

**FIFTEENTH AMENDMENT CONSOLIDATED
SOLID WASTE COLLECTION
FRANCHISE AGREEMENT FOR THE UNINCORPORATED FORTUNA/FERNDALE,
HOLMES/REDCREST, WEOTT/MYERS FLAT AND GARBERVILLE AREAS OF
HUMBOLDT COUNTY**

This Fifteenth Amendment to the Consolidated Solid Waste Collection Franchise Agreement for the Unincorporated Fortuna/Ferndale, Holmes/Redcrest, Weott/Myers Flat and Garberville Areas of Humboldt County dated April 26, 2011, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as "COUNTY," and Recology Humboldt County, a California corporation, hereinafter referred to as "CONTRACTOR," shall be effective as of July 1, 2023.

RECITALS

WHEREAS, on April 26, 2011, COUNTY and CONTRACTOR entered into a Solid Waste Collection Franchise Agreement for the handling and disposal of solid waste and recyclables in the unincorporated Garberville area of Humboldt County ("Franchise Agreement"), for the period of July 1, 2011 to December 31, 2020; and

WHEREAS, COUNTY and CONTRACTOR subsequently amended the Franchise Agreement fourteen (14) times, by amendments having effective dates of July 1, 2011; January 1, 2012; July 1, 2012; July 1, 2013; July 1, 2014; July 1, 2015; July 1, 2016; July 1, 2017; July 1, 2018; September 1, 2018; July 1, 2019; July 1, 2020; July 1, 2022; and July 1, 2021; and

WHEREAS, the parties have agreed to extend the term until December 31, 2035.

WHEREAS, as part of the July 1, 2018 amendment, COUNTY and CONTRACTOR amended the Franchise Agreement to include the Fortuna/Ferndale, Holmes/Redcrest and Weott/Myers Flat franchise areas; and

WHEREAS, the Franchise Agreement and California law allow for the adjustment of the Maximum Service Rates which may be charged by CONTRACTOR for the handling and disposal of solid waste and provision of curbside recycling services pursuant to the Franchise Agreement, such as annual index-based adjustments, changes in the franchise fee and/or the recycling percentage or changes in disposal and/or processing costs; and

WHEREAS, the parties desire to amend the Franchise Agreement in order to adjust the Maximum Service Rates charged by CONTRACTOR for the handling and disposal of solid waste and recyclables pursuant to the Franchise Agreement; and

NOW THEREFORE, the parties mutually agree as follows:

1. The Maximum Service Rates which may be charged by CONTRACTOR pursuant to Section 14 of the Franchise Agreement shall be as shown in the modified version of Exhibit A – Maximum Service Rates, which is attached hereto and incorporated herein by reference. Such Maximum Service Rates shall supersede and replace all prior Maximum Service Rates set forth in the Franchise Agreement, and all previous amendments thereto, as of the effective date of this Fifteenth Amendment.
2. Except as modified herein, the Franchise Agreement dated April 26, 2011, as previously amended,

shall remain in full force and effect. In the event of a conflict between the provisions of this Fifteenth Amendment and the original Franchise Agreement, or any prior amendments thereto, the provisions of this Fifteenth Amendment shall govern. Capitalized terms used, but not defined, herein shall have the meanings given to them in the Franchise Agreement.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties hereto have entered into this Fifteenth Amendment as of the last date indicated below.

RECOLOGY HUMBOLDT COUNTY:

By: Mark R. Lomele
Mark R. Lomele
President and Chief Financial Officer

Date: 6/15/2023

By: Cary Chen
Cary Chen
Senior Vice President, Chief Legal Officer
and Corporate Secretary

Date: 6/15/2023

COUNTY OF HUMBOLDT:

By: _____
Steve Madrone - Chair
Humboldt County Board of Supervisors

Date: _____

INSURANCE CERTIFICATES APPROVED:

By: _____
Risk Management

Date: 07/07/2023

LIST OF EXHIBITS:

Exhibit A – Maximum Service Rates

Exhibit A
Maximum Service Rates
For the Unincorporated Fortuna/Ferndale, Holmes/Redcrest,
Weott/Myers Flat and Garberville Areas of Humboldt County
Effective as of July 1, 2023

(see separate sheet(s) attached)

EXHIBIT A: GARBERVILLE, HOLMES, FORTUNA, FERNDAL, WEOTT, MYERS FLAT AREAS FRANCHISE RATES
 EFFECTIVE JULY 1, 2023

Based on Tipping Fee of: \$ 179.72 per ton
 Based on RCY Processing Fee of: \$ 110.97 per ton

TYPE OF SERVICE	1	2	3	4	5	6	7	8
	LABOR	FUEL	NOS	COMBINED BASE RATE	DISPOSAL FEES	RCY & YW COSTS	COMBINED RATE	FREQUENCY OF SERVICE
	One cont.	One cont.	One cont.	One cont.	Actual	One cont.	One cont.	
4.1% Increase	16.4% Increase	9.7% Increase	Labor+Fuel+NOS	4.5% of Base & Disposal				

TABLE 1 Residential and Commercial Cart Rates

20 Gallon Cart	\$ 9.94	\$ 1.22	\$ 6.13	\$ 17.29	\$ 8.56	\$ 1.17	\$ 27.02	Weekly
30 Gallon Cart	14.77	1.79	9.10	25.66	12.84	1.74	40.24	Weekly
40 Gallon Cart	18.86	2.27	11.45	32.58	17.12	2.24	51.94	Weekly
64 Gallon Cart	22.98	2.50	12.75	38.23	27.39	2.96	68.58	Weekly
96 Gallon Toter	29.93	3.14	16.08	49.15	38.51	3.95	91.61	Weekly
OCCASIONAL 30 Gal.	4.86	0.70	3.43	8.99	2.96	0.54	12.49	Per pick-up
20 Gallon Senior Rate	5.21	0.65	3.21	9.07	8.56	0.80	18.44	Weekly

SPECIAL SERVICES:

Extra Can on Service Day
 Overflowing Cart charge

6.85 Per pick-up
 6.85 Per occurrence

TABLE 2 Commercial Bin Rates

1.0 CY, 1 time per week	\$ 53.81	\$ 5.04	\$ 25.70	\$ 84.55	\$ 86.44	\$ 7.71	\$ 178.70	Weekly
1.5 CY, 1 time per week	75.73	7.59	38.69	122.01	129.66	11.35	263.02	Weekly
2.0 CY, 1 time per week	107.99	10.14	51.67	169.80	172.87	15.46	358.13	Weekly
3.0 CY, 1 time per week	146.66	12.88	65.73	225.27	259.31	21.86	506.44	Weekly
4.0 CY, 1 time per week	185.29	15.63	79.74	280.66	345.75	28.26	654.67	Weekly
6.0 CY, 1 time per week	270.14	22.27	113.60	406.01	518.62	41.72	966.35	Weekly

TABLE 3 Debris Box per Load Rates

4 CY	\$ 55.59	\$ 26.42	\$ 13.07	\$ 95.08	\$ 79.79	\$ 7.89	\$ 182.76	Per Pickup to 0.50 T
15 CY	266.47	29.35	149.52	445.34	299.20	33.59	778.13	Per Pickup to 1.515 T
20 CY	298.00	30.36	154.69	483.05	398.94	39.79	921.78	Per Pickup to 2.02 T
30 CY	396.19	37.76	226.64	660.59	598.41	56.80	1,315.80	Per Pickup to 3.03 T
40 CY	494.37	45.16	230.14	769.67	797.88	70.72	1,638.27	Per Pickup to 4.04 T
Over-weight Charge					197.49		197.49	Per Ton over Limit
Compactor Rate (per Haul)	\$ 119.29	\$ 11.81	\$ 60.20	\$ 191.30	Disposal billed separately		\$ 191.30	Disposal billed separately
					MSW/Ton		\$ 197.49	includes FF

EXHIBIT A: GARBENVILLE, HOLMES, FORTUNA, FERNDALE, WEOTT, MYERS FLAT AREAS FRANCHISE RATES
EFFECTIVE JULY 1, 2023

121.95 includes FF
143.64 includes FF

TABLE 4 CONTAINER RENTAL COSTS

	Previous Rates		New Rates	
	Monthly	Weekly	Monthly	Weekly
1 YARD	\$ 22.04	\$ 8.23	\$ 23.88	\$ 8.92
2 YARD	27.57	8.23	29.87	8.92
3 YARD	27.57	8.23	29.87	8.92
4 YARD	33.16	8.23	35.93	8.92
6 YARD	38.56	8.23	41.78	8.92
15 YARD	41.32	22.04	44.77	23.88
20 YARD	55.13	27.57	59.74	29.87
40 YARD	55.13	27.57	59.74	29.87

TABLE 5 CHARGES FOR SPECIAL SERVICES

PER HOUR FOR ONE (1) MAN AND ONE (1) TRUCK:	\$ 68.54	OR
PER CUBIC YARD PICKUP:	\$ 39.77	PER YD.
REINSTATEMENT OF SERVICE	\$ 25.00	
SPECIAL COLLECTION AFTER IMPROPER SET-OUT	\$ 56.63	
WALK IN/PULL OUT SERVICE	\$ 8.00	per cart/month
	\$ 20.00	per bin/month
SPECIAL SERVICE FOR BULKY ITEMS & APPLIANCES:		
\$ 73.01	PER STOP. PLUS "PASS-THROUGH" COST OF DISPOSAL OR RECYCLING	

TABLE 5 RECYCLING SERVICE

\$ 6.40 per month

Rates not listed on Rate Sheets will increase at the following rates	
Residential	13.7%
MFD	16.5%
Comm'l	16.5%
Debris Box	14.1%
Service	8.4%
Recycling	8.8%
Green Waste	1.0%

**GARBERVILLE, HOLMES, FORTUNA, FERDALE, WEOTT, MYERS FLAT AREAS FRANCHISE RATES
Recycling Processing Costs & Yard Waste Tip Fee Increase**

Rates Effective 7/1/2023
Fees Effective 7/1/2023

	2021 Rates	2022 Rates	2023 Rates
Recycling Processing			
Mid County	2,831	2,756	2,471
South County	1,504	1,513	1,117
Total County	4,337	4,269	3,588
South County Annual Tonnage	1,506	1,513	1,117
RCY Processing Fee	\$ 82.66	\$ 71.00	\$ 110.97
Annual RCY Processing Fees - South County Franchise Fees 9%	\$ 124,507	\$ 107,444	\$ 123,955
Total RCY Processing Fees for South County	\$ 136,821	\$ 118,070	\$ 136,214
Yard Waste Disposal			
Mid County	926	900	986
South County	-	-	-
Total County	926	900	986
Yard Waste Disposal per Ton	\$ 89.00	\$ 91.12	\$ 130.71
South County YW Disposal Costs	\$ -	\$ -	\$ -
Amount included in rates @ \$49,000 ton	-	-	-
Incremental Yard Waste Disposal	\$ -	\$ -	\$ -
Incremental RCY Processing and Yard Waste Disposal Costs to be Added to Rates	\$ 136,821	\$ 118,070	\$ 136,214
South County Annual Revenue	\$ 2,876,290	\$ 3,205,901	\$ 3,140,930
Prior RCY & YW Premium	(138,541)	(160,217)	(121,762)
Revenue excl. RCY & YW Premium	\$ 2,737,749	\$ 3,045,684	\$ 3,019,168
Annual RCY Processing and Incr. YW Disp. Premium	\$ 800,000	\$ 3,885,000	\$ 4,510,000

From annual report to HWMA

Recology Humboldt County
Cost of Living Indices
 EFFECTIVE JULY 1, 2023

Labor Escalating Costs	
<u>Employee Cost Indexes - Total Compensation, Private Industry, Union, Svc. Providing Industry</u>	
Series ID: CIU201S0000005101	
Index: Quarter 4 2022	161.3
Index: Quarter 4 2021	155.0
Change in Index:	6.3
% Change in Index	= 4.0645%
<u>Factor for Labor Escalating Costs</u>	
Weighted Average (Based on Base Rate Allocations)	$1.0000 + 0.0406 = 1.0406$
	0.3467

Fuel Escalating Costs	
<u>U.S. Department of Energy - Energy Information Administration - California On-Highway #2 Diesel Price</u>	
Index: December 2022	5.558
Index: December 2021	4.776
Change in Index:	0.782
% Change in Index	= 16.3735%
<u>Factor for Fuel Escalating Costs</u>	
Weighted Average (Based on Base Rate Allocations)	$1.0000 + 0.1637 = 1.1637$
	0.0937

Other, N.O.S. Escalating Costs	
<u>Producer Price Index - Industry Data , Waste Collection</u>	
Series ID: PCU5621--5621--	
Index: December 2022	171.6
Index: December 2021	156.4
Change in Index:	15.2
% Change in Index	= 9.7212%
<u>Factor for Other Escalating Costs</u>	
Weighted Average (Based on Base Rate Allocations)	$1.0000 + 0.0972 = 1.0972$
	0.6432
Weighted Average Total - Applied to Base Rate and Processing	8.36%

California No 2 Diesel Ultra Low Sulfur (0-15 ppm) Retail Prices (Dollars per Gallon)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2007	2.886	2.885	2.885	2.953	2.964	3.019	3.125	3.049	3.024	3.267	3.698	3.473
2008	3.123	3.185	4.014	4.263	4.673	4.968	4.965	4.542	4.097	3.568	2.932	2.315
2009	2.297	2.260	2.159	2.336	2.524	2.837	2.754	2.850	2.837	2.856	2.962	2.913
2010	2.997	2.938	3.053	3.206	3.203	3.102	3.124	3.164	3.144	3.214	3.505	3.405
2011	3.560	3.504	4.115	4.400	4.562	4.213	4.106	4.009	4.037	4.059	4.245	4.095
2012	4.103	4.231	4.474	4.419	4.318	4.027	3.917	4.240	4.426	4.376	4.170	4.076
2013	4.063	4.235	4.245	4.131	4.040	4.226	4.069	4.158	4.259	4.134	4.045	4.073
2014	4.082	4.034	4.092	4.059	4.119	4.101	4.110	4.083	4.074	4.238	3.813	3.542
2015	3.212	3.110	3.152	3.093	3.234	3.192	3.115	2.953	2.830	2.814	2.768	2.844
2016	2.526	2.535	2.357	2.459	2.636	2.752	2.765	2.722	2.749	2.817	2.820	2.861
2017	2.932	2.937	2.933	2.933	2.922	2.893	2.876	2.959	3.168	3.172	3.587	3.529
2018	3.630	3.650	3.654	3.773	3.941	3.982	3.957	3.940	3.973	4.066	4.018	3.858
2019	3.753	3.734	3.759	3.953	4.128	4.053	3.949	3.906	3.913	3.953	4.003	3.902
2020	3.873	3.757	3.901	3.453	3.182	3.218	3.204	3.263	3.229	3.246	3.250	3.336
2021	3.439	3.607	3.931	3.950	4.024	4.095	4.195	4.291	4.524	4.481	4.745	4.776
2022	4.803	5.016	6.133	6.260	6.479	6.874	6.587	6.123	6.349	6.330	6.121	5.553
2023	5.467											

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


Release Date: 2/16/2023
 Next Release Date: 2/13/2023

Recology South County Rate Application - Preliminary

Data extracted on: February 13, 2023 (12:29:16 PM)

Employment Cost Index (NAICS)

Series Id: CIU20150000005101(B,H)
 Not seasonally adjusted
 Series Title: Total compensation for Private industry workers in Union, service-providing industries, index
 Ownership: Private industry workers
 Component: Total compensation
 Occupation: All occupations
 Industry: Service-providing
 Subcategory: Union
 Area: United States (National)
 Periodicity: Current dollar index number

Download:  [xlsx](#)


Year	Period	Estimate Value	Standard Error
2018	Qtr1	138.2	-(A)
2018	Qtr2	140.7	-(A)
2018	Qtr3	141.6	-(A)
2018	Qtr4	142.8	-(A)
2019	Qtr1	144.1	-(A)
2019	Qtr2	144.7	-(A)
2019	Qtr3	145.2	-(A)
2019	Qtr4	146.2	-(A)
2020	Qtr1	147.2	-(A)
2020	Qtr2	148.8	-(A)
2020	Qtr3	149.6	-(A)
2020	Qtr4	150.2	-(A)
2021	Qtr1	151.6	-(A)
2021	Qtr2	152.4	-(A)
2021	Qtr3	153.8	-(A)
2021	Qtr4	155.0	-(A)
2022	Qtr1	156.5	-(A)
2022	Qtr2	157.9	-(A)
2022	Qtr3	159.4	-(A)
2022	Qtr4	161.3	-(A)

B : Includes wages, salaries, and employer costs for employee benefits.
 H : See Footnote H on www.bls.gov/eci/overview/eci-labstat-footnotes.htm.
 A : Dashes indicate data not available.

Data extracted on: February 13, 2023 (12:22:05 PM)

PPI Industry Data

Series Id: PCU562L--S621--
Series Title: PPI Industry group data for Waste collection, not seasonally adjusted
Industry: Waste collection
Product: Waste collection
Base Date: 200312

Download:  [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	121.3	121.6	122.3	122.5	122.2	121.8	121.7	122.1	122.4	122.6	122.7	122.5
2013	123.3	123.5	123.8	124.0	123.5	123.6	123.8	124.5	124.8	124.8	124.9	124.7
2014	125.3	125.7	126.3	126.5	126.4	126.3	126.9	127.7	128.2	128.6	128.4	128.1
2015	128.2	128.2	128.7	128.9	128.5	128.0	127.7	128.8	128.7	128.9	129.0	128.3
2016	129.8	130.4	131.7	132.5	132.7	132.7	132.6	133.1	133.2	132.9	132.5	132.3
2017	132.7	133.2	133.8	134.9	134.9	134.9	135.1	135.5	136.7	137.2	137.0	137.0
2018	138.7	139.9	140.7	141.7	140.9	140.3	140.6	141.1	141.3	141.6	141.5	141.5
2019	142.3	142.9	145.5	145.8	144.8	144.3	144.7	145.3	145.6	145.9	146.2	146.2
2020	147.8	148.5	149.9	150.1	149.5	148.3	148.5	149.1	150.3	151.4	151.5	151.0
2021	151.9	153.3	155.3	155.5	154.4	153.7	153.663	154.176	154.763	156.163	156.273	156.432
2022	157.195	159.398	161.771	163.624	163.563	163.468	166.894	168.097	169.251(P)	171.255(P)	171.487(P)	171.639(P)

P: Preliminary. All indexes are subject to monthly revisions up to four months after original publication.

Recology South County Rate Application - Preliminary

	Jan - Sept 2022	Oct - Dec 2022	Total 2022	Allocation %
Collection Revenues	\$ 2,335,297	\$ 805,633	\$ 3,140,930	
Operating Expenses Excluding Interest Disposal Expenses	9,822,221	3,554,561	13,376,782	
	(2,703,156)	(951,471)	(3,654,628)	
Operating Expenses Excluding Disposal	\$ 7,119,064	\$ 2,603,090	\$ 9,722,154	
Labor and Benefits	\$ 2,379,145	\$ 860,433	\$ 3,239,578	33.32%
Fuel	589,151	193,836	782,988	8.05%
Other NOS	4,150,768	1,548,821	5,699,589	58.62%
Operating Expenses Excluding Disposal	\$ 7,119,064	\$ 2,603,090	\$ 9,722,154	100.00%
Fortuna/Ferndale	\$ 1,285,507	\$ 446,464	\$ 1,731,972	
Garberville	1,014,577	349,851	1,364,428	
Weott	-	-	-	
Holmes	35,213	9,317	44,530	
Myers Flat	-	-	-	
Total South County Revenue	\$ 2,335,297	\$ 805,633	\$ 3,140,930	

DISPOSAL RATES FOR VARIOUS CONTAINER SIZES

Size	Ton 1#/gal; 202#/yd	Redway Disposal Rate	Rate/container	Monthly Rate/ container	Rate/container with 9% fran.fee	Monthly rate/ container w 9%
20 Gallons	0.01	\$179.72	\$1.80	\$7.79	\$1.97	\$8.56
30 Gallons	0.015	\$179.72	\$2.70	\$11.68	\$2.96	\$12.84
40 Gallons	0.02	\$179.72	\$3.59	\$15.58	\$3.95	\$17.12
55 Gallons	0.0275	\$179.72	\$4.94	\$21.42	\$5.43	\$23.53
64 Gallons	0.032	\$179.72	\$5.75	\$24.92	\$6.32	\$27.39
90 Gallons	0.045	\$179.72	\$8.09	\$35.05	\$8.89	\$38.51
93 Gallons	0.0465	\$179.72	\$8.36	\$36.21	\$9.18	\$39.80
1.0 Cubic yard	0.101	\$179.72	\$18.15	\$78.66	\$19.95	\$86.44
1.5 Cubic Yards	0.1515	\$179.72	\$27.23	\$117.99	\$29.92	\$129.66
2.0 Cubic Yards	0.202	\$179.72	\$36.30	\$157.31	\$39.89	\$172.87
2.5 Cubic Yards	0.2525	\$179.72	\$45.38	\$196.64	\$49.87	\$216.09
3.0 Cubic Yards	0.303	\$179.72	\$54.46	\$235.97	\$59.84	\$259.31
4.0 Cubic Yards	0.404	\$179.72	\$72.61	\$314.63	\$79.79	\$345.75
5.0 Cubic Yards	0.505	\$179.72	\$90.76	\$393.29	\$99.73	\$432.18
6.0 Cubic Yards	0.606	\$179.72	\$108.91	\$471.94	\$119.68	\$518.62
10 Cubic Yards	1.01	\$179.72	\$181.52	\$786.57	\$199.47	\$864.37
12 Cubic Yards	1.212	\$179.72	\$217.82	\$943.89	\$239.36	\$1,037.24
14 Cubic Yards	1.414	\$179.72	\$254.12	\$1,101.20	\$279.26	\$1,210.11
15 Cubic Yards	1.515	\$179.72	\$272.28	\$1,179.86	\$299.20	\$1,296.55
18 Cubic yards	1.818	\$179.72	\$326.73	\$1,415.83	\$359.05	\$1,555.86
20 Cubic Yards	2.02	\$179.72	\$363.03	\$1,573.15	\$398.94	\$1,728.74
30 Cubic Yards	3.03	\$179.72	\$544.55	\$2,359.72	\$598.41	\$2,593.10
40 Cubic Yards	4.04	\$179.72	\$726.07	\$3,146.30	\$797.88	\$3,457.47

