



BURRTEC

WASTE INDUSTRIES, INC.

"We'll Take Care Of It"

March 14, 2017

Mr. Dale Sargent
City of Santa Clarita
23920 Valencia Blvd
Santa Clarita, CA 91355

Dear Dale:

Pursuant to the City of Santa Clarita's Agreement for Commercial Solid Waste Services, Burrtec respectfully requests an annual adjustment to the commercial rates effective July 1, 2017.

The submittal also includes revised food waste rates to reflect the disposal/processing increases. This program is offered in response to the state mandates of AB1826, Mandatory Commercial Organics Recycling. As previously discussed, the food waste collection costs are significantly more than trash collection due to numerous factors including processing, density, truck retrofitting and maintenance, container maintenance, routing inefficiencies, administration and outreach/education.

Enclosed please find worksheets that include the following:

- a) The adjustment methodology calculations utilizing the required indices and specified weighting
- b) Trash, green waste and food waste rate component worksheet with the new rates
- c) Miscellaneous fees worksheet

Thank you for the consideration.

Sincerely,

Richard Niño
Vice President

cc: Travis Lange, Environmental Services Manager
Bob Coon, CFO, Burrtec Waste Industries

Burrtec Waste Industries, Inc.
City of Santa Clarita
Rate Component Worksheet

		2016 Rate Components			2017 Rate Components		
Bin Size	Freq	Net to Burrtec	10.00%	1.45%	Net to Burrtec	10.00%	1.61%
			Franchise Fee	CPI Total Rate		Franchise Fee	CPI Total Rate
1.5	1	\$64.37	7.15	\$71.52	\$65.40	7.27	\$72.67
1.5	2	\$125.50	13.95	\$139.45	\$127.53	14.17	\$141.70
1.5	3	\$186.66	20.74	\$207.40	\$189.67	21.07	\$210.74
1.5	4	\$247.16	27.46	\$274.62	\$251.14	27.90	\$279.04
1.5	5	\$307.63	34.18	\$341.81	\$312.58	34.73	\$347.31
1.5	6	\$368.14	40.91	\$409.05	\$374.08	41.56	\$415.64
1.5	7	\$428.63	47.63	\$476.26	\$435.54	48.39	\$483.93
2	1	\$66.97	7.44	\$74.41	\$68.05	7.56	\$75.61
2	2	\$130.58	14.51	\$145.09	\$132.69	14.74	\$147.43
2	3	\$194.20	21.58	\$215.78	\$197.32	21.93	\$219.25
2	4	\$257.18	28.58	\$285.76	\$261.32	29.04	\$290.36
2	5	\$320.10	35.57	\$355.67	\$325.26	36.14	\$361.40
2	6	\$383.08	42.56	\$425.64	\$389.24	43.25	\$432.49
2	7	\$446.02	49.56	\$495.58	\$453.20	50.36	\$503.56
3	1	\$73.24	8.14	\$81.38	\$74.42	8.27	\$82.69
3	2	\$142.80	15.87	\$158.67	\$145.10	16.12	\$161.22
3	3	\$212.38	23.60	\$235.98	\$215.80	23.98	\$239.78
3	4	\$281.25	31.25	\$312.50	\$285.78	31.75	\$317.53
3	5	\$350.07	38.90	\$388.97	\$355.71	39.52	\$395.23
3	6	\$418.95	46.55	\$465.50	\$425.69	47.30	\$472.99
3	7	\$487.80	54.20	\$542.00	\$495.66	55.07	\$550.73
4	1	\$92.02	10.22	\$102.24	\$93.50	10.39	\$103.89
4	2	\$179.46	19.94	\$199.40	\$182.35	20.26	\$202.61
4	3	\$266.89	29.65	\$296.54	\$271.18	30.13	\$301.31
4	4	\$353.38	39.27	\$392.65	\$359.07	39.90	\$398.97
4	5	\$439.90	48.88	\$488.78	\$446.98	49.67	\$496.65
4	6	\$526.39	58.49	\$584.88	\$534.87	59.43	\$594.30
4	7	\$612.91	68.10	\$681.01	\$622.77	69.20	\$691.97
6	1	\$117.70	13.08	\$130.78	\$119.60	13.29	\$132.89
6	2	\$229.48	25.50	\$254.98	\$233.18	25.91	\$259.09
6	3	\$341.31	37.92	\$379.23	\$346.81	38.53	\$385.34
6	4	\$451.93	50.21	\$502.14	\$459.20	51.02	\$510.22
6	5	\$562.54	62.51	\$625.05	\$571.60	63.51	\$635.11
6	6	\$673.18	74.80	\$747.98	\$684.02	76.00	\$760.02
6	7	\$783.81	87.09	\$870.90	\$796.43	88.49	\$884.92
32G Can	1	\$41.14	4.57	\$45.71	\$41.80	4.65	\$46.45
32G Can	2	\$74.09	8.23	\$82.32	\$75.28	8.37	\$83.65
32G Can	3	\$123.46	13.72	\$137.18	\$125.45	13.94	\$139.39
32G Can	4	\$164.61	18.29	\$182.90	\$167.26	18.58	\$185.84
32G Can	5	\$205.78	22.87	\$228.65	\$209.10	23.23	\$232.33
32G Can	6	\$246.94	27.44	\$274.38	\$250.92	27.88	\$278.80
90G Can	1	\$46.03	5.12	\$51.15	\$46.77	5.20	\$51.97
90G Can	2	\$82.85	9.21	\$92.06	\$84.19	9.35	\$93.54
90G Can	3	\$138.09	15.34	\$153.43	\$140.31	15.59	\$155.90
90G Can	4	\$184.13	20.46	\$204.59	\$187.09	20.79	\$207.88
90G Can	5	\$230.17	25.58	\$255.75	\$233.88	25.99	\$259.87
90G Can	6	\$276.21	30.69	\$306.90	\$280.66	31.18	\$311.84

Burrtec Waste Industries, Inc.
 City of Santa Clarita
 Rate Component Worksheet - Greenwaste

		2016 Rate Components			2017 Rate Components		
Bin Size	Freq	Net to Burrtec	10.00% Franchise Fee	75% of Bin Total Rate	Net to Burrtec	10.00% Franchise Fee	75% of Bin Total Rate
3	1	\$54.94	6.10	\$61.04	\$55.82	6.20	\$62.02
3	2	\$107.10	11.90	\$119.00	\$108.83	12.09	\$120.92
3	3	\$159.29	17.70	\$176.99	\$161.86	17.98	\$179.84
3	4	\$210.94	23.44	\$234.38	\$214.33	23.82	\$238.15
3	5	\$262.56	29.17	\$291.73	\$266.78	29.64	\$296.42
3	6	\$314.22	34.91	\$349.13	\$319.27	35.47	\$354.74
3	7	\$365.85	40.65	\$406.50	\$371.74	41.31	\$413.05

Burrtec Waste Industries, Inc.
 City of Santa Clarita
 July 2017

Service	Current Rate	July 1, 2017 Proposed Rate
Extra Pick-Up (Bin)	\$44.17	\$44.89
Extra Pick-Up (Compactor)	\$62.66	\$63.67
Extra Pick-Up (Barrel)	\$31.25	\$31.76
Compactor Rates	2x Comparable Rate	2x Comparable Rate
Locking Bins (per bin/per month)	\$12.62	\$12.83
Additional Bin Cleanings	\$44.17	\$44.89
Commercial Bulky Item Pickup	\$25.23	\$25.63
Emergency Services (per hour, 1 person, 1 truck)	\$88.37	\$89.79
Late Fees (per month)	1.5%	1.5%
Recycling Contamination - Barrel	\$31.26	\$31.76
Recycling Contamination - Bin	\$44.17	\$44.88

Burrtec Waste Industries, Inc.
 City of Santa Clarita
 Food Waste Rates

		2016 Rate Components					2017 Rate Components - Disposal Fee Update													
Bin Size	Freq	Service	Lbs/Yard	Net to Burrtec	10.00% Franchise Fee	Total Rate	Service	Lbs/Yard	Net to Burrtec	10.00% Franchise Fee	Total Rate									
			300.00					300.00												
			Disposal							Disposal*										
			\$ 51.00							\$ 69.00										
1.5	1	\$80.24	\$49.73	\$129.97	14.44	\$144.41	\$81.53	\$67.28	\$148.81	16.53	\$165.34									
1.5	2	\$155.61	\$99.45	\$255.06	28.34	\$283.40	\$158.12	\$134.55	\$292.67	32.52	\$325.19									
1.5	3	\$231.03	\$149.18	\$380.21	42.25	\$422.46	\$234.75	\$201.83	\$436.58	48.51	\$485.09									
1.5	4	\$305.48	\$198.90	\$504.38	56.04	\$560.42	\$310.40	\$269.10	\$579.50	64.39	\$643.89									
1.5	5	\$379.86	\$248.63	\$628.49	69.83	\$698.32	\$385.98	\$336.38	\$722.36	80.26	\$802.62									
1.5	6	\$454.31	\$298.35	\$752.66	83.63	\$836.29	\$461.62	\$403.65	\$865.27	96.14	\$961.41									
2	1	\$80.24	\$66.30	\$146.54	16.28	\$162.82	\$81.53	\$89.70	\$171.23	19.03	\$190.26									
2	2	\$155.61	\$132.60	\$288.21	32.02	\$320.23	\$158.12	\$179.40	\$337.52	37.50	\$375.02									
2	3	\$231.03	\$198.90	\$429.93	47.77	\$477.70	\$234.75	\$269.10	\$503.85	55.98	\$559.83									
2	4	\$305.48	\$265.20	\$570.68	63.41	\$634.09	\$310.40	\$358.80	\$669.20	74.36	\$743.56									
2	5	\$379.86	\$331.50	\$711.36	79.04	\$790.40	\$385.98	\$448.50	\$834.48	92.72	\$927.20									
2	6	\$454.31	\$397.80	\$852.11	94.68	\$946.79	\$461.62	\$538.20	\$999.82	111.09	\$1,110.91									
		<table border="1"> <tr><td>Lbs/Barrel</td></tr> <tr><td>200.00</td></tr> <tr><td>Disposal</td></tr> <tr><td>\$ 51.00</td></tr> </table>			Lbs/Barrel	200.00	Disposal	\$ 51.00				<table border="1"> <tr><td>Lbs/Barrel</td></tr> <tr><td>200.00</td></tr> <tr><td>Disposal</td></tr> <tr><td>\$ 69.00</td></tr> </table>			Lbs/Barrel	200.00	Disposal	\$ 69.00		
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Lbs/Barrel																				
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Disposal																				
\$ 69.00																				
65Gal	1	\$58.17	\$22.10	\$80.27	8.92	\$89.19	\$59.11	\$29.90	\$89.01	9.89	\$98.90									
65Gal	2	\$104.07	\$44.20	\$148.27	16.47	\$164.74	\$105.75	\$59.80	\$165.55	18.39	\$183.94									
65Gal	3	\$174.59	\$66.30	\$240.89	26.77	\$267.66	\$177.40	\$89.70	\$267.10	29.68	\$296.78									
65Gal	4	\$232.77	\$88.40	\$321.17	35.69	\$356.86	\$236.52	\$119.60	\$356.12	39.57	\$395.69									
65Gal	5	\$290.99	\$110.50	\$401.49	44.61	\$446.10	\$295.67	\$149.50	\$445.17	49.46	\$494.63									
65Gal	6	\$349.20	\$132.60	\$481.80	53.53	\$535.33	\$354.82	\$179.40	\$534.22	59.36	\$593.58									

* Subject to additional processing facility tip charges

Burrtec Waste Industries, Inc.
 Refuse Rate Adjustment Calculations
 City of Santa Clarita - Commercial
 July 2017

	Index Reference	12-Month Average 10/1/14-9/30/15	12-Month Average 10/1/15-9/30/16	Percentage Inc / (Dec)	Allowable Percentage of Change	Percentage Change	Weight	Percent Amount
Labor	PCU56211-56211-	128.4	131.2	2.18%	100%	2.18%	30%	0.654%
Fuel	DOE West Coast CNG	2.64	2.67	1.14%	100%	1.14%	5%	0.057%
Equipment	PCU336211336211	234.6	236.9	0.98%	100%	0.98%	15%	0.147%
Disposal	CUUR0000SEHG02	430.008	437.748	1.80%	100%	1.80%	34%	0.612%
All Other	CUUR0000SEHG02	430.008	437.748	1.80%	50%	0.90%	16%	0.144%
Total							100%	1.614%
Total Rate Increase								1.61%

Burrtec Waste Industries, Inc.
 Refuse Rate Adjustment Calculations
 City of Santa Clarita - Commercial
 July 2017

	PCU56211- 56211-	DOE West Coast CNG (\$/DGE)	PCU336211 336211	CUUR0000 SEHG02
<u>Month</u>				
Oct-14	128.6	\$ 2.69	232.4	427.995
Nov-14	128.4		232.4	427.808
Dec-14	128.1		232.5	428.187
Jan-15	128.2	\$ 2.55	233.2	427.734
Feb-15	128.2		235.3	429.248
Mar-15	128.7		235.3	429.235
Apr-15	128.9	\$ 2.64	235.3	429.807
May-15	128.5		235.7	431.234
Jun-15	128.0		235.7	430.813
Jul-15	127.7	\$ 2.67	235.7	431.229
Aug-15	128.8		235.8	432.967
Sep-15	128.7		235.8	433.843
12-month average	128.4	\$ 2.64	234.6	430.008
<u>Month</u>				
Oct-15	128.9	\$ 2.68	235.8	434.829
Nov-15	129.0		235.9	436.428
Dec-15	128.3		235.9	436.996
Jan-16	129.8	\$ 2.71	236.3	437.205
Feb-16	130.4		236.8	438.296
Mar-16	131.7		236.9	437.699
Apr-16	132.5	\$ 2.62	237.1	437.676
May-16	132.7		237.1	438.317
Jun-16	132.7		237.3	437.858
Jul-16	132.6	\$ 2.67	237.7	438.607
Aug-16	133.1		237.9	439.358
Sep-16	133.2		237.9	439.707
12-month average	131.2	\$ 2.67	236.9	437.748
Percent Change	2.18%	1.14%	0.98%	1.80%