed and published in the City of Lodi and shall be in force and take effect immediately.

Section 8. The City Council of the City of Lodi hereby finds and declares pursuant to Public Resources Code §21080 that such rates are necessary and reasonable for the usual operating expenses of the franchisee, including employee wages and benefits and for the purpose of purchasing facilities, equipment and materials necessary to implement and carry out a Council-mandated recycling program, and for other health and safety purposes.

Approved this 19th day of March, 1997

PHILLIP A. PENNINO
Mayor

Attest:

JENNIFER M. PERRIN
City Clerk

State of California
County of San Joaquin, ss.

I, Jennifer M Perrin, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1644 was adopted as an uncodified urgency ordinance at a regular meeting of the City Council of the City of Lodi held March 19, 1997 and was thereafter passed, adopted and ordered to print by the following vote:

AYES:	Council Members - Land, Mann, Sieglock and Pennino (Mayor)
NOES:	Council Members - None
ABSENT:	Council Members - None
ABSTAIN:	Council Members - Warner

I further certify that Ordinance No. 1644 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

Jennifer M. Perrin
JENNIFER M. PERRIN
City Clerk

Approved as to Form:

Randall A. Hays
RANDALL A HAYS
City Attorney

CITY OF LODI

RESIDENTIAL CURBSIDE SERVICE RATES

EFFECTIVE APRIL 1, 1997

	Rate Per mo
1. <u>38 GALLON WASTE CART 1X PER WEEK</u>:	
Single Family	
1 Waste Cart	$ 17.52
2 Waste Carts	$ 43.80
3 Waste Carts	$ 70.08
4 Waste Carts	$ 96.36
Duplex and more, and Mobile Homes	
1 Waste Cart per Customer	$ 16.42
2 Waste Carts per Customer	$ 41.05
3 Waste Carts per Customer	$ 65.68
2. <u>64 GALLON WASTE CART 1X PER WEEK</u>	
1 Waste Cart	$ 26.35
2 Waste Carts	$ 65.88
3 Waste Carts	$105.40
3. <u>20 GALLON WASTE CART 1X PER WEEK</u>	
LOW VOLUME USERS	
1 Waste Cart	$ 11.93

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ORDINANCE NO. 1645

AN UNCODIFIED URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI, REPEALING ORDINANCE 1628 IN ITS ENTIRETY, AND ESTABLISHING NEW RATES FOR COMMERCIAL SOLID WASTE COLLECTION

==========

BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

Section 1. Ordinance 1628, adopted March 20, 1996, is repealed in its entirety.

Section 2. Pursuant to Lodi Municipal Code Chapter 13.16 - SOLID WASTE - as it relates to commercial solid waste collection, new monthly rates are hereby established, as more fully shown on Attachment "A" hereto which is incorporated by reference as if fully set forth herein.

A. All of the rate schedules set forth in this section shall be effective on all bills which are prepared on or after April 1, 1997.

Section 3 - No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 4 - Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

Section 5. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

Section 6. This is an urgency ordinance under Government Code §36934, and is based on health, safety and welfare considerations arising from the need to collect appropriates fees for waste removal.

Section 7. This urgency ordinance shall be published one time in the "Lodi News Sentinel", a daily newspaper of general circulation printed and published in the City of Lodi and shall be in force and take effect immediately.

Section 8. The City Council of the City of Lodi hereby finds and declares pursuant to Public Resources Code §21080 that such rates are necessary and reasonable for the usual operating expenses of the franchisee, including employee wages and benefits and for the purpose of purchasing facilities, equipment and materials necessary to implement and carry out a Council-mandated recycling program, and for other health and safety purposes.

Approved this 19th day of March, 1997.

PHILLIP A. PENNINO
Mayor

Attest:

JENNIFER M. PERRIN
City Clerk

State of California
County of San Joaquin, ss.

I, Jennifer M. Perrin, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1645 was adopted as an uncodified urgency ordinance at a regular meeting of the City Council of the City of Lodi held March 19, 1997 and was thereafter passed, adopted and ordered to print by the following vote:

AYES:	Council Members - Land, Mann, Sieglock and Pennino (Mayor)
NOES:	Council Members - None
ABSENT:	Council Members - None
ABSTAIN:	Council Members - Warner

I further certify that Ordinance No. 1645 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

JENNIFER M. PERRIN
City Clerk

Approved as to Form:

RANDALL A. HAYS
City Attorney

CITY OF LODI

CITY HALL COMMERCIAL WASTE CART RATES

EFFECTIVE APRIL 1, 1997

COMMERCIAL 38 GALLON WASTE CART 1 X PER WEEK:

# of Waste Carts	Rate
1 Waste Cart	$ 17.49
2 Waste Carts	$ 43.73
3 Waste Carts	$ 69.96

COMMERCIAL 90 GALLON WASTE CART:

# of Waste Carts	1x wk Rate	2x wk Rate
1 Waste Cart	$ 57.86	$115.72
2 Waste Carts	$115.72	
3 Waste Carts	$173.58	

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California Waste Reco Systems - City of Lodi Franchise
Commercial Rate Desig..
Proposed Rates - 5.8 % Increase
Effective Date: April 1, 1997

Total Capacity of Containers	Frequency / Week 1	2	3	4	5	6
1						
1	$79.36	$158.71	$380.27	$696.61	$1,107.75	$1,613.70
2	$120.80	$241.59	$533.01	$938.20	$1,457.14	$2,089.83
3	$162.23	$324.47	$685.77	$1,179.79	$1,806.52	$2,565.97
4	$203.67	$407.34	$838.52	$1,421.37	$2,155.91	$3,042.11
5	$245.11	$490.21	$991.28	$1,662.96	$2,505.30	$3,518.25
6	$286.55	$573.09	$1,144.02	$1,904.56	$2,854.67	$3,994.39
7	$327.98	$655.97	$1,296.78	$2,146.14	$3,204.06	$4,470.53
8	$369.42	$738.84	$1,449.53	$2,387.73	$3,553.44	$4,946.66
9	$410.86	$821.72	$1,602.29	$2,629.32	$3,902.83	$5,422.81
10	$452.29	$904.59	$1,755.03	$2,870.90	$4,252.21	$5,898.94
2						
2	$118.92	$237.83	$508.64	$880.74	$1,354.10	$1,928.73
4	$197.33	$394.64	$774.25	$1,275.39	$1,898.03	$2,642.22
6	$275.74	$551.46	$1,039.86	$1,670.03	$2,441.97	$3,355.71
8	$354.13	$708.28	$1,305.46	$2,064.67	$2,985.91	$4,069.20
10	$432.54	$865.08	$1,571.07	$2,459.32	$3,529.86	$4,782.69
12	$510.95	$1,021.90	$1,836.65	$2,853.96	$4,073.80	$5,496.18
14	$589.36	$1,178.72	$2,102.27	$3,248.60	$4,617.74	$6,209.67
16	$667.77	$1,335.54	$2,367.87	$3,643.25	$5,161.68	$6,923.16
18	$746.18	$1,492.35	$2,633.48	$4,037.90	$5,705.62	$7,636.65
20	$824.58	$1,649.16	$2,899.07	$4,432.54	$6,249.57	$8,350.14
3						
3	$153.06	$306.12	$611.07	$1,017.30	$1,524.80	$2,133.56
6	$265.61	$531.21	$979.10	$1,548.50	$2,239.43	$3,051.90
9	$378.15	$756.31	$1,347.12	$2,079.71	$2,954.08	$3,970.22
12	$490.70	$981.39	$1,715.14	$2,610.91	$3,668.72	$4,888.56
15	$603.25	$1,206.49	$2,083.16	$3,142.12	$4,383.37	$5,806.89
18	$715.80	$1,431.58	$2,451.19	$3,673.32	$5,098.01	$6,725.22
21	$828.34	$1,656.68	$2,819.21	$4,204.53	$5,812.64	$7,643.55
24	$940.89	$1,881.77	$3,187.23	$4,735.74	$6,527.29	$8,561.89
27	$1,053.44	$2,106.87	$3,555.26	$5,266.94	$7,241.93	$9,480.22
30	$1,165.99	$2,331.96	$3,923.28	$5,798.15	$7,956.57	$10,398.55

California Waste Rec y Systems - City of Lodi Franchise
Commercial Rate Design
Proposed Rates - 5.8 % Increase
Effective Date: April 1, 1997

Total Capacity of Containers	Frequency / Week 1	2	3	4	5	6
4						
4	$187.20	$374.39	$713.49	$1,153.86	$1,695.50	$2,338.41
8	$333.88	$667.77	$1,183.93	$1,821.62	$2,580.84	$3,461.58
12	$480.57	$961.14	$1,654.38	$2,489.39	$3,466.18	$4,584.75
16	$627.26	$1,254.52	$2,124.82	$3,157.16	$4,351.52	$5,707.92
20	$773.94	$1,547.89	$2,595.26	$3,824.93	$5,236.87	$6,831.10
24	$920.63	$1,841.27	$3,065.71	$4,492.69	$6,122.21	$7,954.27
28	$1,067.32	$2,134.65	$3,536.15	$5,160.46	$7,007.56	$9,077.44
32	$1,214.02	$2,428.02	$4,006.61	$5,828.23	$7,892.90	$10,200.61
36	$1,360.70	$2,721.40	$4,477.05	$6,496.00	$8,778.24	$11,323.78
40	$1,507.39	$3,014.77	$4,947.49	$7,163.75	$9,663.58	$12,446.97
5						
5	$221.34	$442.67	$815.91	$1,290.42	$1,866.20	$2,543.24
10	$402.16	$804.32	$1,388.78	$2,094.75	$2,922.24	$3,871.25
15	$582.99	$1,165.99	$1,961.64	$2,899.07	$3,978.29	$5,199.28
20	$763.81	$1,527.64	$2,534.50	$3,703.41	$5,034.33	$6,527.29
25	$944.65	$1,889.29	$3,107.37	$4,507.73	$6,090.37	$7,855.30
30	$1,125.48	$2,250.95	$3,680.24	$5,312.06	$7,146.42	$9,183.31
35	$1,306.30	$2,612.61	$4,253.10	$6,116.38	$8,202.46	$10,511.33
40	$1,487.13	$2,974.27	$4,825.97	$6,920.72	$9,258.50	$11,839.35
45	$1,667.96	$3,335.92	$5,398.83	$7,725.04	$10,314.55	$13,167.36
50	$1,848.79	$3,697.57	$5,971.69	$8,529.36	$11,370.59	$14,495.37
6						
6	$255.48	$510.95	$918.34	$1,426.98	$2,036.89	$2,748.09
12	$470.44	$940.89	$1,593.62	$2,367.87	$3,263.64	$4,280.94
18	$685.42	$1,370.82	$2,268.91	$3,308.75	$4,490.39	$5,813.80
24	$900.38	$1,800.76	$2,944.18	$4,249.64	$5,717.13	$7,346.65
30	$1,115.35	$2,230.69	$3,619.47	$5,190.54	$6,943.88	$8,879.51
36	$1,330.31	$2,660.64	$4,294.76	$6,131.43	$8,170.63	$10,412.37
42	$1,545.29	$3,090.58	$4,970.04	$7,072.31	$9,397.38	$11,945.22
48	$1,760.25	$3,520.51	$5,645.33	$8,013.20	$10,624.11	$13,478.08
54	$1,975.22	$3,950.45	$6,320.62	$8,954.09	$11,850.86	$15,010.93
60	$2,190.19	$4,380.38	$6,995.90	$9,894.97	$13,077.61	$16,543.79

ORDINANCE NO. 1646

AN UNCODIFIED URGENCY ORDINANCE OF THE CITY COUNCIL OF THE CITY OF LODI, REPEALING ORDINANCE 1629 IN ITS ENTIRETY, AND AMENDING LODI MUNICIPAL CODE CHAPTER 13.16, RELATING TO COMMERCIAL 10 TO 50 CUBIC YARD ROLL-OFF BOXES

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BE IT ORDAINED BY THE LODI CITY COUNCIL AS FOLLOWS:

Section 1. Ordinance 1629, adopted March 20, 1996, is repealed in its entirety, and shall be of no further force or effect.

Section 2 - Rates:

A. The rates to be charged for commercial 10 to 50 cubic yard roll-off box collection service shall be as follows:

1. For owners or tenants of business houses, the rates shall be as set forth in the Commercial 10 to 50 Cubic Yard Roll-Off box Rate Structure schedule attached, when such service is requested.

B. All of the rate schedules set forth in this section shall be effective on all bills which are prepared on or after April 1, 1997.

Section 3 - No Mandatory Duty of Care. This ordinance is not intended to and shall not be construed or given effect in a manner which imposes upon the City, or any officer or employee thereof, a mandatory duty of care towards persons or property within the City or outside of the City so as to provide a basis of civil liability for damages, except as otherwise imposed by law.

Section 4 - Severability. If any provision of this ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application. To this end, the provisions of this ordinance are severable. The City Council hereby declares that it would have adopted this ordinance irrespective of the invalidity of any particular portion thereof.

Section 5. All ordinances and parts of ordinances in conflict herewith are repealed insofar as such conflict may exist.

Section 6. This is an urgency ordinance under Government Code §36934, and is based on health, safety and welfare considerations arising from the need to collect appropriate fees for waste removal.

Section 7. This urgency ordinance shall be published one time in the "Lodi News Sentinel", a daily newspaper of general circulation printed and published in the City of Lodi and shall be in force and take effect immediately.

Section 8. The City Council of the City of Lodi hereby finds and declares pursuant to Public Resources Code §21080 that such rates are necessary and reasonable for the usual operating expenses of franchisee, including employee wages and benefits and for the purpose of purchasing facilities, equipment and materials.

Approved this 19th day of March, 1997

PHILLIP A. PENNINO
Mayor

Attest:

JENNIFER M. PERRIN
City Clerk

State of California
County of San Joaquin, ss.

I, Jennifer M. Perrin, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1646 was adopted as an uncodified urgency ordinance at a regular meeting of the City Council of the City of Lodi held March 19, 1997 and was thereafter passed, adopted and ordered to print by the following vote:

AYES:	Council Members - Land, Mann, Sieglock and Pennino (Mayor)
NOES:	Council Members - None
ABSENT:	Council Members - None
ABSTAIN:	Council Members - Warner

I further certify that Ordinance No. 1646 was approved and signed by the Mayor on the date of its passage and the same has been published pursuant to law.

JENNIFER M. PERRIN
City Clerk

Approved as to Form:

RANDALL A. HAYS
City Attorney

CITY OF LODI

COMMERCIAL 10 TO 50 CUBIC YARD ROLL-OFF BOX

RATE STRUCTURE SCHEDULE

EFFECTIVE APRIL 1, 1997

CONTRACT HIGH FREQUENCY DROP RATES:

		Rate
1.	Drop-off/Pick-up Charge Per Box	$122.34
2.	Tons Disposed/Box X Processing Charge	$ 27.55
3.	Franchise Fee (4.8% of 1 + 2)	
	TOTAL BILL (1 + 2 + 3)	

ONE-TIME DROP RATE:

1.	Drop-off/Pick-Up Charge Per Box	$199.81
2.	Tons Disposed/Box x Processing Charge	$ 27.55
3.	Franchise Fee (4.8% of 1 + 2)	
	TOTAL BILL (1 + 2 + 3)	

3/19

CITY OF LODI

Carnegie Forum
305 West Pine Street, Lodi

NOTICE OF PUBLIC HEARING
Date: March 19, 1997
Time: 7:00 p.m.

For information regarding this notice please contact:
Jennifer M. Perrin
City Clerk
Telephone: (209) 333-6702

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Wednesday, March 19, 1997** at the hour of 7:00 p.m., or as soon thereafter as the matter may be heard, the City Council will conduct a Public Hearing at the Carnegie Forum, 305 West Pine Street, Lodi, to consider the following matter:

a) Refuse rate adjustment application from California Waste Removal Systems

All interested persons are invited to present their views and comments on this matter. Written statements may be filed with the City Clerk at any time prior to the hearing scheduled herein, and oral statements may be made at said hearing.

If you challenge the subject matter in court, you may be limited to raising only those issues you or someone else raised at the Public Hearing described in this notice or in written correspondence delivered to the City Clerk, P.O. Box 3006, at or prior to the Public Hearing.

Jennifer M. Perrin
City Clerk

Dated: February 19, 1997

Approved as to form:

Randall A. Hays
City Attorney