



PREPARED FOR:
City of Casa Grande, Arizona

Solid Waste Rate Study

FINAL REPORT | NOVEMBER 2009



An SAIC Company

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Solid Waste Rate Study

City of Casa Grande, Arizona

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This report has been prepared for the use of the client for the specific purposes identified in the report. The conclusions, observations and recommendations contained herein attributed to R. W. Beck, Inc. (R. W. Beck) constitute the opinions of R. W. Beck. To the extent that statements, information and opinions provided by the client or others have been used in the preparation of this report, R. W. Beck has relied upon the same to be accurate, and for which no assurances are intended and no representations or warranties are made. R. W. Beck makes no certification and gives no assurances except as explicitly set forth in this report.

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EXECUTIVE SUMMARY

In April 2009, the City of Casa Grande, Arizona (City) retained R. W. Beck, Inc. to conduct a cost of service and rate design study (Study) for the solid waste utility. The purpose of this study is to determine the total cost of providing solid waste services, equitably distribute the cost to customers, and design rates to safeguard the financial integrity of the utility. This Final Report summarizes R. W. Beck's key findings and proposed rates.

Project Approach

The goal of a cost of service and rate design study is to determine the solid waste fees required to adequately recover the costs of providing services. R. W. Beck developed a series of key tasks that provided the foundation for the conduct of the Study. The methodology is discussed in Section 2 of this report. R. W. Beck utilized the following sources of information regarding the City's current system.

Data Requests

R. W. Beck submitted detailed data requests to the City to collect historical and background information on operations and practices. The information requested included:

- Detailed financial reports and budgets;
- Solid waste policies and ordinances;
- Personnel rosters;
- Solid waste quantity reports;
- Fleet operational policies, inventory and costs; and
- Solid waste contracts.

Project Kick-Off Meeting and Operational Observations

R. W. Beck held a kick-off conference call with City staff on April 3, 2009 to initiate the Study. This meeting served as a forum to confirm the scope of services, discuss the data already collected and to be provided, and identify issues of concern to the City. R. W. Beck also held on-site meetings with City staff on April 20 and 21, 2009. During these meetings, R. W. Beck was able to gain first-hand knowledge of the solid waste operation by conducting on-site observations of refuse and recycling routes.

Ongoing Staff Communications

During the course of the Study, R. W. Beck conducted several conference calls with City staff. These conference calls provided the opportunity for R. W. Beck to review project progress, verify assumptions, and receive input from City staff.

Revenue Requirement

The revenue requirement forecast, shown in Table ES-1, was developed for the solid waste utility based on the methodology discussed in Section 2 of this report.

Table ES-1
Solid Waste Revenue Requirement ¹

Service Category	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Residential Collection	\$1,683,856	\$1,820,874	\$1,910,587	\$2,066,241	\$2,148,298
Uncontained Trash	\$483,806	\$554,593	\$575,905	\$655,049	\$679,258
Recycling Collection	\$701,235	\$732,643	\$770,056	\$812,454	\$852,137
Recycling Operations	\$309,536	\$335,442	\$350,674	\$377,059	\$394,665
Landfill	\$1,447,529	\$1,709,450	\$1,640,042	\$1,710,371	\$1,774,701
Commercial Front Load	\$705,373	\$748,154	\$793,140	\$973,158	\$1,055,774
Commercial Roll Off	\$540,151	\$559,823	\$586,993	\$615,446	\$640,540
Revenue Requirement	\$5,871,485	\$6,460,978	\$6,627,397	\$7,209,778	\$7,545,374

Notes:

1. Any minor arithmetic deviation is due to rounding

Proposed Rates

Landfill

Section 3 of this report describes the proposed rates for solid waste services. R. W. Beck recommends that the current landfill fees remain unchanged. The current landfill fees are \$30.00 per ton for waste generated in the City and \$45.00 per ton for waste generated from the County.

As described in Section 2.7.1 of this report, the current landfill fees generate excess revenue compared to the cost of service. R. W. Beck recommends that excess revenue generated from the landfill be allocated as follows:

- Offset cost associated with recycling processing operation;
- Establish a landfill replacement reserve; and
- Fund the Division operating reserve.

Residential Rates

The proposed rates for residential customers are listed in Table ES-2. The proposed rates are supported by the cost of service analysis, as discussed in Section 2.7.3 of this report.

Table ES-2
Proposed Residential Monthly Rates

	Current Rate	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Refuse Rate	\$11.35	\$17.00	\$18.00	\$19.00	\$21.60	\$21.60
Cost of Service		\$19.59	\$20.74	\$20.51	\$21.43	\$21.48
Total Change		50%	6%	6%	8%	0%

The residential cost of service recovers the cost to provide refuse collection and disposal, recycling collection and processing, and uncontained trash collection and disposal. In the proposed rates, the cost of uncontained trash collection is recovered from all residential customers. The City will continue to develop data to support the charge for this service. Additional policy discussion regarding uncontained trash may be found in Section 4.

Evaluation of Operational Change

R. W. Beck evaluated the potential impact of operational changes on the residential rate. Specifically, R. W. Beck evaluated the costs associated with transitioning from twice per week refuse and once per week recycling system to a once per week refuse and once per week recycling system (“one and one”).

Table ES-3 summarizes the projected cost of service for residents if the City transitioned to a one and one program as compared to the projected cost of service under the current system.

As shown in the table, the City could significantly reduce its cost of service by making the transition. Some of the key drivers of the cost savings are:

- Fewer required routes for residential refuse;
- Elimination of the recycling processing system; and
- Net positive revenue associated with recycling processing.

Table ES-3
Cost of Service Comparison

Operation	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
<u>Cost of Service</u>					
Current System	\$19.59	\$20.74	\$20.51	\$21.43	\$21.48
One and One	\$16.09	\$16.58	\$17.07	\$17.59	\$18.11
<u>Proposed Rate</u>					
Current System	\$19.70	\$20.90	\$20.90	\$21.60	\$21.60
One and One	\$16.20	\$16.60	\$17.10	\$17.60	\$18.15

R. W. Beck would note that this transition would represent a complete transformation as to how residential solid waste collection is approached in the City. However, many cities in the United States, including cities in Arizona, have successfully transitioned to this style of program. In fact, one and one programs are the most prevalent collection approach in Arizona

Commercial Cart Rates

The City's current rates for commercial carts are sufficient to recover the cost of service. Therefore, R. W. Beck has recommended no change in commercial cart refuse rates.

R. W. Beck recommends that the City implement a fee associated with commercial recycling, shown in Table ES-4. The fee for recycling is projected to fully recover the cost of service.

**Table ES-4
Proposed Commercial Cart Recycling Rates**

	Current Rate	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Recycling Rate per Customer per Month ¹						
14-gallon	No charge	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00

Notes:

1. Service includes collection one time per week with an 14-gallon bin.

Commercial Front-Load Rates

The proposed rates for commercial customers receiving twice weekly service via front-load operations are listed in Table ES-5. The proposed rates are supported by the cost of service analysis, as discussed in Section 2.7.5 of this report. A complete rate matrix for all combinations of container size and collection frequency for each year of the financial forecast is provided in the Appendix, Schedule 6.

**Table ES-5
Proposed Commercial Container Rates for Twice per Week Collection**

	Current Rate	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Rate per Container per Month ¹						
1.50	\$33.28	\$100.61	\$106.39	\$115.62	\$127.18	\$132.25
2.00	\$58.07	\$103.43	\$109.68	\$118.89	\$130.27	\$135.33
3.00	\$78.35	\$109.08	\$116.26	\$125.42	\$136.45	\$141.50
3.50	\$90.13	\$111.90	\$119.55	\$128.68	\$139.55	\$144.58
4.00	\$95.07	\$114.72	\$122.84	\$131.94	\$142.64	\$147.67
6.00	\$116.57	\$126.00	\$136.00	\$145.00	\$155.00	\$160.00
8.00	\$149.67	\$149.67	\$149.67	\$158.06	\$167.36	\$172.33

R. W. Beck also recommends that the City establish a fee associated with commercial front-load recycling. The proposed fees represent approximately a 50 percent discount to comparable front-load refuse service.

Commercial Roll-Off Rates

The proposed rates for commercial roll-off customers receiving are listed in Table ES-6. The proposed rates are supported by the cost of service analysis, as discussed in Section 2.7.6 of this report.

**Table ES-6
Proposed Commercial Roll-Off Rates**

Container Size	Current Rate	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Rate per Pull for Roll-Off Containers						
City-owned	\$132.83	\$130.00	\$145.00	\$160.00	\$175.00	\$175.00
Customer-owned	\$105.60	\$130.00	\$145.00	\$160.00	\$175.00	\$175.00
Roll-Off Rental Fees						
Rental Fee ¹		\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
One-Time Fee beyond 30 days ²		\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Daily Rental Fee beyond 30 days ³		\$5.00	\$5.00	\$5.00	\$5.00	\$5.00

Notes:

1. Rental fee incurred by customers using city-owned roll-offs. Customers would be able to use the roll-off containers for 30 days.
2. Customers that did not return containers within 30 days would incur a one-time fee of \$50.00.
3. Customers that did not return containers within 30 days would also incur a \$5.00 per day rental fee.

The City previously designed separate per-pull roll-off rates for customers using City-owned roll-offs and customers using customer-owned roll-offs. This method of cost recovery recovers the cost of providing service; however, it does not incent customers to utilize the City's roll-off containers in an efficient manner. Because of this, R. W. Beck proposes that the City charge a uniform per-pull collection fee for all roll-off collections. In addition, the City should charge a rental fee associated with renting a City-owned roll-off container. These rental fees, along with the "late" fees proposed in the above table, not only recover the cost of the container but also incent customers to return City containers.

Projected Revenue Recovery

Table ES-7 shows projected revenue to be recovered from proposed rates. The projection assumes the proposed rates are effective at the beginning of each fiscal year. However, due to the timing of this study, the proposed rates will not be implemented for the full year of FY 2010. Therefore, the projected over-recovery for FY 2010 is overstated.

Table ES-7
Revenue Projections Based on Proposed Rates

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Revenue					
Residential Collection ¹	\$2,963,245	\$3,211,965	\$3,524,411	\$4,144,277	\$4,307,580
Commercial Front-Load Collection ²	\$804,170	\$1,064,523	\$1,181,032	\$1,317,448	\$1,414,959
Roll-Off Collection	\$435,933	\$491,501	\$559,884	\$632,951	\$658,269
Landfill Fees	\$1,455,974	\$1,485,093	\$1,544,497	\$1,606,277	\$1,670,528
	\$5,659,321	\$6,253,082	\$6,809,824	\$7,700,953	\$8,051,336
Revenue Requirement	\$5,871,485	\$6,460,978	\$6,627,397	\$7,209,778	\$7,545,374
Over/(Under) Recovery	\$(212,164)	\$(207,896)	\$182,427	\$491,175	\$505,962
Landfill Replacement Reserve	\$0	\$0	\$91,214	\$339,537	\$606,100
Operating Reserve ⁴	\$679,816	\$492,315	\$519,855	\$569,833	\$628,043
Operating Reserve (days)	42	28	29	29	30

Notes:

1. Includes revenue from commercial cart customers and residential households.
2. Includes refuse and recycling collection.
3. This reserve reflects the City's policy to maintain a 60 day operating reserve fund.

The revenue projections in Table ES-7 are based on R. W. Beck's proposed rates for the current system. If the City were to transition to a one and one system, there would be a need for a transitional period for the City to make the operational changes needed to establish the program. If the City were to implement the proposed rates for the one and one program in FY 2010, the City would under recover by approximately \$48,000 for every month until the transition were complete.¹

Policy and Operational Issues

Various policy issues related to the solid waste utility are discussed in Section 4 of this report. Among the topics discussed are:

- Vacancy credit for residential customers;
- In-kind services provided to City facilities and schools;
- Set out limits for uncontained trash;
- Fees for commercial recycling;
- Excess revenue from landfill tipping fees; and
- Purchase of front-load containers.

¹ The City would under recover for the residential refuse and recycling operation. The Division as a whole would not under recover due to the excess revenue generated from landfill tipping fees.

In addition, through the course of conducting the rate study, R. W. Beck identified various operational issues that should be considered or addressed by the City. These items include:

- Need for an operations review;
- Cart maintenance and replacement; and
- Recycling collection personnel.

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Section 1 INTRODUCTION

In April 2009, the City of Casa Grande, Arizona (City) retained R. W. Beck, Inc. (R. W. Beck) to conduct a cost of service and rate design study for the Solid Waste Division (Division) of the City's Public Works Department. The purpose of this study was to determine the total cost of providing solid waste services, equitably distribute the cost to customers, and design rates to safeguard the financial integrity of the utility. The total cost of providing services includes costs associated with operations and maintenance (O&M) and cash capital outlays.

This report provides a discussion of the methodology utilized to conduct the analysis, the cost of providing services as determined by the analysis, and recommended rates to be adopted for solid waste services. R. W. Beck also identified and discussed various policy issues.

1.1 Project Purpose

City staff identified the need for this project as a step in its overall efforts to ensure the financial integrity of the solid waste utility. City staff recognized that retaining an independent consultant to develop a formal rate analysis would provide the opportunity to develop an honest assessment of costs and rates of the solid waste system.

The purpose of the Study was to conduct a comprehensive financial rate analysis for all solid waste operations. The Study includes a five-year financial projection based on an evaluation of the key cost centers associated with each program and the cost recovery methodology selected for each service. This study provides the City with a detailed understanding of the current costs for the solid waste system, and a projection for the next five years. City staff and R. W. Beck also recognize that costs and services will change over the next several years. Along these lines, R. W. Beck will provide the City with a Microsoft Excel based electronic model of the rate analysis described in this report at the conclusion of the project. By providing this model, City staff will be able to update the financial analysis in the future.

1.2 Current Operations

The Division provides several solid waste services for the City. The following describes the services provided and the fees charged for these services.

1.2.1 Landfill

The City operates its own landfill that provides disposal service for the City's solid waste collection operation as well as other waste collected in the City and County. The fees in place at the landfill are as follows:

- Waste generated in the City – \$30.00 per ton
- Waste generated from the County – \$45.00 per ton

1.2.2 Residential

Residential services provided by the Division include twice weekly trash collection for all single-family residential households within the City via fully-automated side load vehicles. Approximately 28 percent of the City's single-family households have alley collection. These homes are serviced using one 300 gallon cart for every three households. All other single-family customers are served using 96-gallon carts. Residential households also receive weekly curbside recycling service using 14-gallon open bins. The Division provides scheduled bulk item curbside collection once every six weeks. The base rate for residential solid waste collection, which includes all of the services described above, is \$11.35 per month.

1.2.3 Commercial

Carts

The Division provides cart-based refuse collection service to small businesses utilizing fully-automated side loaders. Customers may select either a 96-or 300-gallon cart that is collected up to six times per week. This service is an extension of the single-family refuse collection service, as the two services utilize the same staff and equipment. The current rates associated with commercial cart service are shown in Table 1-1.

Table 1-1
Current Commercial Cart Rates

Container Size (Gal)	Collection Frequency					
	1	2	3	4	5	6
96-gallon	\$8.23	\$16.47	\$24.70	\$32.93	\$41.17	\$49.40
300-gallon	\$16.64	\$33.28	\$49.92	\$66.56	\$83.20	\$99.84

The rates charged to commercial cart customers is different from the rate charged to residential customers. This is because the rate for residential customers includes other services, such as uncontained trash and recycling, that are not provided to commercial cart customers.

Front-Load

The Division provides commercial front-load dumpster collection, and the service is available six days per week. Customers provide containers for this service that range from 1.5 cubic yards to eight cubic yards. The current rates are shown in Table 1-2.

Table 1-2
Current Front-Load Rates

Container Size (CY)	Collection Frequency					
	1	2	3	4	5	6
1.5	\$16.64	\$33.28	\$49.92	\$66.56	\$83.20	\$99.84
2.0	\$29.03	\$58.07	\$87.10	\$116.13	\$145.17	\$174.20
3.0	\$39.17	\$78.35	\$117.52	\$156.69	\$195.87	\$235.04
3.5	\$45.07	\$90.13	\$135.20	\$180.27	\$225.33	\$270.40
4.0	\$47.54	\$95.07	\$142.61	\$190.15	\$237.68	\$285.22
6.0	\$58.28	\$116.57	\$174.85	\$233.13	\$291.42	\$349.70
8.0	\$74.84	\$149.67	\$224.51	\$299.35	\$374.18	\$449.02

As is typical of commercial front-load rates, the current rate are structured that there are price increases associated with a larger container size as well as increased collection frequency.

Roll-Off

Commercial roll-off container collection is available the Division. The fee per pull (collection) is \$132.83 for City-owned containers and \$103.60 for customer-owned containers. Added to the collection charge is the per ton disposal fee at the landfill, which is currently \$30.00 per ton for waste generated within the City limits and \$45.00 for waste generated from the County.

1.3 Project Approach

The goal of a cost of service and rate design study is to determine the solid waste fees required to adequately recover the costs of providing services. R. W. Beck developed a series of key tasks that provided the foundation for the conduct of the Study. The methodology will be discussed in Section 2 of this report. R. W. Beck utilized the following sources of information regarding the City's current system and the Division financial requirements.

1.3.1 Data Requests

R. W. Beck submitted detailed data requests to the City to collect historical and background information on operations and practices. The information requested included:

- Detailed financial reports and budgets;

- Solid waste policies and ordinances;
- Personnel rosters;
- Solid waste quantity reports;
- Fleet operational policies, inventory and costs; and
- Solid waste contracts.

1.3.2 Project Kick-Off Meeting and Operational Observations

R. W. Beck held a kick-off conference call with City and Division staff on April 3, 2009 to initiate the Study. This meeting served as a forum to confirm the scope of services, discuss the data already collected and to be provided, and identify issues of concern to the City. R. W. Beck also held on-site meetings with City and Division staff on April 20 and 21. During these meetings, R. W. Beck was able to gain first-hand knowledge of the solid waste operation by conducting some on-site observations of refuse and recycling routes.

1.3.3 Ongoing Staff Communications

During the course of the Study, R. W. Beck conducted several conference calls with City staff. These conference calls provided the opportunity for R. W. Beck to review project progress, verify assumptions, and receive input from City staff.

1.4 Report Organization

This report is organized into four sections, plus an Executive Summary. Section 2 focuses on the cost of service analysis, and includes an overview of the methodology utilized to determine the cost of service for the City's solid waste system as well as the cost of service based rates and benchmark comparisons. Section 3 provides a projected financial impact of the current Division rates, discusses key findings from the Study, and presents the recommended rates associated with each Division operation. Various policy issues are discussed in Section 4. In addition, in Section 4, R. W. Beck discusses the potential rate impact of transitioning from a twice per week refuse and once per week recycling system to a once per week refuse and twice per week recycling system ("one and one").

- Executive Summary
- Section 1 – Introduction
- Section 2 – Cost of Service Analysis
- Section 3 – Key Findings and Rate Recommendations
- Section 4 – Policy Issues

Section 2

COST OF SERVICE ANALYSIS

This section describes the tasks involved in conducting the solid waste cost of service analysis. Before describing each of the tasks in detail, a brief overview of the overall rate analysis methodology is presented. This section of the report also describes the cost of service based rates.

2.1 Methodology Overview

This overview provides the background necessary to understand how data compiled in each task provides the information required to determine the cost of service and fees required to adequately recover the cost of service.

- **Development of the “Test Year”** – The first task in conducting the cost of service analysis is the development of an annual revenue requirement for a “Test Year”. The revenue requirement represents the total revenue that a solid waste utility will need to recover during a year in order to fund all expenses associated with the provision of solid waste services. R. W. Beck worked with City staff to select a period that reflected the typical operation of the solid waste system. R. W. Beck then reviewed the financial data and worked with City staff to make any adjustments to costs to make them representative of a typical year. The resulting “Test Year” was used as the basis for forecasting expenses from the fiscal year beginning July 1, 2009 (FY 2010) through FY 2014.
- **Development of the Revenue Requirement Forecast** – After developing the revenue requirement for the “Test Year”, R. W. Beck worked with City staff to project changes in costs due to inflation, salary increases, new equipment, new customers, etc. This resulted in the five-year revenue requirement forecast.
- **Allocation of Costs to Service Categories** – Next, R. W. Beck worked with Division staff to assign and allocate costs to various service categories. The service categories represent the primary solid waste services provided by the Division. The service categories consist of the seven cost centers that comprise the Division budget.
- **Allocation to Customer Classes** – Then, R. W. Beck grouped the service categories based on the customer classes that will recover each category’s costs. The customer classes include residential refuse, commercial cart, commercial front-load, commercial roll-off, and landfill.
- **Determination of Billing Units** – R. W. Beck next identified the appropriate billing units for each customer class. For example, the residential rate is charged per customer, so the number of residential customers was utilized as the billing unit for this customer class.

- **Calculation of the Cost of Service** – Ultimately, the costs for each customer class were distributed across the appropriate billing units to determine the cost of service for each customer class.

2.2 Development of the “Test Year”

The revenue requirement is defined as the amount of revenue required to recover all costs associated with O&M, debt service, and cash capital outlays. In developing the revenue requirement for solid waste services, R. W. Beck used the Division FY 2010 operating budget as the basis for the “Test Year”.¹ The FY 2010 budget was compared to financials from FY 2007, FY 2008, and FY 2009. Through this comparison, and with input from City staff, R. W. Beck made adjustments to ensure that the “Test Year” would reflect expenses that occur on a regular basis. R. W. Beck would mention that these types of adjustments are customary when conducting a detailed cost of service and rate design study. All adjustments to the FY 2010 budget necessary to develop the “Test Year” are detailed in the Appendix, Schedule 1.

The Division revenue requirement is net of revenue offsets, such as recycling income, interest income, penalties, and miscellaneous revenue, since these amounts reduce the revenue needed to be recovered in the calculated user fees. Total expenses for Division for the “Test Year” were \$5,980,995 and revenue offsets totaled \$369,240. The resulting “Test Year” revenue requirement totaled \$5,611,755 for the Division.

2.3 Development of the Revenue Requirement Forecast

In addition to developing the “Test Year” revenue requirement, R. W. Beck forecasted the annual Division revenue requirement for FY 2010 through FY 2014. In order to develop this forecast, R. W. Beck projected how costs would change over the years due to factors such as inflation. The assumptions used to develop the forecast include the following annual increases:

- General – 3.0 percent
- Salary – 5.0 percent
- Medical Benefits – 10.0 percent
- Other Benefits – 3.0 percent
- Fuel – 10.0 percent
- Carts – 3.0 percent

Table 2-1 shows the revenue requirement for the five-year forecast. The detailed composition of the forecast is provided in the Appendix, Schedule 2.

R. W. Beck would note that the projected revenue requirement for FY 2010 is approximately \$260,000 higher than the Test Year revenue requirement. This is due

¹ Due to the timing of the Study, R. W. Beck utilized the FY 2010 preliminary budget to develop the revenue requirement and not the FY 2010 final, approved budget.

to the fact that the FY 2010 revenue requirement includes a more refined estimate of the costs associated with vehicles that is based on actual vehicle cost data provided by fleet maintenance personnel as opposed to the historical solid waste budget.

Table 2-1
Solid Waste Revenue Requirement ¹

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Revenue Requirement	\$5,871,485	\$6,460,978	\$6,627,397	\$7,209,778	\$7,545,374

Notes:

1. Any minor arithmetic deviation is due to rounding

2.4 Allocation of Costs to Service Categories

The Division provides various services to the community. To determine the costs for each service, there is a need to allocate costs to service categories that represent the primary solid waste services provided. These categories were determined through a series of discussions with City staff. For the purpose of the analysis, the services were functionalized into the following seven service categories that are consistent with the seven internal budget categories of the Division.

- Residential Refuse Collection
- Uncontained Collection
- Recycling Collection
- Recycling Operations
- Landfill
- Commercial Front-Load Collection
- Commercial Roll-Off Collection

Identification of the total costs associated with each service category was a critical step in determining adequate rates that reflect the cost of providing service. These costs were isolated by service category in order to fully recover the total revenue requirement by matching those customers that utilize the service with the actual costs associated with that service. Table 2-2 identifies the cost of providing each service for FY 2010 through FY 2014.

**Table 2-2
Revenue Requirement by Service Category ¹**

Service Category	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Residential Collection	\$1,683,856	\$1,820,874	\$1,910,587	\$2,066,241	\$2,148,298
Uncontained Trash	\$483,806	\$554,593	\$575,905	\$655,049	\$679,258
Recycling Collection	\$701,235	\$732,643	\$770,056	\$812,454	\$852,137
Recycling Operations	\$309,536	\$335,442	\$350,674	\$377,059	\$394,665
Landfill	\$1,447,529	\$1,709,450	\$1,640,042	\$1,710,371	\$1,774,701
Commercial Front Load	\$705,373	\$748,154	\$793,140	\$973,158	\$1,055,774
Commercial Roll Off	\$540,151	\$559,823	\$586,993	\$615,446	\$640,540
Total Revenue Requirement	\$5,871,485	\$6,460,978	\$6,627,397	\$7,209,778	\$7,545,374

Notes:

1. Any minor arithmetic deviation is due to rounding

2.5 Allocation to Customer Classes

After calculating the costs for each service category over the five-year forecast period, the service categories costs were then allocated by customer class. This assists in identifying the appropriate customers to be charged for each service provided.

The following table identifies how the service categories were grouped and the recovery basis for each service category.

Service Category	Recovery Basis
■ Residential Refuse Collection	Residential Rate and Commercial Cart Rate
■ Uncontained Collection	Residential Rate
■ Recycling Collection	Residential Rate and Commercial Cart Rate
■ Recycling Operations	Residential Rate, Commercial Cart Rate, and Commercial Front-Load Rate
■ Landfill	Allocated to Residential Collection, Commercial Front-Load Collection, Commercial Roll-Off Collection, and Other Landfill Customers Based on Estimated Tonnage
■ Commercial Front-Load Collection	Commercial Front-Load Rate
■ Commercial Roll-Off Collection	Commercial Roll-Off Rate

The Landfill service category was reallocated to Residential and Commercial refuse customers based on estimates of the tonnage to be collected for each customer class.

2.6 Determination of Billing Units

In order to calculate the appropriate user fees, it was necessary to determine the proper number of annual billing units for various customer classes. R. W. Beck received billing data for each customer class from Division staff and determined the cost of service by dividing the revenue requirement by the appropriate billing units.

2.6.1 Landfill

The cost of disposal at the landfill is distributed to the various customer classes based on the estimated tonnage each customer class contributes to the total. Therefore, the billing unit for the Landfill service category is tons. Table 2-3 lists the estimated tonnage forecast for the Landfill. The forecast is based on two percent growth for FY 2010 and 2011 and four percent growth for FY 2012 through FY 2014. These growth estimates were developed to be consistent with projected population growth over the next five years according to City staff.

Table 2-3
Landfill Disposal Tonnage Forecast

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
City Tons					
Residential					
Fully-automated	19,444	19,833	20,626	21,451	22,309
Uncontained (Bulk)	1,605	1,638	1,703	1,771	1,842
Commercial					
Front load	12,906	13,164	13,690	14,238	14,807
Roll-off	15,075	15,376	15,991	16,631	17,296
Subtotal	49,030	50,010	52,011	54,091	56,255
Non-City Tons					
Tons collected within City limits	29,538	30,129	31,334	32,587	33,891
Tons collected from the County	2,613	2,665	2,772	2,883	2,998
Subtotal	32,151	32,794	34,106	35,470	36,889
Total Tons	81,181	82,804	86,117	89,561	93,144

2.6.2 Recycling Operations

The cost of processing material at the City's baling facility is distributed to the various customer classes based on the estimated tonnage each customer class contributes to the operation. Therefore, the billing units for the recycling operations category is tons. Table 2-4 lists the estimated tonnage forecast for Recycling Operations. The forecast is based on two percent growth for FY 2010 and 2011 and four percent growth for FY

2012 through FY 2014. These growth estimates were developed to be consistent with projected population growth over the next five years according to City staff.

Tonnage from the residential recycling collection trucks includes tons collected from residential households as well as commercial cart recycling customers. R. W. Beck estimated the number of tons that can be attributed to residential and commercial cart customers based on the percent of total customers, as shown in Table 2-4.

**Table 2-4
Recycling Operations Billing Units**

Customers	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Residential					
Residential Households	914	932	969	1,008	1,048
Commercial Cart	5	6	6	6	6
Commercial	699	713	742	771	802
Total Tons	1,618	1,650	1,716	1,785	1,857

2.6.3 Residential Collection

Residential Customers

The residential rate is a flat monthly fee. Correspondingly, the appropriate billing unit for this customer class is the number of accounts served via this Division operation. All residential customers have the opportunity to receive the same services, including refuse collection, uncontained collection, and recycling collection. Table 2-5 provides the billing unit forecast for the residential customer class.

**Table 2-5
Residential Billing Unit Forecast**

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Residential Customers	13,738	14,038	14,638	15,238	15,838

The customer growth projections shown in the Table are based on growth data provided by City staff. The City is expected to add 300 households annually in FY 2010 and FY 2011 and 600 households annually in FY 2012 through FY 2014, based on information provided by City staff. This results in a growth rate of approximately two percent in the first two years and four percent in the subsequent years of the forecast.

Historically the City has provided residents with a vacancy credit in which customers had the option to cancel service if they were going to be out of town for longer than three months. Due to the quantity of seasonal residents in the City, this policy created some variability in the number of Division customers from month to month. The number of billing units shown in Table 2-4 is based on the peak number of customers;

in other words, it is the projection of customers assuming no vacancies. Furthermore, R. W. Beck has recommended that the City discontinue the policy of providing vacancy credits; this policy issue is further discussed in Section 4.1.1.

Commercial Cart Customers

In addition to residential refuse accounts, the number of commercial accounts receiving service via 96- and 300-gallon carts must also be considered. This is because these commercial customers are served in the same manner as the residential refuse customers, largely incurring the same costs. Table 2-5 shows the commercial cart billing unit forecast. The projections were developed utilizing the same expected growth rate as residential customers, or two percent in the first two years and four percent in the subsequent years of the forecast. In addition, for the purposes of this analysis, R. W. Beck assumed that a 96-gallon cart provides approximately 0.5 cubic yards of disposal capacity and that a 300-gallon cart provides 1.5 cubic yards of disposal capacity.

It is important to note that the commercial billing units shown in Table 2-6 include all commercial carts collected by Division operations. This includes City buildings, which are not charged for service, and the City of Casa Grande schools. The cost of service is focused on the cost of Division service operations, regardless of the billing policies of the City. R. W. Beck has recommended that the City discontinue the policy of providing non-billed service for City facilities and schools; this policy issue is further discussed in Section 4.1.2.

A small number of the City's commercial cart customers also receive recycling service similar to single-family homes. These customers receive collection of recyclables one time per week using a 14-gallon bin. The number of these customers are shown in the table below.

Table 2-6
Commercial Cart Collection Billing Unit Forecast

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Number of Containers	439	447	465	484	503
96 gallon	78	127	145	163	183
300 gallon	361	361	361	361	361
Annual Collections	47,100	48,042	49,963	51,962	54,040
Annual Disposal Capacity ¹	63,807	65,083	67,687	70,394	73,210
Recycling Customers	82	83	87	90	94

Notes:

1. Measured in cubic yards

2.6.4 Commercial Collection

Front-Load

Commercial front-load customers are generally provided refuse collection via containers ranging in size from 1.5 cubic yards to eight cubic yards and ranging in collection frequency from once per week to six times per week. These customers are billed a flat monthly fee based upon the size of the containers collected and the frequency of collection. Therefore the billing unit for commercial collection is composed of two components. The first component is the frequency of collections which is used to recover the cost of collection operations. The second component is the total volume of disposal capacity, in cubic yards, which is used to allocate disposal costs to each cubic yard of container capacity.

Table 2-7 shows the projected billing units for commercial front-load customers. The projections were developed utilizing the same expected growth rate as residential customers, or two percent in the first two years and four percent in the subsequent years of the forecast based on information provided by City staff.

A number of the City's commercial front-load customers also receive recycling service similar to single-family homes. These customers receive collection of recyclables one time per week using an six cubic yard container. The number of these customers are shown in the table below.

**Table 2-7
Commercial Front-Load Collection Billing Unit Forecast**

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Number of Containers	494	504	524	545	566
Annual Collections	67,573	68,924	71,681	74,549	77,531
Annual Disposal Capacity ¹	360,115	367,317	382,010	397,290	413,182
Recycling Customers	37	37	39	41	42

Notes:

1. Measured in cubic yards

It is important to note that the commercial billing units shown in Table 2-7 include all commercial front-load containers collected by Division operations. This includes City buildings, which are not charged for service, and the City of Casa Grande schools. The cost of service is focused on the cost of Division service operations, regardless of the billing policies of the City. R. W. Beck has recommended that the City discontinue the policy of providing non-billed service for City facilities and schools; this policy issue is further discussed in Section 4.1.2.

Roll-Off

Commercial front-load customers are generally provided refuse collection via containers ranging in size from 25 cubic yards to 40 cubic yards. These customers are

billed a fee based on the number of times the container is pulled. These customers also pay the per-ton tipping fee for disposal at the landfill.

Table 2-8 shows the projected billing units for commercial roll-off customers. The projections were developed utilizing the same expected growth rate as residential customers, or two percent in the first two years and four percent in the subsequent years of the forecast based on information provided by City staff.

**Table 2-8
Commercial Roll-Off Collection Billing Unit Forecast**

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Annual Pulls					
City-Owned Containers	1,515	1,545	1,607	1,671	1,738
Customer-Owned Containers	1,547	1,578	1,641	1,707	1,775

It is important to note that the billing units shown in Table 2-8 include all commercial roll-off containers collected by Division operations. This includes City buildings, which are not charged for service, and the City of Casa Grande schools. The cost of service is focused on the cost of Division service operations, regardless of the billing policies of the City. R. W. Beck has recommended that the City discontinue the policy of providing non-billed service for City facilities and schools; this policy issue is further discussed in Section 4.1.2.

2.7 Calculation of the Cost of Service

Based on the data discussed in this section, R. W. Beck determined the cost of service for the various Division programs. The cost of service listed in this section are not the rates R. W. Beck recommends be adopted by Division. The proposed rates, provided in Section 3, take into account other factors, such as policy decisions.

2.7.1 Disposal

Table 2-9 lists the projected cost of service per ton disposed for the five-year forecast. A detailed examination of the disposal cost of service in each year of the forecast is provided in the Appendix, Schedule 3.

As shown in Table 2-9, the landfill cost of service is approximately \$17.00 to \$20.00 per ton. The slightly higher cost of service in FY 2011 is due to one-time landfill improvements that the City expects to incur as well as the purchase of a new piece of equipment.

**Table 2-9
Disposal Cost of Service**

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Revenue Requirement	\$1,447,529	\$1,709,450	\$1,640,042	\$1,710,371	\$1,774,701
Billing Units					
Tons per Year	81,181	82,804	86,117	89,561	93,144
Cost per Ton	\$17.83	\$20.64	\$19.04	\$19.10	\$19.05

The current landfill tipping fee is \$30.00 per ton for waste generated within the City and \$45.00 per ton for waste generated in the County. Therefore, the current fees charged generate excess revenue based on the cost of service of approximately 17.00 to \$20.00 per ton. The City directed R. W. Beck to apply the benefit of the excess revenue from the landfill to reduce the cost of recycling operations, establish a landfill replacement reserve, and fund the Division operating reserve.

2.7.2 Recycling Operations

Table 2-10 lists the projected cost of service per ton processed at the baling facility for the five-year forecast. As shown in Table 2-10, the recycling operations cost of service is approximately \$200.00 per ton.

As directed by City staff, R. W. Beck applied the excess revenue generated from landfill tipping fees to offset the costs associated with the recycling processing operation. As such, Table 2-10 also shows the adjusted cost of service for recycling operations based on this offset.

**Table 2-10
Recycling Operations Cost of Service**

Customers	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Cost of Service					
Annual Cost ¹	\$309,536	\$335,442	\$350,674	\$377,059	\$394,665
Billing Units (tons)	1,618	1,650	1,716	1,785	1,857
Net Cost per Ton	\$191.30	\$203.24	\$204.30	\$211.22	\$212.58
Adjusted Cost of Service					
Adjusted Annual Cost ¹	\$198,610	\$151,715	\$114,752	\$165,854	\$177,101
Billing Units (tons)	1,618	1,650	1,716	1,785	1,857
Net Cost per Ton	\$122.74	\$91.92	\$66.85	\$92.91	\$95.39

Notes:

1. Annual cost shown is net of revenue from sale of recyclables.

2.7.3 Residential

Table 2-11 shows the projected cost of service for residential service for the five-year forecast. The revenue requirement includes curbside collection of refuse, recycling, and uncontained trash, as well as refuse disposal and processing of recyclables. A detailed examination of the residential cost of service in each year of the forecast is provided in the Appendix, Schedule 4.

Table 2-11
Residential Cost of Service

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Annual Cost of Service ¹					
Collection					
Refuse	\$1,618,265	\$1,750,069	\$1,836,481	\$1,986,171	\$2,065,000
Uncontained	\$483,806	\$554,593	\$575,905	\$655,049	\$679,258
Recycling	\$697,094	\$728,325	\$765,529	\$807,682	\$847,129
Subtotal	\$2,799,165	\$3,032,986	\$3,177,915	\$3,448,902	\$3,591,388
Disposal/Processing					
Recycling processing ²	\$112,138	\$85,661	\$64,792	\$93,646	\$99,997
Refuse disposal	\$318,271	\$375,915	\$360,729	\$376,228	\$390,359
Subtotal	\$430,409	\$461,576	\$425,522	\$469,874	\$490,356
Total Residential Cost of Service	\$3,229,574	\$3,494,562	\$3,603,437	\$3,918,776	\$4,081,744
Billing Units	13,738	14,038	14,638	15,238	15,838
Monthly Cost of Service					
Collection					
Refuse	\$9.82	\$10.39	\$10.45	\$10.86	\$10.87
Uncontained	\$2.93	\$3.29	\$3.28	\$3.58	\$3.57
Recycling	\$4.23	\$4.32	\$4.36	\$4.42	\$4.46
Subtotal	\$16.98	\$18.00	\$18.09	\$18.86	\$18.90
Disposal/Processing					
Recycling processing	\$0.68	\$0.51	\$0.37	\$0.51	\$0.53
Refuse disposal	\$1.93	\$2.23	\$2.05	\$2.06	\$2.05
Subtotal	\$2.61	\$2.74	\$2.42	\$2.57	\$2.58
Total Residential Cost of Service	\$19.59	\$20.74	\$20.51	\$21.43	\$21.48

Notes:

1. The cost of service for residential customers excludes costs associated with serving commercial cart customers.
2. Allocated to commercial customers based on tonnage.

2.7.4 Commercial Cart

Table 2-12 lists the projected cost of service for commercial cart collection for the five-year forecast. Commercial cart customers are serviced as an extension of the residential refuse collection program. Therefore, the cost of service for commercial carts was developed by determining unit costs associated with residential refuse collection. A detailed examination of the commercial cart cost of service in each year of the forecast is provided in the Appendix, Schedule 4.

Table 2-12
Commercial Cart Cost of Service

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Annual Cost of Service					
Collection	\$65,590	\$70,805	\$74,106	\$80,070	\$83,298
Refuse Disposal	\$28,428	\$33,516	\$32,077	\$33,424	\$34,700
Recycling Collection	\$4,141	\$4,318	\$4,527	\$4,772	\$5,008
Recycling Processing ¹	\$662	\$505	\$381	\$550	\$588
Revenue Requirement	\$98,821	\$109,144	\$111,091	\$118,815	\$123,593
Billing Units					
Collections Per Year	1,209,151	1,235,469	1,288,143	1,340,893	1,393,724
Capacity	778,183	795,059	828,863	862,770	896,786
Recycling Customers	82	83	87	90	94
Cost/Collection	\$1.39	\$1.47	\$1.48	\$1.54	\$1.54
Cost/CY of Capacity	\$0.45	\$0.51	\$0.47	\$0.47	\$0.47
Cost of Recycling (Monthly) ²	\$4.90	\$4.83	\$4.72	\$4.93	\$4.98

Notes:

1. Allocated to commercial customers based on tonnage.
2. All commercial cart recycling customers receive the same level of service. Costs allocated on a per customer basis.

2.7.5 Commercial Front-Load

Table 2-13 lists the projected cost of service for commercial front-load customers for the five-year forecast. A detailed examination of the cost of service and the corresponding cost components for each year of the forecast is provided in the Appendix, Schedule 5.

Table 2-13
Commercial Front-Load Collection

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Annual Cost of Service					
Collection	\$705,373	\$748,154	\$793,140	\$973,158	\$1,055,774
Refuse Disposal	\$230,121	\$271,759	\$260,725	\$271,906	\$282,133
Recycling Processing ¹	\$85,806	\$65,546	\$49,577	\$71,654	\$76,514
Revenue Requirement	\$1,021,300	\$1,085,459	\$1,103,442	\$1,316,718	\$1,414,420
Billing Units					
Collections per Year	67,573	68,924	71,681	74,549	77,531
Capacity	360,115	367,317	382,010	397,290	413,182
Recycling Customers	37	37	39	41	42
Cost per Collection	\$10.44	\$10.85	\$11.06	\$13.05	\$13.62
Cost per Cubic Yard	\$0.64	\$0.74	\$0.68	\$0.68	\$0.68
Cost of Recycling (monthly) ²	\$194.73	\$145.83	\$106.06	\$147.40	\$151.34

Notes:

1. Allocated to commercial customers based on tonnage.
2. All commercial recycling customers receive the same level of service. Costs allocated on a per customer basis.

To identify the monthly rate to be charged based on the cost of service, the different component costs should be developed as follows:

- Cost per Collection (\$10.44 in FY 2010) times the number of collections per month, PLUS
- Cost per Cubic Yard of Capacity (\$0.64 in FY 2010) times the capacity of the container times the number of collections per month.

2.7.6 Commercial Roll-Off

Table 2-14 lists the projected cost of service for commercial roll-off customers for the five-year forecast. The cost of service for roll-off customers does not include disposal because roll-off customers pay for disposal separately based on tonnage at the landfill. A detailed examination of the cost of service and the corresponding cost components for each year of the forecast is provided in the Appendix, Schedule 5.

Table 2-14
Commercial Roll-Off Collection

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Annual Cost of Service ¹					
Collection	\$461,401	\$481,073	\$502,993	\$531,446	\$556,540
Containers	\$78,750	\$78,750	\$84,000	\$84,000	\$84,000
Revenue Requirement	\$540,151	\$559,823	\$586,993	\$615,446	\$640,540
Billing Units					
Total Collections	3,062	3,123	3,248	3,378	3,513
Collections of City Containers	1,515	1,545	1,607	1,671	1,738
Cost per collection	\$150.68	\$154.03	\$154.85	\$157.32	\$158.41
Cost per container	\$51.99	\$50.97	\$52.28	\$50.27	\$48.33

Notes:

1. Roll-off customers pay for disposal fees separately at the landfill.

Section 3

KEY FINDINGS AND RATE RECOMMENDATIONS

This section of the report provides the estimated revenue recovery using current rates, R. W. Beck's recommended rates for Division services, and the projected revenue generated over the five-year forecast period using the recommended rates.

As part of this Study, R. W. Beck collected solid waste rate information from four benchmark communities. These four communities, selected by City staff, are:

- Apache Junction – population of 31,814
- Chandler – population of 176,581
- Eloy – population of 10,375
- Florence – population of 17,054

In this section, R. W. Beck describes the rates in place in the above communities associated with residential collection, commercial collection, and landfill disposal. The purpose of this benchmarking analysis is to provide an understanding of how the proposed rates compare to rates in other similar communities in the region. It is important to note that the benchmark rates provided represent the rates charged to customers and not the actual cost of service. Therefore, the benchmark rates should be evaluated with the understanding that it is unknown whether the rates charged by the benchmark communities fully recover the cost of service.

3.1 Current Rate Recovery

The current rates Division charges for services will lead to an under recovery versus the cost of service if left unadjusted. Table 3-1 provides a summary of the under recovery which may be expected if the current rates remain unchanged.

**Table 3-1
Revenue Projections Based on Current Rates**

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Revenue					
Residential Collection ¹	\$2,026,912	\$2,086,739	\$2,175,449	\$2,264,439	\$2,353,720
Commercial Front- Load Collection ²	\$677,945	\$864,936	\$899,533	\$935,515	\$972,935
Roll-Off Collection	\$364,597	\$371,889	\$386,764	\$402,235	\$418,324
Landfill Fees	\$1,455,974	\$1,485,093	\$1,544,497	\$1,606,277	\$1,670,528
	\$4,525,428	\$4,808,656	\$5,006,244	\$5,208,466	\$5,415,508
Revenue Requirement ³	\$5,871,485	\$6,460,978	\$6,627,397	\$7,209,778	\$7,545,374
Over / (Under) Recovery					
Annual	(\$1,346,057)	(\$1,652,321)	(\$1,621,153)	(\$2,001,313)	(\$2,129,867)
Cumulative	(\$1,346,057)	(\$2,998,379)	(\$4,619,532)	(\$6,620,844)	(\$8,750,711)

Notes:

1. Includes revenue from commercial cart customers and residential households.
2. Includes refuse and recycling collection.
3. As developed in Section 2.3 of this report

3.2 Proposed Solid Waste Rates

The proposed rates listed in this section of the report are based on the cost of service analysis described in Section 2 of this report and are projected to fully recover the cost of service.

3.2.1 Landfill

The landfill revenue requirement is allocated to the City's residential and commercial customers as well as other landfill customers. As discussed in Section 2.7.1, the current landfill disposal rates exceed the per ton cost of service incurred. Excess revenue generated from the landfill is allocated as follows:

- Offset cost associated with recycling processing operation;
- Establish a landfill replacement reserve; and
- Fund the Division operating reserve.

R. W. Beck recommends that the City's landfill disposal rates remain the same as current rates, which are shown below:

- Waste generated within the City – \$30.00 per ton

- Waste generated in the County – \$45.00 per ton

Table 3-2 shows tipping fees at landfills in the four benchmark communities.

Table 3-2
Landfill Rate Benchmarking

	Casa Grande (Proposed)	Apache Junction	Chandler	Eloy	Florence
Landfill Rate	\$30.00 (City)/ton \$45.00 (County)/ton	No landfill	No landfill	\$20.00 per ton	No landfill

3.2.2 Residential

R. W. Beck recommends that the Division adopt the rates listed in Table 3-3 for residential customers. A summary of the proposed rate development in each year of the forecast is provided in the Appendix, Schedule 6.

Table 3-3
Proposed Residential Monthly Rates

	Current Rate	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Refuse Rate	\$11.35	\$17.00	\$18.00	\$19.00	\$21.60	\$21.60
Cost of Service		\$19.59	\$20.74	\$20.51	\$21.43	\$21.48
Total Change		50%	6%	6%	8%	0%

The proposed rates for FY 2010 through 2012 will result in under-recovery based on the cost of service. However, excess revenue generated from the landfill operation will maintain the financial viability of the entire solid waste system during this time period.

R. W. Beck also recommends that the City establish a rate for customers to have an extra refuse cart. The proposed rate for this service is \$10.00. This rate recovers the cost of service associated with the cart and establishes a disincentive for residents to request an additional refuse cart.

The 50 percent proposed rate increase represents a significant increase in cost to the City's residents. However, R. W. Beck would note that the last rate increase for residential customers was implemented on January 1, 2004, which was approximately six years ago. The 50 percent proposed increase represents approximately an eight percent annual increase over the six year period.

Table 3-4 summarizes the residential rate data collected from the four benchmark communities selected by the City. The proposed residential rate of \$17.00 per household monthly in FY 2010 is in line with rates charged in other communities. R. W. Beck would also note that the City provides a higher level of service compared to these communities. None of the other benchmark communities provide the same combination of cart-based, twice per week refuse collection, once per week recycling, and scheduled uncontained (bulky) collection.

**Table 3-4
Residential Rate Benchmarking**

Benchmark	Casa Grande (Proposed)	Apache Junction	Chandler	Eloy	Florence
Residential Rate	\$17.00	\$14.99-17.66	\$15.07	\$19.32	\$18.10
Population	38,134	31,814	176,581	10,375	17,054
Organized Collection	Yes	No (3 haulers)	Yes	Yes	Yes
Services Included:					
Refuse	Twice/week; 96-gallon cart (300- gallon carts in alleys)	Twice/week; 95-gallon cart	Once/week; 96- or 65-gallon cart (300-gallon carts in alleys)	Twice/week; resident-provided container	Twice/week; 96-gallon cart (300-gallon carts in alleys)
Recycling	Curbside once/week; 18- gallon bin	None	Curbside once/week; 96- or 65-gallon cart	None	None
Bulky	Scheduled collection once every six weeks	One hauler provides fee based pickup (\$50 per pickup); Other haulers do not provide	Upon request; No more than once every 6 weeks; Cannot exceed size of two pickup beds	Scheduled collection once per quarter; No single item can weigh more than 80 lbs	Scheduled collection once per month; Set out may not exceed 20 CY

3.2.3 Commercial

Carts

The current commercial cart rates are sufficient to recover the cost of service. Therefore, R. W. Beck recommends no change in the current commercial cart rates, as shown in Table 3-5.

**Table 3-5
Proposed Commercial Container Rates for Twice per Week Collection**

	Current Rate	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Refuse Rate per Container per Month ¹						
96-gallon	\$16.57	\$16.57	\$16.57	\$16.57	\$16.57	\$16.57
300-gallon	\$33.28	\$33.28	\$33.28	\$33.28	\$33.28	\$33.28
Recycling Rate per Customer per Month ²						
14-gallon	No charge	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00

Notes:

1. Rates for twice per week collection
2. Service includes collection one time per week with an 18-gallon bin.

A complete proposed rate structure for all combinations of container sizes and collection frequency is provided in the Appendix, Schedule 6.

R. W. Beck has also proposed that the City charge a fee associated with commercial cart recycling to recover the cost of providing service. The City has not previously charged customers for this service.

R. W. Beck compiled published commercial rate data from the four benchmark communities selected by the City. Of the four cities, only the Cities of Eloy and Florence have published commercial rates. The Cities of Apache Junction and Chandler have multiple haulers within the City that contract directly with commercial businesses to provide service.

Table 3-6 summarizes benchmark commercial cart rates for twice per week collection.

**Table 3-6
Commercial Cart Rate Benchmarking**

Container Size	Casa Grande (Proposed)	Eloy ²	Florence ³
Refuse Rate per Container per Month ¹			
96-gallon	\$16.57	Not available	\$18.10
300-gallon	\$33.28	\$64.40	\$42.00

Notes:

1. Based on twice per week collection.
2. The City of Eloy contracts with Arizona Sanitation Services for collection of commercial refuse. A full matrix of commercial rates, with all available cart sizes, is provided Schedule 8 of the Appendix. The only available collection frequency is twice per week.
3. The City of Florence provides commercial collection of refuse using City crews. A full matrix of commercial rates, with all available cart sizes and frequencies, is provided in Schedule 8 of the Appendix.

Front-Load

R. W. Beck recommends that the Division adopt the rates listed in Table 3-7 for twice per week collection of commercial containers over the forecast period.

**Table 3-7
Proposed Commercial Container Rates for Twice per Week Collection**

	Current Rate	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Rate per Container per Month ¹						
1.50	\$33.28	\$100.61	\$106.39	\$115.62	\$127.18	\$132.25
2.00	\$58.07	\$103.43	\$109.68	\$118.89	\$130.27	\$135.33
3.00	\$78.35	\$109.08	\$116.26	\$125.42	\$136.45	\$141.50
3.50	\$90.13	\$111.90	\$119.55	\$128.68	\$139.55	\$144.58
4.00	\$95.07	\$114.72	\$122.84	\$131.94	\$142.64	\$147.67
6.00	\$116.57	\$126.00	\$136.00	\$145.00	\$155.00	\$160.00
8.00	\$149.67	\$149.67	\$149.67	\$158.06	\$167.36	\$172.33

Notes:

1. Rates for twice per week collection

As mentioned in Section 2.7.5 of this report, the cost of service for each container was determined based on the size of the container collected and the frequency of

collection. The proposed rate structure provides for an appropriate pricing signal via an increasing rate based on the size of the container and the frequency of collection.

R. W. Beck recommends that the City move toward purchasing front-load containers to provide service to customers (see Section 4.1.6 for further discussion of this issue). If the City purchases front-load containers to provide service to customers, R. W. Beck recommends that the Division establish a cleaning fee for customers that need to have their containers cleaned more than the typical customer. For instance, restaurants and food service establishments typically require more cleaning for their containers due to the high volume of food scraps disposed. R. W. Beck proposes a fee of \$120.00 per cleaning to recover costs associated with extra cleanings. This is based on use of personnel and equipment needed to transport the container to the City's yard and clean the container. R. W. Beck estimates that the transportation and cleaning process would take approximately four hours.

R. W. Beck has also proposed that the City charge a fee associated with commercial front-load recycling to recover the cost of providing service. The City has not previously charged customers for this service. As shown in Table 2-12 in Section 2, the cost to provide commercial front-load recycling service is significantly higher than the corresponding refuse service. The primary reason for this is that approximately 43 percent of the cost to operate the recycling processing facility is allocated to commercial front-load recycling customers. Since the number of commercial front-load recycling customers is relatively small (less than 40 customers), this creates a situation in which a small number of customers is responsible for a large portion of the cost of the recycling processing operation.

Because of these factors, and in order to incent commercial recycling, R. W. Beck developed proposed rates that represent a 50 percent discount to similar front-load refuse service. The cost to provide commercial recycling service is partially recovered through these rates. The remaining cost of service is recovered through marginally higher refuse rates. The proposed fee for commercial recycling is shown in Table 3-8.

Table 3-8
Proposed Commercial Recycling Rate

	Current Rate	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Recycling Rate	No charge	\$36.25	\$36.25	\$36.25	\$38.75	\$38.75

The City of Eloy is the only benchmark community that provides front-load collection service. A comparison of the City's proposed rates to the City of Eloy's rates is shown in Table 3-9.

**Table 3-9
Commercial Front-Load Rate Benchmarking**

Container Size	Casa Grande (Proposed)	Eloy ²
Rate per Container per Month ¹		
2.00	\$100.61	\$83.73
3.00	\$103.43	\$130.09
4.00	\$109.08	\$173.45
6.00	\$111.90	\$260.18
8.00	\$114.72	\$346.90

Notes:

1. Based on twice per week collection.
2. The City of Eloy contracts with Arizona Sanitation Services for collection of commercial refuse. A full matrix of commercial collection rates, with all available cart sizes, is provided in Schedule 8 of the Appendix. The only collection frequency available is twice per week.

Commercial Roll-Off

R. W. Beck recommends that the Division adopt the rates listed in Table 3-10 for collection of commercial roll-off containers over the forecast period, as determined by the cost of service analysis. As mentioned in Section 2.7.6 of this report, the cost of service for each container was determined based on the cost per collection of roll-off containers and the cost associated with using containers owned by the City.

**Table 3-10
Proposed Commercial Roll-Off Rates**

Container Size	Current Rate	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Rate per Pull for Roll-Off Containers						
City-owned	\$132.83	\$130.00	\$145.00	\$160.00	\$175.00	\$175.00
Customer-owned	\$105.60	\$130.00	\$145.00	\$160.00	\$175.00	\$175.00
Roll-Off Rental Fees						
Rental Fee ¹		\$25.00	\$25.00	\$25.00	\$25.00	\$25.00
One-Time Fee beyond 30 days ²		\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Daily Rental Fee beyond 30 days ³		\$5.00	\$5.00	\$5.00	\$5.00	\$5.00

Notes:

1. Rental fee incurred by customers using city-owned roll-offs. Customers would be able to use the roll-off containers for 30 days.
2. Customers that did not return containers within 30 days would incur a one-time fee of \$50.00.
3. Customers that did not return containers within 30 days would also incur a \$5.00 per day rental fee.

The City previously designed separate per-pull roll-off rates for customers using City-owned roll-offs and customers using customer-owned roll-offs. This method of cost recovery recovers the cost of providing service; however, it does not incent customers to utilize the City's roll-off containers in an efficient manner. Because of this, R. W. Beck proposes that the City charge a uniform per-pull collection fee for all roll-

off collections. In addition, the City should charge a rental fee associated with renting a City-owned roll-off container. These rental fees, along with the “late” fees proposed in the above table, not only recover the cost of the container but also incent customers to return City containers.

Table 3-11 shows a comparison of the City’s proposed roll-off collection rates to the City of Eloy’s rates. To bring greater perspective to the benchmarking analysis, R. W. Beck also included rates from the City of Tempe and Glendale. The comparison rates shown apply to a 40 cubic yard container.

Table 3-11
Commercial Roll-Off Rate Benchmarking for a 40 CY Container

	Casa Grande (Proposed)	Glendale	Tempe	Eloy
Rate per Pull for a 40 CY Roll-Off Container ²				
Roll-off Costs	\$130.00	\$160.00	\$283.60	\$70.00, plus \$10 per day container rental

Notes:

1. The City of Eloy contracts with Arizona Sanitation Services for collection of commercial refuse. A full matrix of commercial collection rates, with all available cart sizes, is provided in Schedule 8 of the Appendix. The only collection frequency available is twice per week.
2. Fees do not include the cost of disposal at the landfill.

As shown in the table, the City’s collection rates are higher than rates in the City of Eloy and lower than the City of Glendale and the City of Tempe.

3.3 Projected Revenue Recovery

The rates proposed in this section of the report are projected to generate the revenue listed in Table 3-12 over the five-year forecast. The revenue projection assumes the proposed rates are effective at the beginning of each fiscal year. However, due to the timing of this study, the proposed rates will not be implemented for the full year of FY 2010. Therefore, the projected over-recovery for FY 2010 is overstated.

Table 3-12
Revenue Projections Based on Proposed Rates

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Revenue					
Residential Collection ¹	\$2,963,245	\$3,211,965	\$3,524,411	\$4,144,277	\$4,307,580
Commercial Front-Load Collection ²	\$804,170	\$1,064,523	\$1,181,032	\$1,317,448	\$1,414,959
Roll-Off Collection	\$435,933	\$491,501	\$559,884	\$632,951	\$658,269
Landfill Fees	\$1,455,974	\$1,485,093	\$1,544,497	\$1,606,277	\$1,670,528
	\$5,659,321	\$6,253,082	\$6,809,824	\$7,700,953	\$8,051,336
Revenue Requirement	\$5,871,485	\$6,460,978	\$6,627,397	\$7,209,778	\$7,545,374
Over/(Under) Recovery	\$(212,164)	\$(207,896)	\$182,427	\$491,175	\$505,962
Landfill Replacement Reserve	\$0	\$0	\$91,214	\$339,537	\$606,100
Operating Reserve ⁴	\$679,816	\$492,315	\$519,855	\$569,833	\$628,043
Operating Reserve (days)	42	28	29	29	30

Notes:

1. Includes revenue from commercial cart customers and residential households.
2. Includes refuse and recycling collection.
3. This reserve reflects the City's policy to maintain a 60 day operating reserve fund.

For a summary of revenue and over/(under) recovery by cost center for each year of the forecast, see Schedule 9.

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Section 4

POLICY AND OPERATIONAL ISSUES

4.1 Policy Issues

R. W. Beck identified several policy issues to be considered by the City staff and City Council. This section provides a discussion of each issue. R. W. Beck provides recommendations on these issues, where appropriate, but ultimately it is the City Council's prerogative to determine how to proceed.

4.1.1 Vacancy Credit

The City historically has provided residents with a vacancy credit in which customers had the option to cancel service if they were going to be out of town for longer than three months. Due to the quantity of seasonal residents in the City, this policy created some variability in the number of Division customers from month to month.

R. W. Beck does not recommend vacancy credits for part-time residents. If the City allows discounts, it would have a substantial negative financial impact. A key reason to not have any discounts involves the nature of the solid waste collection business. Costs for the City to provide this service continue regardless of whether the City services an individual customer since the City must still purchase vehicles and retain staff. From an administrative perspective, it is also extremely difficult and expensive to track the status of part-time residents.¹

4.1.2 In-Kind Services

Currently, the Division provides in-kind services to other City departments and City of Casa Grande schools. The current policy is not to charge for these in-kind services. This requires that the Division subsidize the in-kind services from rate payers. Requiring these customers to pay for their solid waste services should encourage them to only use the level of service that they really need, since they will be paying for the cost., which could also lead to increased efforts to reduce their waste service needs.

R. W. Beck recommends that City departments and City of Casa Grande schools be charged for all in-kind solid waste collection and disposal services. Based on discussions with City staff, the recommended rates included in this study reflect that in-kind customers will pay for their share of services received. If the City decides to continue providing the in-kind services, there would be a need to increase rates accordingly for the rate payers.

¹ The same logic that is used by water/wastewater utilities in denying exemptions for part-time residents could be used for solid waste services. The logic is that there is a fixed cost incurred by a water/wastewater or solid waste utility, regardless of whether the service is used part-time or year round. Therefore, the customer must pay for the right of having that service available at any time.

Table 4-1 below shows revenue that is expected to be generated from non-bill customers over the next five years. If these customers were not billed, rates for billed customers would need to be increased to generate this level of revenue.

Table 4-1
Revenue from In-Kind Customers

	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
Schools					
Commercial Cart	\$0	\$0	\$0	\$0	\$0
Commercial Front-Load	\$169,533	\$176,591	\$183,452	\$203,604	\$218,483
Subtotal	\$169,533	\$176,591	\$183,452	\$203,604	\$218,483
City Facilities					
Commercial Cart	\$11,561	\$11,792	\$12,028	\$12,509	\$13,009
Commercial Front-Load	\$32,203	\$33,432	\$33,499	\$38,850	\$41,740
Subtotal	\$43,764	\$45,224	\$45,527	\$51,359	\$54,749
Total Revenue	\$213,297	\$221,815	\$228,979	\$254,963	\$273,232

Notes:

4.1.3 Set Out Limits for Uncontained Trash

Many cities across the United States have recognized issues with their uncontained trash collection operations. In many cases, cities have experienced increases in the quantity of materials and costs associated with providing this service. To address this issue, many cities have placed reasonable limits on the quantities of materials that a household can place for uncontained collection. While this does not appear to be an urgent issue for the City of Casa Grande, the collection of uncontained trash may become more of an issue in the future. In an effort to be proactive, the City may decide to place limits on the quantity of uncontained trash that can be collected per collection event. Other cities have placed limits in the range of four to 10 cubic yards. To provide a sense of how much material could be set-out based on these limits, an appliance is typically 1.0 – 1.5 cubic yards and a sofa is typically 1.0 – 2.0 cubic yards.

Currently the cost to provide uncontained trash collection service is distributed to all customers. The City will continue to collect data that will support the fee for this service. However, R. W. Beck would note that all residents have the opportunity to utilize the same service.

Other options that are available for uncontained trash that have been implemented by other communities include:

- **Implement Volume Limits:** It is common for uncontained collection programs to place volume limits on residents. This can be achieved either through an annual limit on the number collections, but also by charging a per-volume, per

collection, and/or per item fee beyond a pre-determined threshold. Volume limits are primarily implemented to make the program more equitable for residents so small generators are not subsidizing large generators.

- **Reduce Collection Frequency:** The City currently offers uncontained collection once every six weeks. In order to reduce costs associated with the program, the City can consider reducing collection frequency. Alternative collection frequencies include quarterly or semi-annually.

4.1.4 Fees for Commercial Recycling

The City does not have a fee for commercial recycling services. While R. W. Beck understands that the City has not charged a fee for this service in order to incentivize recycling, the City is incurring real costs in providing this service. R. W. Beck would recommend that the City charge a fee for this service that still provides incentive to recycle. This can be accomplished by setting the rate relatively lower than the rate for commercial refuse service. It should also be noted that this policy would result in an under recovery for the commercial recycling operation. This financial shortfall could also be addressed if the City could increase the number of recycling customers and quantities of recycling materials collected.

4.1.5 Excess Revenue from Landfill Tipping Fees

The City's current landfill fees generate excess revenue based on the cost of service. The City directed R. W. Beck to allocate this excess revenue as follows:

- Offset cost of recycling processing operation;
- Establish a landfill replacement reserve; and
- Maintain appropriate operating reserve.

This allocation of excess landfill revenue supports the policy goals and objectives of the City. First, the City has made a commitment to provide recycling service to customers. Using excess revenue to offset the cost to provide this service encourages further recycling in the City. Second, the City has also made the policy decision to not incur debt. In anticipation of the need to expand the landfill in the future, R. W. Beck recommends that the City establish a landfill replacement reserve to fund this future need. Last, the excess revenue will ensure that the City is able to maintain a 60 day operating reserve, which is consistent with City-wide financial policies.

4.1.6 Purchase of Front-Load Containers

The City currently provides front-load collection service using customer-owned containers. R. W. Beck recommends that the City move toward owning all of the front-load containers utilized in the operation. This should be accomplished through purchasing new containers for use by existing customers over the next five years.

Cities that have front-load collection operations typically own the containers that are being serviced to enable them to do the following:

- Maintain the appearance of the containers;
- Ensure consistency with the city's vehicles and operating standards; and
- Perform routine maintenance to ensure the containers meet environmental standards (e.g., no leaks).

R. W. Beck has included within the front-load rates the costs associated with purchasing front-load containers over a five year period.

4.2 Operational Issues

In the course of conducting the rate study, R. W. Beck identified operational issues that should be addressed by City staff.

4.2.1 Cart Maintenance and Replacement

R. W. Beck observed that the costs incurred by the City for residential cart maintenance and replacement are significantly higher than would generally be expected from similar operations. Based on data reviewed for the rate study, the City replaces 15 percent of its carts and 14-gallon bins on an annual basis. In addition, based on discussions with staff, the City has experienced issues with redeeming the appropriate warranty on its carts, causing the City to incur costs that should have been covered by the warranty. R. W. Beck highly recommends that the City treat this issue as a priority and evaluate options to reduce annual costs associated with carts and bins.

4.2.2 Recycling Collection Personnel

Based on limited operational observations of the City's recycling program, the City utilizes three staff per recycling route to accomplish recycling collection. This is a higher level of personnel than R. W. Beck would expect given the nature of the operation. R. W. Beck recommends that the City evaluate the staffing needs for its recycling routes.

4.2.3 Operations Review

In order to minimize the need for future rate increases, R. W. Beck recommends the City conduct a comprehensive operations review of the solid waste system to identify areas for operational improvement. Such a study would address route efficiency metrics, such as on-route time, collections per hour, non-collection time including travel time, pre and post trip inspections, etc. This could either be accomplished by in-house City staff or by outside consultants.

4.3 Evaluation of Operational Change

As part of the cost of service and rate design study, R. W. Beck evaluated the potential impact of operational changes on the residential rate. Specifically, R. W. Beck evaluated the costs associated with transitioning from twice per week refuse and once

per week recycling system to a once per week refuse and once per week recycling system (“one and one”).

This evaluation is based on the cost of service analysis developed for FY 2010. In addition, this analysis does not address and potential changes to the commercial recycling operation that would need to occur due to changes in the residential recycling program. Last, R. W. Beck developed this analysis based on the assumption that the operation would be conducted according to industry best management practices.

The transition to a one and one system would represent a significant paradigm shift in the City’s solid waste operation. However, many cities across the county, including many communities in the greater Phoenix area, are transitioning to this type of system. R. W. Beck would emphasize that this evaluation is primarily financial in nature; a transitional period would be required to make the operational changes needed to transition to a one and one system.

4.3.1 Key Assumptions

Refuse Collection

R. W. Beck utilized information contained in the detailed cost of service and rate design analysis to develop this analysis. Below is a description of R. W. Beck’s assumptions to project changes in operating costs with a transition to once per week refuse collection. Costs not specifically mentioned below were assumed to remain the same as in the current system.

Collection Efficiency

The City currently collects refuse from customers two times per week using seven daily routes. If the City collected refuse once per week, there is potential to reduce the number of daily routes, thus reducing costs. Table 4-2 shows the estimated number of routes needed under the one and one operation based on the following assumptions:

- Hours worked per day – 10 hours
- Number of landfill trips per day – 3 trips²
- Round trip travel time from the yard to the route – 20 minutes
- One-way travel time from the route to the landfill – 35 minutes
- Pre-and-post-trip inspections (includes all pre-and-post-route duties) – 30 minutes
- Breaks, lunches, and breakdowns – 1 hour

The one and one operation would require four, front-line daily routes as opposed to seven front-line routes in the current system. The routing analysis assumes that the City would eliminate the three Impac side-load vehicles from the operation. The Impac vehicles are operationally challenging for the Division due to the amount of

² Three landfill trips per day is a conservative assumption. The average number of landfill trips would likely be two trips per day with the occasional need for three trips.

time they take to collect containers. However, this analysis assumes that the City would retain one Impac truck as a back up for the operation.

Table 4-2
Collection Efficiency Assumptions

Metrics	Refuse Routes
Weekly Collections	12,061
Collections/Day	3,015
Average route size	751
Routes needed	4.0

Staffing

Table 4-3 shows R. W. Beck's staffing cost assumptions for the one and one operation. The staff costs are based on costs included in the cost of service analysis.

Table 4-3
Staffing Cost Assumptions (per employee)

Position	FTE	Salary	Benefits ¹
Refuse Drivers	4.0	\$45,911	\$16,942
Backup Drivers ²	0.5	\$45,911	\$16,942
Administrative Staff ³	Total	\$25,724	\$10,447

1. Includes all employee benefits and non-salary employee costs.
2. This driver could be shared with the automated recycling operation.
3. Allocated to refuse in the same way as in the cost of service and rate analysis.

Vehicle Costs

Table 4-4 shows R. W. Beck's vehicle cost assumptions for the one and one operation. The vehicle costs are based on utilizing existing vehicles for the operation. All costs are per-vehicle with the exception of fuel which is shown on a per route basis. R. W. Beck assumed that four front-line and one back up vehicle would be needed, resulting in a 25 percent back-up ratio, which is consistent with industry best practices.

Table 4-4
Vehicle Cost Assumptions (per vehicle)

Item	Annual Cost
Replacement	\$34,286
Fuel (per route)	\$16,000
Maintenance	\$25,000

Containers

As mentioned in Section 4.2.1, the City currently replaces approximately 15 percent of its residential refuse carts on an annual basis. Based on R. W. Beck's analysis, if the City purchased a new fleet of carts for the City that were financed over a 10 year

period, it would achieve cost savings over the current system. Table 4-5 shows cost assumptions associated with the purchase of carts.

**Table 4-5
Cart Cost Assumptions (per cart)**

Container Size	Cost per Cart	Useful Life	Quantity	Amortized Cost (Annual)
90 gallon	\$55.00	10	9,891	\$70,451
300 gallon	\$238.00	10	1,282	\$39,514
Total				\$109,965

Recycling Collection and Processing

R. W. Beck developed cost estimates for the City to implement fully-automated, once per week collection of recyclables using 96-gallon carts. This analysis is based on the City's vehicles hauling recyclables directly to one of the Phoenix-area material recovery facilities (MRFs) shown in Table 4-6.

**Table 4-6
Arizona Material Recovery Facilities**

Owner	Operator	Location	Miles
Abitibi Consolidated	Abitibi Consolidated	Chandler	46
City of Phoenix	Waste Management	Phoenix	60
City of Phoenix	Hudson Baylor	Phoenix	75
Hudson Baylor	Hudson Baylor	Phoenix	50

As an alternative to direct-hauling, R. W. Beck developed high-level cost estimates for the City to develop a small transfer operation at the landfill. This type of operation would involve the City's recycling trucks hauling material to a transfer trailer located at the landfill. The transfer trailer, when full, would be hauled to a Phoenix-area MRF. Based on R. W. Beck's analysis, there was very minimal cost difference (less than five percent) between these two options. Furthermore, R. W. Beck's analysis of the transfer option was based on similar operations in other communities and not directly on the City's operation. If the City wished to further investigate transferring recyclables to a MRF via a transfer station, R. W. Beck recommends conducting a more detailed evaluation based directly on the City's operation.

Below is a description of R. W. Beck's assumptions to project changes in operating costs with a transition to once per week, fully-automated recyclables collection. Costs not specifically mentioned were assumed to remain the same as in the current system.

Collection Efficiency

Table 4-7 shows the estimated number of routes needed if the City collected recyclables once per week using fully-automated collection. This analysis is based on the following assumptions:

- Hours worked per day – 10 hours

- Number of MRF trips per day – 1 trip
- Round trip travel time from the yard to the route – 20 minutes
- One-way travel time from the route to the MRF – 75 minutes
- Pre-and-post-trip inspections (includes all pre-and-post-route duties) – 30 minutes
- Breaks, lunches, and breakdowns –1 hour
- Set out rate for recycling bin – 60 percent

R. W. Beck projects that the recycling operation would require three daily routes. This analysis is based on conservative assumptions. Therefore, if some of the assumptions of the analysis, such as set-out rate for recyclables, vehicle collection efficiency, or round trip travel time were to change, it is possible that the City could operate the program using fewer routes. Because of this, R. W. Beck recommends that the City initially not purchase a back-up vehicle for residential recycling. After monitoring of the program, it could be assessed whether there was a need for a back-up vehicle or if the routes could be accomplished with three vehicles and staff.

Table 4-7
Collection Efficiency Assumptions

Metrics	Recycling Routes
Weekly Collections	13,738
Collections/Day	3,435
Average route size	701
Routes needed	3.0

Staffing

Table 4-8 shows R. W. Beck’s staffing cost assumptions for the one and one operation. The staff costs are based on costs included in the cost of service and rate analysis. In addition, R. W. Beck assumed that the one and one operation would require an inspector to enforce the requirements of the recycling program.

Table 4-8
Staffing Cost Assumptions (per employee)

Position	FTE	Salary	Benefits ¹
Recycling Drivers	3.0	\$45,911	\$16,942
Inspector	1.0	\$45,911	\$16,942
Administrative Staff ²	Total	\$25,724	\$10,447

1. Includes all employee benefits and non-salary employee costs.

2. Allocated to refuse in the same way as in the cost of service and rate analysis.

Vehicles

Table 4-9 shows R. W. Beck’s vehicle cost assumptions for the fully-automated recycling operation. The vehicle costs are based on purchasing three new vehicles for

the operation. All costs are on a per-vehicle basis with the exception of fuel which is shown on a per route basis.

Because the vehicles purchased for this program would represent expansion of the solid waste fleet, the Division would incur costs associated with purchasing the vehicle as well as the cost of vehicle replacement. To be consistent with the cost of service and rate analysis, R. W. Beck assumed that vehicle purchase costs were spread over the useful life of the vehicle.

Table 4-9
Vehicle Cost Assumptions (per vehicle)

Item	Annual Cost
Purchase	\$34,286
Replacement	\$34,286
Fuel (per route)	\$16,000
Maintenance	\$25,000

Containers

Table 4-10 shows cost assumptions associated with the purchase of carts for the recycling operation. The cost per cart of \$55.00 includes a 10 year warranty as well as delivery to the customer.

Table 4-10
Cart Cost Assumptions (per cart)

Container Size	Cost per Cart	Useful Life	Quantity	Amortized Cost (Annual)
96-gallon carts	\$55.00	10	13,738	\$97,852

Processing

If the City implemented fully-automated recycling, the current City recyclables processing operation would not be necessary. Therefore, this analysis assumes that the recyclables processing operation at the City's landfill would not continue.

Based on extensive experience with recycling programs across the United States, R. W. Beck has an understanding of the quantity of material that can be generated from single-stream recycling programs. Cart-based recycling programs have the potential to generate 500 to 800 pounds of recyclables per household on an annual basis. However, since this analysis is meant to be conservative, and since the City's residents currently generate less than 200 pounds per household annually, R. W. Beck assumed that residents would generate 300 pounds per household annually. This translates to approximately 2,061 tons per year.

Based on experience dealing with recyclables processing companies in the Phoenix area, R. W. Beck would expect that the City would receive a minimum of \$5.00 per ton in revenue (net of processing fees) for recyclable material.

Public Education

The City would incur costs associated with public education if choosing to transition to a one and one system. R. W. Beck recommends that the City allocate \$55,000 to public education in the first year of the program, which represents approximately \$4.00 per household annually. This is consistent with public education funding in other communities making similar transitions. In future years, the City would likely be able to reduce the level of public education funding.

4.3.2 Cost of Service

Table 4-11 summarizes the projected cost of service for residents if the City transitioned to a one and one program.

**Table 4-11
Residential Cost of Service**

	FY 2010 (Current System)	FY 2010 (One and One)
Annual Cost of Service		
Collection		
Refuse	\$1,618,265	\$1,034,359
Uncontained	\$483,806	\$483,806
Recycling	\$697,094	\$826,909
Subtotal	\$2,799,165	\$2,345,074
Disposal/Processing		
Recycling processing	\$112,138	(\$10,304)
Refuse disposal	\$318,271	\$318,271
Subtotal	\$430,409	\$307,967
Total Residential Cost of Service	\$3,229,574	\$2,653,041
Billing Units	13,738	13,738
Monthly Cost of Service		
Collection		
Refuse	\$9.82	\$6.27
Uncontained	\$2.93	\$2.93
Recycling	\$4.23	\$5.02
Subtotal	\$16.98	\$14.22
Disposal/Processing		
Recycling processing	\$0.68	(\$0.06)
Refuse disposal	\$1.93	\$1.93
Subtotal	\$2.61	\$1.87
Total Residential Cost of Service	\$19.59	\$16.09

As shown in the table, the City could significantly reduce its cost of service by making the transition. Some of the key drivers of the cost savings are:

- Fewer required routes for residential refuse;
- Elimination of the recycling processing system; and
- Net positive revenue associated with recycling processing.

R. W. Beck would note that this transition would represent a complete transformation as to how residential solid waste collection is approached in the City. However, many cities in the United States, including cities in Arizona, have successfully transitioned to this style of program. In fact, one and one programs are the most prevalent collection approach in Arizona.

Table 4-12 provides a sense of how the cost of the one and one operation compares to the five-year rate forecast. For this analysis, R. W. Beck compared the \$16.09 cost of service (and \$16.20 proposed rate) by three percent annually.

Table 4-12
Cost of Service Comparison

Operation	Fiscal Year 2010	Fiscal Year 2011	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014
<u>Cost of Service</u>					
Current System	\$19.59	\$20.74	\$20.51	\$21.43	\$21.48
One and One	\$16.09	\$16.58	\$17.07	\$17.59	\$18.11
<u>Proposed Rate</u>					
Current System	\$19.70	\$20.90	\$20.90	\$21.60	\$21.60
One and One	\$16.20	\$16.60	\$17.10	\$17.60	\$18.15

As previously mentioned, there would be a need for a transitional period for the City to make the operational changes needed to establish a one and one program. If the City were to implement the proposed rates for the one and one program in FY 2010, the City would under recover by approximately \$48,000 for every month until the transition were complete.³

4.3.3 Staffing Changes

If the City transitioned to a one and one program for residential collection, there would be an opportunity to reduce the staffing level from the current 16.8 FTEs to 9.7 FTEs. R. W. Beck recognizes that the City is sensitive to issues related to employee retention. Therefore, R. W. Beck recommends that the City seek to reduce staff through reassignment to other functions or departments or gradual attrition (e.g., retirements or resigning).

³ The City would under recover for the residential refuse and recycling operation. The Division as a whole would not under recover due to the excess revenue generated from landfill tipping fees.

4.4 Other Potential Programs

R. W. Beck provided the cost of service associated with additional programs that the City is evaluating. All assumptions for these programs were provided by City staff.

4.4.1 Glass Recycling Drop-Off

R. W. Beck analyzed the cost of service to provide three glass recycling drop-off locations for City residents. The operational characteristics of the program, as provided by City staff, would consist of three roll-off containers that would be pulled twice per month to the recycling location. Negligible revenue would be generated from the program due to limited markets for glass. Table 4-13 summarizes the cost of service for the program, based on analysis contained in Section 2.

Table 4-13
Glass Recycling Cost of Service

Item	Cost
Annual Pulls	72
Cost per Pull	\$173.00
Annual Cost	\$12,456
Monthly Cost of Service ¹	\$0.08

Notes:

1. Assumes cost of service is recovered from residential customers

4.4.2 Waste Tire Recovery

R. W. Beck analyzed the cost of service to provide a waste tire collection program. Based on information provided by City staff, the primary costs associated with this program would be roll-off pulls, collection labor, and staff labor. The program is projected to collect 7,000 tires per year; however, the City will only receive a fee associated with 3,000 tires. Table 4-14 summarizes the program cost of service.

Table 4-14
Waste Tire Program Cost of Service

Item	Cost
Roll-off hauling	\$5,775
Labor – Landfill	\$902
Labor – Collection	5775
Total	\$12,452
Cost per tire	\$4.15
Proposed fee per tire	\$4.50

Appendix - Schedules

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TEST YEAR

	Account Number	Description	Budget 2010	Adjustments	Test Year	Comment
1						
2		420: COLLECTION (now RESIDENTIAL COLLECTION)				
3	540-35-420-1101-00	Permanent Wages and Salaries	\$ 359,345	\$ 7,187	\$ 366,532	A
4	540-35-420-1106-00	Temporary Wages	\$ -		\$ -	
5	540-35-420-1110-00	Overtime	\$ 22,588		\$ 22,588	
6	540-35-420-1205-00	Social Security Taxes	\$ 27,480	\$ 550	\$ 28,030	A
7	540-35-420-1210-00	Pension and Retirement	\$ 33,787	\$ 676	\$ 34,462	A
8	540-35-420-1215-00	Employee Insurance	\$ 71,092		\$ 71,092	
9	540-35-420-1220-00	Worker's Compensation Insurance	\$ 20,368	\$ 407	\$ 20,775	A
10	540-35-420-1240-00	Training	\$ 871		\$ 871	
11	540-35-420-1250-00	Travel and Meetings	\$ 762		\$ 762	
12	540-35-420-2210-00	Professional Services	\$ -		\$ -	
13	540-35-420-2215-00	Contractual Services	\$ 4,929		\$ 4,929	
14	540-35-420-2220-00	Maintenance Services	\$ 4,561		\$ 4,561	
15	540-35-420-2220-50	Communication Equipment	\$ 1,671		\$ 1,671	
16	540-35-420-2225-00	City Vehicle	\$ 316,226		\$ 316,226	
17	540-35-420-2230-00	Rentals and Leases	\$ 436		\$ 436	
18	Does not exist	Advertising	\$ -		\$ -	
19	540-35-420-2235-00	Dues and Memberships	\$ 174		\$ 174	
20	540-35-420-2320-00	Bad Debt Expense	\$ 65	\$ 20,000	\$ 20,065	C
21	540-35-420-2320-10	Collection Service Expense	\$ 980		\$ 980	
22	540-35-420-3305-00	Operating Supplies	\$ 3,049		\$ 3,049	
23	540-35-420-3305-10	Containers	\$ 205,400		\$ 205,400	
24	Does not exist	Office Supplies	\$ -		\$ -	
25	540-35-420-3350-00	Clothing and Uniforms	\$ 4,355		\$ 4,355	
26	540-35-420-3355-00	Printing and Duplication	\$ 1,360		\$ 1,360	
27	Does not exist	Maintenance Supplies	\$ -		\$ -	
28	540-35-420-3360-20	Building Supplies	\$ 5,000	\$ (5,000)	\$ -	B
29	540-35-420-3365-10	Gasoline	\$ 1,667		\$ 1,667	
30	540-35-420-3365-20	Diesel	\$ 137,639		\$ 137,639	
31	540-35-420-3370-00	Small Tools	\$ 544		\$ 544	
32	Does not exist	Lubricants	\$ -		\$ -	
33	540-35-420-3385-00	Postage Express & Freight	\$ 9,243		\$ 9,243	
34	540-35-420-3390-10	Electric	\$ 2,896		\$ 2,896	
35	540-35-420-3390-20	Natural Gas	\$ 152		\$ 152	
36	540-35-420-3390-30	Water	\$ 2,483		\$ 2,483	
37	540-35-420-3390-50	Telephone	\$ 1,524		\$ 1,524	
38	540-35-420-3395-00	Misc Supplies	\$ 436		\$ 436	
39	540-35-420-3500-00	Operating Capital	\$ -		\$ -	
40	540-35-420-4610-00	Vehicles	\$ 15,020		\$ 15,020	
41	Does not exist	Post Closure	\$ -		\$ -	
42	Does not exist	Other Services and Charges	\$ -		\$ -	
43	540-35-420-5520-00	Interest Expense	\$ 196		\$ 196	
44	540-35-420-5521-00	Principal Payments	\$ 292		\$ 292	
45	540-99-420-9101-00	Transfer to General Fund	\$ 316,100	\$ (134,650)	\$ 181,450	C
46	540-99-420-9404-00	Vehicle replacement	\$ 174,612		\$ 174,612	
66	Subtotal		\$ 1,747,304	\$ (110,830)	\$ 1,636,473	
67						
68		421: UNCONTAINED TRASH				
69	540-35-421-1101-00	Permanent Wages and Salaries	\$ 176,719	\$ 3,534	\$ 180,254	A
70	540-35-421-1106-00	Temporary Wages	\$ -		\$ -	
71	540-35-421-1110-00	Overtime	\$ 3,265		\$ 3,265	
72	540-35-421-1205-00	Social Security Taxes	\$ 13,514	\$ 270	\$ 13,785	A
73	540-35-421-1210-00	Pension and Retirement	\$ 16,616	\$ 332	\$ 16,948	A
74	540-35-421-1215-00	Employee Insurance	\$ 34,962		\$ 34,962	
75	540-35-421-1220-00	Worker's Compensation Insurance	\$ 10,017	\$ 200	\$ 10,217	A
76	540-35-421-1240-00	Training	\$ 428		\$ 428	
77	540-35-421-1250-00	Travel and Meetings	\$ 375		\$ 375	

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78	540-35-421-2210-00	Professional Services	\$ -		\$ -	
79	540-35-421-2215-00	Contractual Services	\$ 20,929		\$ 20,929	
80	540-35-421-2220-00	Maintenance Services	\$ 719		\$ 719	
81	540-35-421-2220-50	Communication Equipment	\$ 332		\$ 332	
82	540-35-421-2225-00	City Vehicle	\$ 49,842		\$ 49,842	
83	540-35-421-2230-00	Rentals and Leases	\$ 214		\$ 214	
84	Does not exist	Advertising	\$ -		\$ -	
85	Does not exist	Dues and Memberships	\$ 86		\$ 86	
86	Does not exist	Bad Debt Expense	\$ 32	\$ 11,000	\$ 11,032	C
87	Does not exist	Collection Service Expense	\$ 482		\$ 482	
88	Does not exist	Operating Supplies	\$ 1,499		\$ 1,499	
89	Does not exist	Containers	\$ -		\$ -	
90	540-35-421-3305-00	Office Supplies	\$ -		\$ -	
91	540-35-421-3350-00	Clothing and Uniforms	\$ 2,142		\$ 2,142	
92	Does not exist	Printing and Duplication	\$ 1,320		\$ 1,320	
93	Does not exist	Maintenance Supplies	\$ -		\$ -	
94	Does not exist	Building Supplies	\$ -		\$ -	
95	540-35-421-3365-10	Gasoline	\$ 272		\$ 272	
96	540-35-421-3365-20	Diesel	\$ 22,421		\$ 22,421	
97	540-35-421-3370-00	Small Tools	\$ 268		\$ 268	
98	Does not exist	Lubricants	\$ -		\$ -	
99	Does not exist	Postage Express & Freight	\$ 9,243		\$ 9,243	
100	Does not exist	Electric	\$ 1,424		\$ 1,424	
101	Does not exist	Natural Gas	\$ 75		\$ 75	
102	Does not exist	Water	\$ 1,221		\$ 1,221	
103	Does not exist	Telephone	\$ 750		\$ 750	
104	Does not exist	Misc Supplies	\$ 214		\$ 214	
105	Does not exist	Operating Capital	\$ -		\$ -	
106	540-35-421-4610-00	Vehicles	\$ 3,030		\$ 3,030	
107	Does not exist	Post Closure	\$ -		\$ -	
108	Does not exist	Other Services and Charges	\$ -		\$ -	
109	Does not exist	Interest Expense	\$ 96		\$ 96	
110	Does not exist	Principal Payments	\$ 144		\$ 144	
111	Does not exist	Transfer to General Fund	\$ -	\$ 40,440	\$ 40,440	C
112	Does not exist	Vehicle replacement	\$ 42,864		\$ 42,864	
132	Subtotal		\$ 415,515	\$ 55,777	\$ 471,292	
133						
134	422: RECYCLING (now RECYCLING COLLECTION)					
135	540-35-422-1101-00	Permanent Wages and Salaries	\$ 306,410	\$ 6,128	\$ 312,538	A
136	Does not exist	Temporary Wages	\$ -		\$ -	
137	540-35-422-1110-00	Overtime	\$ 12,753		\$ 12,753	
138	540-35-422-1205-00	Social Security Taxes	\$ 23,432	\$ 469	\$ 23,901	A
139	540-35-422-1210-00	Pension and Retirement	\$ 28,810	\$ 576	\$ 29,386	A
140	540-35-422-1215-00	Employee Insurance	\$ 60,620		\$ 60,620	
141	540-35-422-1220-00	Worker's Compensation Insurance	\$ 17,367	\$ 347	\$ 17,715	A
142	540-35-422-1240-00	Training	\$ 743		\$ 743	
143	Does not exist	Travel and Meetings	\$ 650		\$ 650	
144	540-35-422-2210-00	Professional Services	\$ 2,000		\$ 2,000	
145	Does not exist	Contractual Services	\$ 4,929		\$ 4,929	
146	540-35-422-2220-00	Maintenance Services	\$ 679		\$ 679	
147	540-35-422-2220-50	Communication Equipment	\$ 1,783		\$ 1,783	
148	540-35-422-2225-00	City Vehicle	\$ 47,085		\$ 47,085	
149	540-35-422-2230-00	Rentals and Leases	\$ 371		\$ 371	
150	540-35-422-2245-00	Advertising	\$ 2,500		\$ 2,500	
151	Does not exist	Dues and Memberships	\$ 149		\$ 149	
152	Does not exist	Bad Debt Expense	\$ 56	\$ 19,000	\$ 19,056	C
153	Does not exist	Collection Service Expense	\$ 836		\$ 836	
154	540-35-422-3305-00	Operating Supplies	\$ 8,000		\$ 8,000	
155	540-35-422-3305-10	Containers	\$ 230,300		\$ 230,300	

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156	Does not exist	Office Supplies	\$	-	\$	-	
157	540-35-422-3350-00	Clothing and Uniforms	\$	3,714	\$	3,714	
158	540-35-422-3355-00	Printing and Duplication	\$	5,820	\$	5,820	
159	540-35-422-3360-00	Maintenance Supplies	\$	2,500	\$	2,500	
160	Does not exist	Building Supplies	\$	-	\$	-	
161	540-35-422-3365-10	Gasoline	\$	197	\$	197	
162	540-35-422-3365-20	Diesel	\$	16,230	\$	16,230	
163	540-35-422-3370-00	Small Tools	\$	964	\$	964	
164	Does not exist	Lubricants	\$	-	\$	-	
165	Does not exist	Postage Express & Freight	\$	9,243	\$	9,243	
166	540-35-422-3390-10	Electric	\$	2,470	\$	2,470	
167	Does not exist	Natural Gas	\$	130	\$	130	
168	Does not exist	Water	\$	2,117	\$	2,117	
169	Does not exist	Telephone	\$	1,300	\$	1,300	
170	Does not exist	Misc Supplies	\$	371	\$	371	
171	540-35-422-3500-00	Operating Capital	\$	-	\$	-	
172	540-35-422-4610-00	Vehicles	\$	2,497	\$	2,497	
173	Does not exist	Post Closure	\$	-	\$	-	
174	Does not exist	Other Services and Charges	\$	-	\$	-	
175	540-35-422-5520-00	Interest Expense	\$	167	\$	167	
176	540-35-422-5521-00	Principal Payments	\$	249	\$	249	
177	540-99-422-9101-00	Transfer to General Fund	\$	74,900	\$	12,100	\$ 87,000 C
178	540-99-422-9404-00	Vehicle replacement	\$	36,343	\$	36,343	
198	Subtotal		\$	908,683	\$	38,620	\$ 947,304
199							
200		423: RECYCLING OPERATIONS					
201	540-35-423-1101-00	Permanent Wages and Salaries	\$	161,467	\$	3,229	\$ 164,696 A
202	Does not exist	Temporary Wages	\$	-	\$	-	
203	540-35-423-1110-00	Overtime	\$	1,859	\$	1,859	
204	540-35-423-1205-00	Social Security Taxes	\$	12,348	\$	247	\$ 12,595 A
205	540-35-423-1210-00	Pension and Retirement	\$	15,182	\$	304	\$ 15,485 A
206	540-35-423-1215-00	Employee Insurance	\$	31,944	\$	31,944	
207	540-35-423-1220-00	Worker's Compensation Insurance	\$	9,152	\$	183	\$ 9,335 A
208	540-35-423-1240-00	Training	\$	391	\$	391	
209	Does not exist	Travel and Meetings	\$	342	\$	342	
210	540-35-423-2210-00	Professional Services	\$	2,000	\$	2,000	
211	Does not exist	Contractual Services	\$	-	\$	-	
212	540-35-423-2220-00	Maintenance Services	\$	118	\$	118	
213	540-35-423-2220-50	Communication Equipment	\$	82	\$	82	
214	540-35-423-2225-00	City Vehicle	\$	8,200	\$	8,200	
215	540-35-423-2230-00	Rentals and Leases	\$	996	\$	996	
216	540-35-423-2245-00	Advertising	\$	-	\$	-	
217	Does not exist	Dues and Memberships	\$	78	\$	78	
218	Does not exist	Bad Debt Expense	\$	29	\$	100,000	\$ 100,029 C
219	Does not exist	Collection Service Expense	\$	440	\$	440	
220	Does not exist	Operating Supplies	\$	22,970	\$	22,970	
221	540-35-423-3305-10	Containers	\$	-	\$	-	
222	540-35-423-3305-00	Office Supplies	\$	-	\$	-	
223	540-35-423-3350-00	Clothing and Uniforms	\$	1,957	\$	1,957	
224	540-35-423-3355-00	Printing and Duplication	\$	-	\$	-	
225	540-35-423-3360-00	Maintenance Supplies	\$	2,500	\$	2,500	
226	Does not exist	Building Supplies	\$	-	\$	-	
227	540-35-423-3365-10	Gasoline	\$	100	\$	100	
228	540-35-423-3365-20	Diesel	\$	8,277	\$	8,277	
229	540-35-423-3370-00	Small Tools	\$	745	\$	745	
230	Does not exist	Lubricants	\$	-	\$	-	
231	Does not exist	Postage Express & Freight	\$	-	\$	-	
232	540-35-423-3390-10	Electric	\$	1,301	\$	1,301	
233	Does not exist	Natural Gas	\$	68	\$	68	
234	Does not exist	Water	\$	1,115	\$	1,115	
235	Does not exist	Telephone	\$	685	\$	685	
236	Does not exist	Misc Supplies	\$	196	\$	196	
237	540-35-423-3500-00	Operating Capital	\$	-	\$	-	

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238	540-35-423-4610-00	Vehicles	\$	1,274		\$	1,274	
239	Does not exist	Post Closure	\$	-		\$	-	
240	Does not exist	Other Services and Charges	\$	-		\$	-	
241	540-35-423-5520-00	Interest Expense	\$	88		\$	88	
242	540-35-423-5521-00	Principal Payments	\$	131		\$	131	
243	Does not exist	Transfer to General Fund	\$	-	\$	41,380	\$	41,380
244	Does not exist	Vehicle replacement	\$	10,702		\$	10,702	C
264	Subtotal		\$	296,738	\$	145,343	\$	442,081
265								
266								
267	425: LANDFILL							
268	540-35-425-1101-00	Permanent Wages and Salaries	\$	297,023	\$	5,940	\$	302,964
269	540-35-425-1106-00	Temporary Wages	\$	-		\$	-	A
270	540-35-425-1110-00	Overtime	\$	7,110		\$	7,110	
271	540-35-425-1205-00	Social Security Taxes	\$	22,714	\$	454	\$	23,168
272	540-35-425-1210-00	Pension and Retirement	\$	27,927	\$	559	\$	28,486
273	540-35-425-1215-00	Employee Insurance	\$	58,763		\$	58,763	A
274	540-35-425-1220-00	Worker's Compensation Insurance	\$	16,835	\$	337	\$	17,172
275	540-35-425-1240-00	Training	\$	720		\$	720	
276	540-35-425-1250-00	Travel and Meetings	\$	630		\$	630	
277	540-35-425-2210-00	Professional Services	\$	10,500	\$	19,500	\$	30,000
278	540-35-425-2215-00	Contractual Services	\$	10,182		\$	10,182	D
279	540-35-425-2220-00	Maintenance Services	\$	2,494		\$	2,494	
280	540-35-425-4420-00	Communication Equipment	\$	1,550		\$	1,550	
281	540-35-425-2225-00	City Vehicle	\$	172,933		\$	172,933	
282	540-35-425-2230-00	Rentals and Leases	\$	12,360		\$	12,360	
283	Does not exist	Advertising	\$	-		\$	-	
284	Does not exist	Dues and Memberships	\$	144		\$	144	
285	Does not exist	Bad Debt Expense	\$	54	\$	18,000	\$	18,054
286	Does not exist	Collection Service Expense	\$	810		\$	810	C
287	Does not exist	Operating Supplies	\$	2,520		\$	2,520	
288	Does not exist	Containers	\$	-		\$	-	
289	540-35-425-3305-00	Office Supplies	\$	6,900		\$	6,900	
290	540-35-425-3350-00	Clothing and Uniforms	\$	8,600		\$	8,600	
291	540-35-425-3355-00	Printing and Duplication	\$	1,000		\$	1,000	
292	540-35-425-3360-00	Maintenance Supplies	\$	12,000		\$	12,000	
293	Does not exist	Building Supplies	\$	-		\$	-	
294	540-35-425-3365-10	Gasoline	\$	1,600		\$	1,600	
295	540-35-425-3365-20	Diesel	\$	132,143		\$	132,143	
296	540-35-425-3370-00	Small Tools	\$	1,950		\$	1,950	
297	540-35-425-3365-50	Lubricants	\$	7,100		\$	7,100	
298	Does not exist	Postage Express & Freight	\$	340		\$	340	
299	540-35-425-3390-10	Electric	\$	2,394		\$	2,394	
300	540-35-425-3390-20	Natural Gas	\$	126		\$	126	
301	540-35-425-3390-30	Water	\$	2,052		\$	2,052	
302	540-35-425-3390-50	Telephone	\$	1,260		\$	1,260	
303	Does not exist	Misc Supplies	\$	360		\$	360	
304	540-35-425-3500-00	Operating Capital	\$	20,000		\$	20,000	
305	540-35-425-4610-00	Vehicles	\$	13,969		\$	13,969	
306	540-35-425-2225-20	Post Closure	\$	-		\$	-	
307	540-35-425-2270-00	Other Services and Charges	\$	28,000		\$	28,000	
308	540-35-425-5520-00	Interest Expense	\$	1,432		\$	1,432	
309	540-35-425-5521-00	Principal Payments	\$	51,241		\$	51,241	
310	540-99-425-9101-00	Transfer to General Fund	\$	90,600	\$	38,480	\$	129,080
311	540-99-425-9404-00	Vehicle replacement	\$	210,000		\$	210,000	C
331	Subtotal		\$	1,238,337	\$	83,270	\$	1,321,607
332								
333	426: COMMERCIAL FRONT LOAD							
334	540-35-426-1101-00	Permanent Wages and Salaries	\$	189,878	\$	3,798	\$	193,675
335	540-35-426-1106-00	Temporary Wages	\$	-		\$	-	A
336	540-35-426-1110-00	Overtime	\$	18,791		\$	18,791	
337	540-35-426-1205-00	Social Security Taxes	\$	14,520	\$	290	\$	14,811
338	540-35-426-1210-00	Pension and Retirement	\$	17,853	\$	357	\$	18,210

City of Casa Grande
Solid Waste Rate Study

Schedule 1
Test Year Revenue Requirement

339	540-35-426-1215-00	Employee Insurance	\$	37,565		\$	37,565		
340	540-35-426-1220-00	Worker's Compensation Insurance	\$	10,762	\$	215	\$	10,978	A
341	540-35-426-1240-00	Training	\$	460			\$	460	
342	540-35-426-1250-00	Travel and Meetings	\$	403			\$	403	
343	540-35-426-2210-00	Professional Services	\$	-			\$	-	
344	540-35-426-2215-00	Contractual Services	\$	515			\$	515	
345	540-35-426-2220-00	Maintenance Services	\$	1,246			\$	1,246	
346	540-35-426-2220-50	Communication Equipment	\$	707			\$	707	
347	540-35-426-2225-00	City Vehicle	\$	86,418			\$	86,418	
348	540-35-426-2230-00	Rentals and Leases	\$	230			\$	230	
349	Does not exist	Advertising	\$	-			\$	-	
350	Does not exist	Dues and Memberships	\$	92			\$	92	
351	Does not exist	Bad Debt Expense	\$	35	\$	12,000	\$	12,035	C
352	Does not exist	Collection Service Expense	\$	518			\$	518	
353	Does not exist	Operating Supplies	\$	1,611			\$	1,611	
354	540-35-426-3305-10	Containers	\$	20,800			\$	20,800	
355	540-35-426-3305-00	Office Supplies	\$	-			\$	-	
356	540-35-426-3350-00	Clothing and Uniforms	\$	2,301			\$	2,301	
357	Does not exist	Printing and Duplication	\$	-			\$	-	
358	Does not exist	Maintenance Supplies	\$	-			\$	-	
359	Does not exist	Building Supplies	\$	-			\$	-	
360	540-35-426-3365-10	Gasoline	\$	884			\$	884	
361	540-35-426-3365-20	Diesel	\$	73,028			\$	73,028	
362	540-35-426-3370-00	Small Tools	\$	288			\$	288	
363	Does not exist	Lubricants	\$	-			\$	-	
364	Does not exist	Postage Express & Freight	\$	966			\$	966	
365	Does not exist	Electric	\$	1,530			\$	1,530	
366	Does not exist	Natural Gas	\$	81			\$	81	
367	Does not exist	Water	\$	1,312			\$	1,312	
368	Does not exist	Telephone	\$	805			\$	805	
369	Does not exist	Misc Supplies	\$	230			\$	230	
370	Does not exist	Operating Capital	\$	-			\$	-	
371	540-35-426-4610-00	Vehicles	\$	6,639			\$	6,639	
372	Does not exist	Post Closure	\$	-			\$	-	
373	Does not exist	Other Services and Charges	\$	-			\$	-	
374	Does not exist	Interest Expense	\$	104			\$	104	
375	Does not exist	Principal Payments	\$	154			\$	154	
376	Does not exist	Transfer to General Fund	\$	-	\$	78,260	\$	78,260	C
377	Does not exist	Vehicle replacement	\$	85,080			\$	85,080	
397	Subtotal		\$	575,809	\$	94,920	\$	670,729	
398									
399	427: COMMERCIAL ROLL OFF								
400	540-35-427-1101-00	Permanent Wages and Salaries	\$	160,370	\$	3,207	\$	163,578	A
401	540-35-427-1106-00	Temporary Wages	\$	-			\$	-	
402	540-35-427-1110-00	Overtime	\$	14,147			\$	14,147	
403	540-35-427-1205-00	Social Security Taxes	\$	12,264	\$	245	\$	12,509	A
404	540-35-427-1210-00	Pension and Retirement	\$	15,078	\$	302	\$	15,380	A
405	540-35-427-1215-00	Employee Insurance	\$	31,728			\$	31,728	
406	540-35-427-1220-00	Worker's Compensation Insurance	\$	9,090	\$	182	\$	9,272	A
407	540-35-427-1240-00	Training	\$	389			\$	389	
408	540-35-427-1250-00	Travel and Meetings	\$	340			\$	340	
409	540-35-427-2210-00	Professional Services	\$	-			\$	-	
410	540-35-427-2215-00	Contractual Services	\$	515			\$	515	
411	540-35-427-2220-00	Maintenance Services	\$	682			\$	682	
412	540-35-427-2220-50	Communication Equipment	\$	388			\$	388	
413	540-35-427-2225-00	City Vehicle	\$	47,306			\$	47,306	
414	540-35-427-2230-00	Rentals and Leases	\$	194			\$	194	
415	Does not exist	Advertising	\$	-			\$	-	
416	Does not exist	Dues and Memberships	\$	78			\$	78	
417	Does not exist	Bad Debt Expense	\$	29	\$	10,000	\$	10,029	C
418	Does not exist	Collection Service Expense	\$	437			\$	437	
419	Does not exist	Operating Supplies	\$	1,361			\$	1,361	
420	540-35-427-3305-10	Containers	\$	33,800			\$	33,800	

City of Casa Grande
Solid Waste Rate Study

Schedule 1
Test Year Revenue Requirement

421	540-35-427-3305-00	Office Supplies	\$	-	\$	-	
422	540-35-427-3350-00	Clothing and Uniforms	\$	1,944	\$	1,944	
423	Does not exist	Printing and Duplication	\$	-	\$	-	
424	Does not exist	Maintenance Supplies	\$	-	\$	-	
425	Does not exist	Building Supplies	\$	-	\$	-	
426	540-35-427-3365-10	Gasoline	\$	540	\$	540	
427	540-35-427-3365-20	Diesel	\$	44,622	\$	44,622	
428	540-35-427-3370-00	Small Tools	\$	243	\$	243	
429	Does not exist	Lubricants	\$	-	\$	-	
430	Does not exist	Postage Express & Freight	\$	966	\$	966	
431	Does not exist	Electric	\$	1,293	\$	1,293	
432	Does not exist	Natural Gas	\$	68	\$	68	
433	Does not exist	Water	\$	1,108	\$	1,108	
434	Does not exist	Telephone	\$	680	\$	680	
435	Does not exist	Misc Supplies	\$	194	\$	194	
436	Does not exist	Operating Capital	\$	-	\$	-	
437	540-35-427-4610-00	Vehicles	\$	3,634	\$	3,634	
438	Does not exist	Post Closure	\$	-	\$	-	
439	Does not exist	Other Services and Charges	\$	-	\$	-	
440	Does not exist	Interest Expense	\$	87	\$	87	
441	Does not exist	Principal Payments	\$	130	\$	130	
442	Does not exist	Transfer to General Fund	\$	-	\$	49,720	C
443	Does not exist	Vehicle replacement	\$	44,147	\$	44,147	
464	Subtotal		\$	427,853	\$	63,656	\$ 491,509
465							
466	TOTAL		\$	5,610,238	\$	370,757	\$ 5,980,995
467							
468	REVENUE OFFSETS						
469	Penalties		\$	180,000	\$	180,000	
470	LGIP Interest		\$	5,000	\$	5,000	
471	Rapid Rail Containers		\$	24,000	\$	24,000	
472	Recycling Revenue		\$	150,000	\$	150,000	
473	Misc Revenue		\$	10,000	\$	10,000	
474	Commercial special pick-ups		\$	240	\$	240	
475	Blank				\$	-	
476	Blank				\$	-	
477	Blank				\$	-	
478	Blank				\$	-	
479	Blank				\$	-	
480	Blank				\$	-	
481	Subtotal		\$	369,240	\$	-	\$ 369,240
482							
483	TOTAL REVENUE REQUIREMENT		\$	5,240,998			\$ 5,611,755
484							
485							
486							
487							
488	NOTES						
489	(A) Cost of Living Adjustment of 2%						
490	(B) Represents one-time expenses that may be eliminated						
491	(C) Per Finance Department						
492	(D) Professional engineering services to support landfill vertical expansion						
493							
494							
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REVENUE REQUIREMENT FORECAST

Account Number	Description	Test Year	Inflation Basis	Year 1 FY 2010	Year 2 FY 2011	Year 3 FY 2012	Year 4 FY 2013	Year 5 FY 2014
EXPENSES								
420: COLLECTION (now RESIDENTIAL COLLECTION)								
540-35-420-1101-00	Permanent Wages and Salaries	\$ 366,532	Salary	\$ 370,055	\$ 390,572	\$ 410,100	\$ 437,899	\$ 459,793
540-35-420-1106-00	Temporary Wages	\$ -	Salary	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-420-1110-00	Overtime	\$ 22,588	Salary	\$ 22,588	\$ 23,717	\$ 24,903	\$ 26,148	\$ 27,455
540-35-420-1205-00	Social Security Taxes	\$ 28,030	Other Benefits	\$ 27,042	\$ 28,541	\$ 29,968	\$ 31,999	\$ 33,599
540-35-420-1210-00	Pension and Retirement	\$ 34,462	Other Benefits	\$ 33,248	\$ 34,495	\$ 35,606	\$ 37,409	\$ 38,628
540-35-420-1215-00	Employee Insurance	\$ 71,092	Medical Benefits	\$ 69,958	\$ 76,972	\$ 84,269	\$ 93,655	\$ 102,511
540-35-420-1220-00	Worker's Compensation Insurance	\$ 20,775	Other Benefits	\$ 20,043	\$ 20,795	\$ 21,464	\$ 22,552	\$ 23,286
540-35-420-1240-00	Training	\$ 871	General	\$ 871	\$ 897	\$ 924	\$ 952	\$ 980
540-35-420-1250-00	Travel and Meetings	\$ 762	General	\$ 762	\$ 785	\$ 809	\$ 833	\$ 858
540-35-420-2210-00	Professional Services	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-420-2215-00	Contractual Services	\$ 4,929	General	\$ 4,929	\$ 5,077	\$ 5,230	\$ 5,387	\$ 5,548
540-35-420-2220-00	Maintenance Services	\$ 4,561	General	\$ 4,561	\$ 4,698	\$ 4,839	\$ 4,984	\$ 5,133
540-35-420-2220-50	Communication Equipment	\$ 1,671	General	\$ 1,671	\$ 1,722	\$ 1,773	\$ 1,826	\$ 1,881
540-35-420-2225-00	City Vehicle	\$ 316,226	General	\$ 246,837	\$ 254,242	\$ 261,869	\$ 269,725	\$ 277,817
540-35-420-2230-00	Rentals and Leases	\$ 436	General	\$ 436	\$ 449	\$ 462	\$ 476	\$ 490
Does not exist	Advertising	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-420-2235-00	Dues and Memberships	\$ 174	General	\$ 174	\$ 179	\$ 185	\$ 190	\$ 196
540-35-420-2320-00	Bad Debt Expense	\$ 20,065	General	\$ 20,065	\$ 20,667	\$ 21,287	\$ 21,926	\$ 22,584
540-35-420-2320-10	Collection Service Expense	\$ 980	General	\$ 980	\$ 1,009	\$ 1,040	\$ 1,071	\$ 1,103
540-35-420-3305-00	Operating Supplies	\$ 3,049	General	\$ 3,049	\$ 3,140	\$ 3,234	\$ 3,331	\$ 3,431
540-35-420-3305-10	Containers	\$ 205,400	None	\$ 146,036	\$ 154,981	\$ 181,406	\$ 190,953	\$ 200,919
Does not exist	Office Supplies	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-420-3350-00	Clothing and Uniforms	\$ 4,355	General	\$ 4,355	\$ 4,486	\$ 4,621	\$ 4,759	\$ 4,902
540-35-420-3355-00	Printing and Duplication	\$ 1,360	General	\$ 1,360	\$ 1,401	\$ 1,443	\$ 1,486	\$ 1,531
Does not exist	Maintenance Supplies	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-420-3360-20	Building Supplies	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-420-3365-10	Gasoline	\$ 1,667	Fuel	\$ 1,667	\$ 1,833	\$ 2,017	\$ 2,218	\$ 2,440
540-35-420-3365-20	Diesel	\$ 137,639	Fuel	\$ 148,206	\$ 163,026	\$ 179,329	\$ 197,262	\$ 216,988
540-35-420-3370-00	Small Tools	\$ 544	General	\$ 544	\$ 561	\$ 578	\$ 595	\$ 613
Does not exist	Lubricants	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-420-3385-00	Postage Express & Freight	\$ 9,243	General	\$ 9,243	\$ 9,520	\$ 9,806	\$ 10,100	\$ 10,403
540-35-420-3390-10	Electric	\$ 2,896	General	\$ 2,896	\$ 2,983	\$ 3,073	\$ 3,165	\$ 3,260
540-35-420-3390-20	Natural Gas	\$ 152	General	\$ 152	\$ 157	\$ 162	\$ 167	\$ 172
540-35-420-3390-30	Water	\$ 2,483	General	\$ 2,483	\$ 2,557	\$ 2,634	\$ 2,713	\$ 2,794
540-35-420-3390-50	Telephone	\$ 1,524	General	\$ 1,524	\$ 1,570	\$ 1,617	\$ 1,666	\$ 1,716
540-35-420-3395-00	Misc Supplies	\$ 436	General	\$ 436	\$ 449	\$ 462	\$ 476	\$ 490
540-35-420-3500-00	Operating Capital	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-420-4610-00	Vehicles	\$ 15,020	General	\$ 15,020	\$ 15,470	\$ 15,934	\$ 16,412	\$ 16,905
Does not exist	Post Closure	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
Does not exist	Other Services and Charges	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-420-5520-00	Interest Expense	\$ 196	General	\$ 196	\$ 202	\$ 208	\$ 214	\$ 221

City of Casa Grande
Solid Waste Rate Study

Schedule 2
5-Year Revenue Requirement

540-35-420-5521-00	Principal Payments	\$ 292	General	\$ 292	\$ 301	\$ 310	\$ 319	\$ 328
540-99-420-9101-00	Transfer to General Fund	\$ 181,450	General	\$ 181,450	\$ 186,894	\$ 192,500	\$ 198,275	\$ 204,224
540-99-420-9404-00	Vehicle replacement	\$ 174,612	General	\$ 398,668	\$ 467,239	\$ 467,239	\$ 535,811	\$ 535,811
Subtotal		\$ 1,636,473		\$ 1,741,796	\$ 1,881,586	\$ 1,971,299	\$ 2,126,953	\$ 2,209,011
421: UNCONTAINED TRASH								
540-35-421-1101-00	Permanent Wages and Salaries	\$ 180,254	Salary	\$ 181,937	\$ 191,034	\$ 200,585	\$ 214,261	\$ 224,974
540-35-421-1106-00	Temporary Wages	\$ -	Salary	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-421-1110-00	Overtime	\$ 3,265	Salary	\$ 3,265	\$ 3,428	\$ 3,599	\$ 3,779	\$ 3,968
540-35-421-1205-00	Social Security Taxes	\$ 13,785	Other Benefits	\$ 13,295	\$ 13,960	\$ 14,658	\$ 15,657	\$ 16,440
540-35-421-1210-00	Pension and Retirement	\$ 16,948	Other Benefits	\$ 16,346	\$ 16,837	\$ 17,342	\$ 18,189	\$ 18,742
540-35-421-1215-00	Employee Insurance	\$ 34,962	Medical Benefits	\$ 34,395	\$ 37,834	\$ 41,618	\$ 46,469	\$ 51,081
540-35-421-1220-00	Worker's Compensation Insurance	\$ 10,217	Other Benefits	\$ 9,854	\$ 10,150	\$ 10,454	\$ 10,965	\$ 11,298
540-35-421-1240-00	Training	\$ 428	General	\$ 428	\$ 441	\$ 454	\$ 468	\$ 482
540-35-421-1250-00	Travel and Meetings	\$ 375	General	\$ 375	\$ 386	\$ 398	\$ 410	\$ 422
540-35-421-2210-00	Professional Services	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-421-2215-00	Contractual Services	\$ 20,929	General	\$ 20,929	\$ 21,557	\$ 22,204	\$ 22,870	\$ 23,556
540-35-421-2220-00	Maintenance Services	\$ 719	General	\$ 719	\$ 740	\$ 763	\$ 786	\$ 809
540-35-421-2220-50	Communication Equipment	\$ 332	General	\$ 332	\$ 342	\$ 352	\$ 363	\$ 374
540-35-421-2225-00	City Vehicle	\$ 49,842	General	\$ 32,524	\$ 33,500	\$ 34,505	\$ 35,540	\$ 36,606
540-35-421-2230-00	Rentals and Leases	\$ 214	General	\$ 214	\$ 221	\$ 227	\$ 234	\$ 241
Does not exist	Advertising	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
Does not exist	Dues and Memberships	\$ 86	General	\$ 86	\$ 88	\$ 91	\$ 94	\$ 96
Does not exist	Bad Debt Expense	\$ 11,032	General	\$ 11,032	\$ 11,363	\$ 11,704	\$ 12,055	\$ 12,417
Does not exist	Collection Service Expense	\$ 482	General	\$ 482	\$ 496	\$ 511	\$ 527	\$ 542
Does not exist	Operating Supplies	\$ 1,499	General	\$ 1,499	\$ 1,544	\$ 1,591	\$ 1,638	\$ 1,687
Does not exist	Containers	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-421-3305-00	Office Supplies	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-421-3350-00	Clothing and Uniforms	\$ 2,142	General	\$ 2,142	\$ 2,206	\$ 2,272	\$ 2,340	\$ 2,411
Does not exist	Printing and Duplication	\$ 1,320	General	\$ 1,320	\$ 1,360	\$ 1,400	\$ 1,442	\$ 1,486
Does not exist	Maintenance Supplies	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
Does not exist	Building Supplies	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-421-3365-10	Gasoline	\$ 272	Fuel	\$ 272	\$ 299	\$ 329	\$ 361	\$ 398
540-35-421-3365-20	Diesel	\$ 22,421	Fuel	\$ 20,755	\$ 22,831	\$ 25,114	\$ 27,626	\$ 30,388
540-35-421-3370-00	Small Tools	\$ 268	General	\$ 268	\$ 276	\$ 284	\$ 293	\$ 301
Does not exist	Lubricants	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
Does not exist	Postage Express & Freight	\$ 9,243	General	\$ 9,243	\$ 9,520	\$ 9,806	\$ 10,100	\$ 10,403
Does not exist	Electric	\$ 1,424	General	\$ 1,424	\$ 1,467	\$ 1,511	\$ 1,556	\$ 1,603
Does not exist	Natural Gas	\$ 75	General	\$ 75	\$ 77	\$ 80	\$ 82	\$ 84
Does not exist	Water	\$ 1,221	General	\$ 1,221	\$ 1,258	\$ 1,295	\$ 1,334	\$ 1,374
Does not exist	Telephone	\$ 750	General	\$ 750	\$ 772	\$ 795	\$ 819	\$ 844
Does not exist	Misc Supplies	\$ 214	General	\$ 214	\$ 221	\$ 227	\$ 234	\$ 241
Does not exist	Operating Capital	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -

City of Casa Grande
Solid Waste Rate Study

Schedule 2
5-Year Revenue Requirement

540-35-421-4610-00	Vehicles	\$ 3,030	General	\$ 3,030	\$ 3,121	\$ 3,215	\$ 3,311	\$ 3,411
Does not exist	Post Closure	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
Does not exist	Other Services and Charges	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
Does not exist	Interest Expense	\$ 96	General	\$ 96	\$ 99	\$ 102	\$ 105	\$ 108
Does not exist	Principal Payments	\$ 144	General	\$ 144	\$ 148	\$ 152	\$ 157	\$ 162
Does not exist	Transfer to General Fund	\$ 40,440	General	\$ 40,440	\$ 41,653	\$ 42,903	\$ 44,190	\$ 45,516
Does not exist	Vehicle replacement	\$ 42,864	General	\$ 90,914	\$ 142,343	\$ 142,343	\$ 193,771	\$ 193,771
Subtotal		\$ 471,292		\$ 500,021	\$ 571,572	\$ 592,885	\$ 672,028	\$ 696,238
422: RECYCLING (now RECYCLING COLLECTION)								
540-35-422-1101-00	Permanent Wages and Salaries	\$ 312,538	Salary	\$ 317,658	\$ 333,541	\$ 350,218	\$ 371,376	\$ 389,945
Does not exist	Temporary Wages	\$ -	Salary	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-422-1110-00	Overtime	\$ 12,753	Salary	\$ 12,753	\$ 13,391	\$ 14,060	\$ 14,763	\$ 15,501
540-35-422-1205-00	Social Security Taxes	\$ 23,901	Other Benefits	\$ 23,213	\$ 24,373	\$ 25,592	\$ 27,138	\$ 28,495
540-35-422-1210-00	Pension and Retirement	\$ 29,386	Other Benefits	\$ 28,540	\$ 29,396	\$ 30,278	\$ 31,514	\$ 32,466
540-35-422-1215-00	Employee Insurance	\$ 60,620	Medical Benefits	\$ 60,053	\$ 66,058	\$ 72,664	\$ 80,620	\$ 88,647
540-35-422-1220-00	Worker's Compensation Insurance	\$ 17,715	Other Benefits	\$ 17,205	\$ 17,721	\$ 18,253	\$ 18,998	\$ 19,572
540-35-422-1240-00	Training	\$ 743	General	\$ 743	\$ 765	\$ 788	\$ 812	\$ 836
Does not exist	Travel and Meetings	\$ 650	General	\$ 650	\$ 669	\$ 689	\$ 710	\$ 731
540-35-422-2210-00	Professional Services	\$ 2,000	General	\$ 2,000	\$ 2,060	\$ 2,122	\$ 2,185	\$ 2,251
Does not exist	Contractual Services	\$ 4,929	General	\$ 4,929	\$ 5,077	\$ 5,230	\$ 5,387	\$ 5,548
540-35-422-2220-00	Maintenance Services	\$ 679	General	\$ 679	\$ 699	\$ 720	\$ 742	\$ 764
540-35-422-2220-50	Communication Equipment	\$ 1,783	General	\$ 1,783	\$ 1,837	\$ 1,892	\$ 1,949	\$ 2,007
540-35-422-2225-00	City Vehicle	\$ 47,085	General	\$ 29,309	\$ 30,188	\$ 31,094	\$ 32,026	\$ 32,987
540-35-422-2230-00	Rentals and Leases	\$ 371	General	\$ 371	\$ 383	\$ 394	\$ 406	\$ 418
540-35-422-2245-00	Advertising	\$ 2,500	General	\$ 2,500	\$ 2,575	\$ 2,652	\$ 2,732	\$ 2,814
Does not exist	Dues and Memberships	\$ 149	General	\$ 149	\$ 153	\$ 158	\$ 162	\$ 167
Does not exist	Bad Debt Expense	\$ 19,056	General	\$ 19,056	\$ 19,627	\$ 20,216	\$ 20,823	\$ 21,447
Does not exist	Collection Service Expense	\$ 836	General	\$ 836	\$ 861	\$ 886	\$ 913	\$ 940
540-35-422-3305-00	Operating Supplies	\$ 8,000	General	\$ 8,000	\$ 8,240	\$ 8,487	\$ 8,741	\$ 9,004
540-35-422-3305-10	Containers	\$ 230,300	General	\$ 16,525	\$ 17,345	\$ 20,762	\$ 22,073	\$ 23,444
Does not exist	Office Supplies	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-422-3350-00	Clothing and Uniforms	\$ 3,714	General	\$ 3,714	\$ 3,825	\$ 3,940	\$ 4,058	\$ 4,180
540-35-422-3355-00	Printing and Duplication	\$ 5,820	General	\$ 5,820	\$ 5,995	\$ 6,174	\$ 6,360	\$ 6,550
540-35-422-3360-00	Maintenance Supplies	\$ 2,500	General	\$ 2,500	\$ 2,575	\$ 2,652	\$ 2,732	\$ 2,814
Does not exist	Building Supplies	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
540-35-422-3365-10	Gasoline	\$ 197	Fuel	\$ 197	\$ 216	\$ 238	\$ 262	\$ 288
540-35-422-3365-20	Diesel	\$ 16,230	Fuel	\$ 13,939	\$ 15,333	\$ 16,866	\$ 18,552	\$ 20,408
540-35-422-3370-00	Small Tools	\$ 964	General	\$ 964	\$ 993	\$ 1,023	\$ 1,054	\$ 1,085
Does not exist	Lubricants	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -
Does not exist	Postage Express & Freight	\$ 9,243	General	\$ 9,243	\$ 9,520	\$ 9,806	\$ 10,100	\$ 10,403
540-35-422-3390-10	Electric	\$ 2,470	General	\$ 2,470	\$ 2,544	\$ 2,620	\$ 2,699	\$ 2,780
Does not exist	Natural Gas	\$ 130	General	\$ 130	\$ 134	\$ 138	\$ 142	\$ 146
Does not exist	Water	\$ 2,117	General	\$ 2,117	\$ 2,180	\$ 2,246	\$ 2,313	\$ 2,383
Does not exist	Telephone	\$ 1,300	General	\$ 1,300	\$ 1,339	\$ 1,379	\$ 1,420	\$ 1,463
Does not exist	Misc Supplies	\$ 371	General	\$ 371	\$ 383	\$ 394	\$ 406	\$ 418
540-35-422-3500-00	Operating Capital	\$ -	General	\$ -	\$ -	\$ -	\$ -	\$ -

City of Casa Grande
Solid Waste Rate Study

Schedule 2
5-Year Revenue Requirement

540-35-422-4610-00	Vehicles	\$	2,497	General	\$	2,497	\$	2,571	\$	2,649	\$	2,728	\$	2,810
Does not exist	Post Closure	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Other Services and Charges	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-422-5520-00	Interest Expense	\$	167	General	\$	167	\$	172	\$	177	\$	183	\$	188
540-35-422-5521-00	Principal Payments	\$	249	General	\$	249	\$	256	\$	264	\$	272	\$	280
540-99-422-9101-00	Transfer to General Fund	\$	87,000	General	\$	87,000	\$	89,610	\$	92,298	\$	95,067	\$	97,919
540-99-422-9404-00	Vehicle replacement	\$	36,343	General	\$	54,432	\$	54,432	\$	54,432	\$	54,432	\$	54,432
Subtotal		\$	947,304		\$	734,059	\$	767,038	\$	804,451	\$	846,849	\$	886,532
423: RECYCLING OPERATIONS														
540-35-423-1101-00	Permanent Wages and Salaries	\$	164,696	Salary	\$	162,975	\$	171,123	\$	179,680	\$	195,957	\$	205,755
Does not exist	Temporary Wages	\$	-	Salary	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-423-1110-00	Overtime	\$	1,859	Salary	\$	1,859	\$	1,952	\$	2,050	\$	2,152	\$	2,260
540-35-423-1205-00	Social Security Taxes	\$	12,595	Other Benefits	\$	11,909	\$	12,505	\$	13,130	\$	14,319	\$	15,035
540-35-423-1210-00	Pension and Retirement	\$	15,485	Other Benefits	\$	14,642	\$	15,082	\$	15,534	\$	16,655	\$	17,168
540-35-423-1215-00	Employee Insurance	\$	31,944	Medical Benefits	\$	30,810	\$	33,891	\$	37,280	\$	42,387	\$	46,557
540-35-423-1220-00	Worker's Compensation Insurance	\$	9,335	Other Benefits	\$	8,827	\$	9,092	\$	9,365	\$	10,041	\$	10,350
540-35-423-1240-00	Training	\$	391	General	\$	391	\$	403	\$	415	\$	428	\$	441
Does not exist	Travel and Meetings	\$	342	General	\$	342	\$	353	\$	363	\$	374	\$	385
540-35-423-2210-00	Professional Services	\$	2,000	General	\$	2,000	\$	2,060	\$	2,122	\$	2,185	\$	2,251
Does not exist	Contractual Services	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-423-2220-00	Maintenance Services	\$	118	General	\$	118	\$	122	\$	125	\$	129	\$	133
540-35-423-2220-50	Communication Equipment	\$	82	General	\$	82	\$	84	\$	87	\$	89	\$	92
540-35-423-2225-00	City Vehicle	\$	8,200	General	\$	7,604	\$	7,832	\$	8,067	\$	8,309	\$	8,558
540-35-423-2230-00	Rentals and Leases	\$	996	General	\$	996	\$	1,026	\$	1,056	\$	1,088	\$	1,121
540-35-423-2245-00	Advertising	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Dues and Memberships	\$	78	General	\$	78	\$	81	\$	83	\$	86	\$	88
Does not exist	Bad Debt Expense	\$	100,029	General	\$	100,029	\$	103,030	\$	106,121	\$	109,305	\$	112,584
Does not exist	Collection Service Expense	\$	440	General	\$	440	\$	454	\$	467	\$	481	\$	496
Does not exist	Operating Supplies	\$	22,970	General	\$	22,970	\$	23,659	\$	24,369	\$	25,100	\$	25,853
540-35-423-3305-10	Containers	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-423-3305-00	Office Supplies	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-423-3350-00	Clothing and Uniforms	\$	1,957	General	\$	1,957	\$	2,016	\$	2,076	\$	2,138	\$	2,203
540-35-423-3355-00	Printing and Duplication	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-423-3360-00	Maintenance Supplies	\$	2,500	General	\$	2,500	\$	2,575	\$	2,652	\$	2,732	\$	2,814
Does not exist	Building Supplies	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-423-3365-10	Gasoline	\$	100	Fuel	\$	100	\$	110	\$	121	\$	133	\$	147
540-35-423-3365-20	Diesel	\$	8,277	Fuel	\$	8,608	\$	9,469	\$	10,416	\$	11,457	\$	12,603
540-35-423-3370-00	Small Tools	\$	745	General	\$	745	\$	767	\$	790	\$	814	\$	838
Does not exist	Lubricants	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Postage Express & Freight	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-423-3390-10	Electric	\$	1,301	General	\$	1,301	\$	1,340	\$	1,381	\$	1,422	\$	1,465
Does not exist	Natural Gas	\$	68	General	\$	68	\$	71	\$	73	\$	75	\$	77
Does not exist	Water	\$	1,115	General	\$	1,115	\$	1,149	\$	1,183	\$	1,219	\$	1,256
Does not exist	Telephone	\$	685	General	\$	685	\$	706	\$	727	\$	748	\$	771
Does not exist	Misc Supplies	\$	196	General	\$	196	\$	202	\$	208	\$	214	\$	220
540-35-423-3500-00	Operating Capital	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-423-4610-00	Vehicles	\$	1,274	General	\$	1,274	\$	1,312	\$	1,351	\$	1,392	\$	1,433

City of Casa Grande
Solid Waste Rate Study

Schedule 2
5-Year Revenue Requirement

Does not exist	Post Closure	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Other Services and Charges	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-423-5520-00	Interest Expense	\$	88	General	\$	88	\$	91	\$	93	\$	96	\$	99
540-35-423-5521-00	Principal Payments	\$	131	General	\$	131	\$	135	\$	139	\$	143	\$	148
Does not exist	Transfer to General Fund	\$	41,380	General	\$	41,380	\$	42,621	\$	43,900	\$	45,217	\$	46,574
Does not exist	Vehicle replacement	\$	10,702	General	\$	29,457	\$	29,457	\$	29,457	\$	29,457	\$	29,457
Subtotal		\$	442,081		\$	455,680	\$	474,768	\$	494,882	\$	526,344	\$	549,230

425: LANDFILL

540-35-425-1101-00	Permanent Wages and Salaries	\$	302,964	Salary	\$	289,332	\$	303,798	\$	318,988	\$	342,231	\$	359,342
540-35-425-1106-00	Temporary Wages	\$	-	Salary	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-425-1110-00	Overtime	\$	7,110	Salary	\$	7,110	\$	7,466	\$	7,839	\$	8,231	\$	8,642
540-35-425-1205-00	Social Security Taxes	\$	23,168	Other Benefits	\$	21,143	\$	22,200	\$	23,310	\$	25,008	\$	26,259
540-35-425-1210-00	Pension and Retirement	\$	28,486	Other Benefits	\$	25,995	\$	26,775	\$	27,578	\$	29,061	\$	29,946
540-35-425-1215-00	Employee Insurance	\$	58,763	Medical Benefits	\$	54,698	\$	60,167	\$	66,184	\$	74,181	\$	81,530
540-35-425-1220-00	Worker's Compensation Insurance	\$	17,172	Other Benefits	\$	15,671	\$	16,141	\$	16,625	\$	17,519	\$	18,052
540-35-425-1240-00	Training	\$	720	General	\$	720	\$	742	\$	764	\$	787	\$	810
540-35-425-1250-00	Travel and Meetings	\$	630	General	\$	630	\$	649	\$	668	\$	688	\$	709
540-35-425-2210-00	Professional Services	\$	30,000	General	\$	30,000	\$	30,900	\$	31,827	\$	32,782	\$	33,765
540-35-425-2215-00	Contractual Services	\$	10,182	General	\$	10,182	\$	10,487	\$	10,802	\$	11,126	\$	11,459
540-35-425-2220-00	Maintenance Services	\$	2,494	General	\$	2,494	\$	2,569	\$	2,646	\$	2,725	\$	2,807
540-35-425-4420-00	Communication Equipment	\$	1,550	General	\$	1,550	\$	1,597	\$	1,644	\$	1,694	\$	1,745
540-35-425-2225-00	City Vehicle	\$	172,933	General	\$	107,643	\$	110,872	\$	114,198	\$	117,624	\$	121,153
540-35-425-2230-00	Rentals and Leases	\$	12,360	General	\$	12,360	\$	12,731	\$	13,113	\$	13,506	\$	13,911
Does not exist	Advertising	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Dues and Memberships	\$	144	General	\$	144	\$	148	\$	153	\$	157	\$	162
Does not exist	Bad Debt Expense	\$	18,054	General	\$	18,054	\$	18,596	\$	19,153	\$	19,728	\$	20,320
Does not exist	Collection Service Expense	\$	810	General	\$	810	\$	834	\$	859	\$	885	\$	912
Does not exist	Operating Supplies	\$	2,520	General	\$	2,520	\$	2,596	\$	2,673	\$	2,754	\$	2,836
Does not exist	Containers	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-425-3305-00	Office Supplies	\$	6,900	General	\$	6,900	\$	7,107	\$	7,320	\$	7,540	\$	7,766
540-35-425-3350-00	Clothing and Uniforms	\$	8,600	General	\$	8,600	\$	8,858	\$	9,124	\$	9,397	\$	9,679
540-35-425-3355-00	Printing and Duplication	\$	1,000	General	\$	1,000	\$	1,030	\$	1,061	\$	1,093	\$	1,126
540-35-425-3360-00	Maintenance Supplies	\$	12,000	General	\$	12,000	\$	12,360	\$	12,731	\$	13,113	\$	13,506
Does not exist	Building Supplies	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-425-3365-10	Gasoline	\$	1,600	Fuel	\$	1,600	\$	1,760	\$	1,936	\$	2,130	\$	2,343
540-35-425-3365-20	Diesel	\$	132,143	Fuel	\$	113,486	\$	124,835	\$	137,318	\$	151,050	\$	166,155
540-35-425-3370-00	Small Tools	\$	1,950	General	\$	1,950	\$	2,009	\$	2,069	\$	2,131	\$	2,195
540-35-425-3365-50	Lubricants	\$	7,100	General	\$	7,100	\$	7,313	\$	7,532	\$	7,758	\$	7,991
Does not exist	Postage Express & Freight	\$	340	General	\$	340	\$	351	\$	361	\$	372	\$	383
540-35-425-3390-10	Electric	\$	2,394	General	\$	2,394	\$	2,466	\$	2,540	\$	2,616	\$	2,694
540-35-425-3390-20	Natural Gas	\$	126	General	\$	126	\$	130	\$	134	\$	138	\$	142
540-35-425-3390-30	Water	\$	2,052	General	\$	2,052	\$	2,114	\$	2,177	\$	2,242	\$	2,310
540-35-425-3390-50	Telephone	\$	1,260	General	\$	1,260	\$	1,298	\$	1,337	\$	1,377	\$	1,418
Does not exist	Misc Supplies	\$	360	General	\$	360	\$	371	\$	382	\$	393	\$	405
540-35-425-3500-00	Operating Capital	\$	20,000	General	\$	20,000	\$	20,600	\$	21,218	\$	21,855	\$	22,510

City of Casa Grande
Solid Waste Rate Study

Schedule 2
5-Year Revenue Requirement

540-35-425-4610-00	Vehicles	\$	13,969	General	\$	13,969	\$	14,388	\$	14,819	\$	15,264	\$	15,722
540-35-425-2225-20	Post Closure	\$	-	None	\$	207,491	\$	210,751	\$	216,068	\$	221,681	\$	227,606
540-35-425-2270-00	Other Services and Charges	\$	28,000	None	\$	20,295	\$	20,701	\$	21,529	\$	22,390	\$	23,286
540-35-425-5520-00	Interest Expense	\$	1,432	General	\$	1,432	\$	1,475	\$	1,519	\$	1,565	\$	1,612
540-35-425-5521-00	Principal Payments	\$	51,241	General	\$	51,241	\$	52,778	\$	54,362	\$	55,993	\$	57,672
540-99-425-9101-00	Transfer to General Fund	\$	129,080	General	\$	129,080	\$	132,952	\$	136,941	\$	141,049	\$	145,281
540-99-425-9404-00	Vehicle replacement	\$	210,000	General	\$	286,871	\$	373,671	\$	373,671	\$	373,671	\$	373,671
Subtotal		\$	1,321,607		\$	1,490,602	\$	1,628,584	\$	1,685,175	\$	1,755,505	\$	1,819,835
426: COMMERCIAL FRONT LOAD														
540-35-426-1101-00	Permanent Wages and Salaries	\$	193,675	Salary	\$	198,707	\$	208,643	\$	219,075	\$	280,314	\$	294,330
540-35-426-1106-00	Temporary Wages	\$	-	Salary	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-426-1110-00	Overtime	\$	18,791	Salary	\$	18,791	\$	19,731	\$	20,717	\$	21,753	\$	22,841
540-35-426-1205-00	Social Security Taxes	\$	14,811	Other Benefits	\$	14,520	\$	15,247	\$	16,009	\$	20,484	\$	21,508
540-35-426-1210-00	Pension and Retirement	\$	18,210	Other Benefits	\$	17,853	\$	18,388	\$	18,940	\$	24,026	\$	24,837
540-35-426-1215-00	Employee Insurance	\$	37,565	Medical Benefits	\$	37,565	\$	41,322	\$	45,454	\$	59,506	\$	64,981
540-35-426-1220-00	Worker's Compensation Insurance	\$	10,978	Other Benefits	\$	10,762	\$	11,085	\$	11,418	\$	14,484	\$	14,973
540-35-426-1240-00	Training	\$	460	General	\$	460	\$	474	\$	488	\$	503	\$	518
540-35-426-1250-00	Travel and Meetings	\$	403	General	\$	403	\$	415	\$	427	\$	440	\$	453
540-35-426-2210-00	Professional Services	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-426-2215-00	Contractual Services	\$	515	General	\$	515	\$	530	\$	546	\$	563	\$	580
540-35-426-2220-00	Maintenance Services	\$	1,246	General	\$	1,246	\$	1,284	\$	1,322	\$	1,362	\$	1,403
540-35-426-2220-50	Communication Equipment	\$	707	General	\$	707	\$	728	\$	750	\$	773	\$	796
540-35-426-2225-00	City Vehicle	\$	86,418	General	\$	53,791	\$	55,405	\$	57,067	\$	58,779	\$	60,543
540-35-426-2230-00	Rentals and Leases	\$	230	General	\$	230	\$	237	\$	244	\$	251	\$	259
Does not exist	Advertising	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Dues and Memberships	\$	92	General	\$	92	\$	95	\$	98	\$	101	\$	104
Does not exist	Bad Debt Expense	\$	12,035	General	\$	12,035	\$	12,396	\$	12,767	\$	13,150	\$	13,545
Does not exist	Collection Service Expense	\$	518	General	\$	518	\$	533	\$	549	\$	566	\$	583
Does not exist	Operating Supplies	\$	1,611	General	\$	1,611	\$	1,659	\$	1,709	\$	1,760	\$	1,813
540-35-426-3305-10	Containers	\$	20,800	General	\$	74,869	\$	91,246	\$	106,963	\$	123,674	\$	169,536
540-35-426-3305-00	Office Supplies	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-426-3350-00	Clothing and Uniforms	\$	2,301	General	\$	2,301	\$	2,370	\$	2,442	\$	2,515	\$	2,590
Does not exist	Printing and Duplication	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Maintenance Supplies	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Building Supplies	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-426-3365-10	Gasoline	\$	884	Fuel	\$	884	\$	973	\$	1,070	\$	1,177	\$	1,295
540-35-426-3365-20	Diesel	\$	73,028	Fuel	\$	62,718	\$	68,989	\$	75,888	\$	83,477	\$	91,825
540-35-426-3370-00	Small Tools	\$	288	General	\$	288	\$	296	\$	305	\$	314	\$	324
Does not exist	Lubricants	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Postage Express & Freight	\$	966	General	\$	966	\$	995	\$	1,024	\$	1,055	\$	1,087
Does not exist	Electric	\$	1,530	General	\$	1,530	\$	1,576	\$	1,624	\$	1,672	\$	1,722
Does not exist	Natural Gas	\$	81	General	\$	81	\$	83	\$	85	\$	88	\$	91
Does not exist	Water	\$	1,312	General	\$	1,312	\$	1,351	\$	1,392	\$	1,433	\$	1,476
Does not exist	Telephone	\$	805	General	\$	805	\$	830	\$	855	\$	880	\$	907
Does not exist	Misc Supplies	\$	230	General	\$	230	\$	237	\$	244	\$	251	\$	259
Does not exist	Operating Capital	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-426-4610-00	Vehicles	\$	6,639	General	\$	6,639	\$	6,839	\$	7,044	\$	7,255	\$	7,473

City of Casa Grande
Solid Waste Rate Study

Schedule 2
5-Year Revenue Requirement

Does not exist	Post Closure	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Other Services and Charges	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Interest Expense	\$	104	General	\$	104	\$	107	\$	110	\$	113	\$	117
Does not exist	Principal Payments	\$	154	General	\$	154	\$	159	\$	164	\$	168	\$	174
Does not exist	Transfer to General Fund	\$	78,260	General	\$	78,260	\$	80,608	\$	83,026	\$	85,517	\$	88,082
Does not exist	Vehicle replacement	\$	85,080	General	\$	127,429	\$	127,429	\$	127,429	\$	188,857	\$	188,857
Subtotal		\$	670,729		\$	728,378	\$	772,260	\$	817,246	\$	997,264	\$	1,079,880
427: COMMERCIAL ROLL OFF														
540-35-427-1101-00	Permanent Wages and Salaries	\$	163,578	Salary	\$	167,828	\$	176,219	\$	185,030	\$	197,928	\$	207,824
540-35-427-1106-00	Temporary Wages	\$	-	Salary	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-427-1110-00	Overtime	\$	14,147	Salary	\$	14,147	\$	14,854	\$	15,597	\$	16,376	\$	17,195
540-35-427-1205-00	Social Security Taxes	\$	12,509	Other Benefits	\$	12,264	\$	12,877	\$	13,521	\$	14,464	\$	15,187
540-35-427-1210-00	Pension and Retirement	\$	15,380	Other Benefits	\$	15,078	\$	15,531	\$	15,997	\$	16,804	\$	17,315
540-35-427-1215-00	Employee Insurance	\$	31,728	Medical Benefits	\$	31,728	\$	34,900	\$	38,390	\$	42,919	\$	47,176
540-35-427-1220-00	Worker's Compensation Insurance	\$	9,272	Other Benefits	\$	9,090	\$	9,363	\$	9,643	\$	10,130	\$	10,438
540-35-427-1240-00	Training	\$	389	General	\$	389	\$	400	\$	412	\$	425	\$	438
540-35-427-1250-00	Travel and Meetings	\$	340	General	\$	340	\$	350	\$	361	\$	372	\$	383
540-35-427-2210-00	Professional Services	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-427-2215-00	Contractual Services	\$	515	General	\$	515	\$	530	\$	546	\$	563	\$	580
540-35-427-2220-00	Maintenance Services	\$	682	General	\$	682	\$	703	\$	724	\$	746	\$	768
540-35-427-2220-50	Communication Equipment	\$	388	General	\$	388	\$	400	\$	412	\$	424	\$	437
540-35-427-2225-00	City Vehicle	\$	47,306	General	\$	29,446	\$	30,329	\$	31,239	\$	32,176	\$	33,142
540-35-427-2230-00	Rentals and Leases	\$	194	General	\$	194	\$	200	\$	206	\$	212	\$	219
Does not exist	Advertising	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Dues and Memberships	\$	78	General	\$	78	\$	80	\$	82	\$	85	\$	88
Does not exist	Bad Debt Expense	\$	10,029	General	\$	10,029	\$	10,330	\$	10,640	\$	10,959	\$	11,288
Does not exist	Collection Service Expense	\$	437	General	\$	437	\$	450	\$	464	\$	478	\$	492
Does not exist	Operating Supplies	\$	1,361	General	\$	1,361	\$	1,401	\$	1,443	\$	1,487	\$	1,531
540-35-427-3305-10	Containers	\$	33,800	General	\$	78,750	\$	78,750	\$	84,000	\$	84,000	\$	84,000
540-35-427-3305-00	Office Supplies	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-427-3350-00	Clothing and Uniforms	\$	1,944	General	\$	1,944	\$	2,002	\$	2,062	\$	2,124	\$	2,188
Does not exist	Printing and Duplication	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Maintenance Supplies	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Building Supplies	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-427-3365-10	Gasoline	\$	540	Fuel	\$	540	\$	594	\$	654	\$	719	\$	791
540-35-427-3365-20	Diesel	\$	44,622	Fuel	\$	38,322	\$	42,154	\$	46,369	\$	51,006	\$	56,107
540-35-427-3370-00	Small Tools	\$	243	General	\$	243	\$	250	\$	258	\$	265	\$	273
Does not exist	Lubricants	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
Does not exist	Postage Express & Freight	\$	966	General	\$	966	\$	995	\$	1,024	\$	1,055	\$	1,087
Does not exist	Electric	\$	1,293	General	\$	1,293	\$	1,331	\$	1,371	\$	1,412	\$	1,455
Does not exist	Natural Gas	\$	68	General	\$	68	\$	70	\$	72	\$	74	\$	77
Does not exist	Water	\$	1,108	General	\$	1,108	\$	1,141	\$	1,175	\$	1,211	\$	1,247
Does not exist	Telephone	\$	680	General	\$	680	\$	701	\$	722	\$	743	\$	766
Does not exist	Misc Supplies	\$	194	General	\$	194	\$	200	\$	206	\$	212	\$	219
Does not exist	Operating Capital	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-
540-35-427-4610-00	Vehicles	\$	3,634	General	\$	3,634	\$	3,743	\$	3,855	\$	3,971	\$	4,090
Does not exist	Post Closure	\$	-	General	\$	-	\$	-	\$	-	\$	-	\$	-

DISPOSAL COST OF SERVICE

	Year 1 FY 2010	Year 2 FY 2011	Year 3 FY 2012	Year 4 FY 2013	Year 5 FY 2014
REVENUE REQUIREMENT					
Landfill Revenue Requirement					
Landfill	\$ 1,447,529	\$ 1,709,450	\$ 1,640,042	\$ 1,710,371	\$ 1,774,701
Total	\$ 1,447,529	\$ 1,709,450	\$ 1,640,042	\$ 1,710,371	\$ 1,774,701
BILLING UNITS					
Billed Units					
Non-City Customers					
City	29,538	30,129	31,334	32,587	33,891
County	2,613	2,665	2,772	2,883	2,998
Roll Off Tons	15,075	15,376	15,991	16,631	17,296
Subtotal	47,226	48,170	50,097	52,101	54,185
Non-Billed (City Customers)					
Residential					
Fully-automated	19,444	19,833	20,626	21,451	22,309
Uncontained (Bulk)	1,605	1,638	1,703	1,771	1,842
Commercial					
Front load	12,906	13,164	13,690	14,238	14,807
Subtotal	33,955	34,634	36,019	37,460	38,958
Total Tonnage	81,181	82,804	86,117	89,561	93,144
Cost per ton	\$ 17.83	\$ 20.64	\$ 19.04	\$ 19.10	\$ 19.05
Disposal Costs to be Recovered by Customer Class					
Residential					
Fully-automated	\$ 346,698	\$ 409,431	\$ 392,807	\$ 409,652	\$ 425,059
Uncontained (Bulk)	\$ 28,627	\$ 33,807	\$ 32,435	\$ 33,826	\$ 35,098
Commercial					
Front load	\$ 230,121	\$ 271,759	\$ 260,725	\$ 271,906	\$ 282,133

RESIDENTIAL AND COMMERCIAL CART COST OF SERVICE

	Year 1 FY 2010	Year 2 FY 2011	Year 3 FY 2012	Year 4 FY 2013	Year 5 FY 2014
Unit Costs for Residential Services					
Refuse Collection					
Refuse collection cost	1,683,856	1,820,874	1,910,587	2,066,241	2,148,298
Annual collections	1,209,151	1,235,469	1,288,143	1,340,893	1,393,724
Cost/collection	1.39	1.47	1.48	1.54	1.54
Disposal					
Annual disposal cost	346,698	409,431	392,807	409,652	425,059
Annual disposal capacity	778,183	795,059	828,863	862,770	896,786
Cost/CY of capacity	0.45	0.51	0.47	0.47	0.47
Recycling processing					
Annual processing cost	198,610	151,715	114,752	165,854	177,101
Annual tons processed	1,618	1,650	1,716	1,785	1,857
Cost/ton processed	122.74	91.92	66.85	92.91	95.39
Residential Annual Cost of Service					
Collection					
Refuse	\$ 1,618,265	\$ 1,750,069	\$ 1,836,481	\$ 1,986,171	\$ 2,065,000
Uncontained	\$ 483,806	\$ 554,593	\$ 575,905	\$ 655,049	\$ 679,258
Recycling	\$ 697,094	\$ 728,325	\$ 765,529	\$ 807,682	\$ 847,129
Subtotal	\$ 2,799,165	\$ 3,032,986	\$ 3,177,915	\$ 3,448,902	\$ 3,591,388
Disposal/Processing					
Recycling processing	\$ 112,138	\$ 85,661	\$ 64,792	\$ 93,646	\$ 99,997
Refuse disposal	\$ 318,271	\$ 375,915	\$ 360,729	\$ 376,228	\$ 390,359
Subtotal	\$ 430,409	\$ 461,576	\$ 425,522	\$ 469,874	\$ 490,356
Total Residential Cost of Service	\$ 3,229,574	\$ 3,494,562	\$ 3,603,437	\$ 3,918,776	\$ 4,081,744
Billing Units					
Residential customers	13,738	14,038	14,638	15,238	15,838
Subtotal	13,738	14,038	14,638	15,238	15,838
Residential Monthly Cost of Service					
Collection					
Refuse	\$ 9.82	\$ 10.39	\$ 10.45	\$ 10.86	\$ 10.87
Uncontained	\$ 2.93	\$ 3.29	\$ 3.28	\$ 3.58	\$ 3.57
Recycling	\$ 4.23	\$ 4.32	\$ 4.36	\$ 4.42	\$ 4.46
Subtotal	\$ 16.98	\$ 18.00	\$ 18.09	\$ 18.86	\$ 18.90
Disposal/Processing					
Recycling processing	\$ 0.68	\$ 0.51	\$ 0.37	\$ 0.51	\$ 0.53
Refuse disposal	\$ 1.93	\$ 2.23	\$ 2.05	\$ 2.06	\$ 2.05
Subtotal	\$ 2.61	\$ 2.74	\$ 2.42	\$ 2.57	\$ 2.58
Total Cost of Service	\$ 19.59	\$ 20.74	\$ 20.51	\$ 21.43	\$ 21.48
Commercial Cart Cost of Service					
Refuse Collection					
Annual Collections	47,100	48,042	49,963	51,962	54,040
Total Cost	\$ 65,590	\$ 70,805	\$ 74,106	\$ 80,070	\$ 83,298
Disposal					
Annual disposal capacity	63,807	65,083	67,687	70,394	73,210
Total Cost	\$ 28,428	\$ 33,516	\$ 32,077	\$ 33,424	\$ 34,700
Recycling (18-gallon bins)					
Collection	\$ 4,141	\$ 4,318	\$ 4,527	\$ 4,772	\$ 5,008
Processing	\$ 662	\$ 505	\$ 381	\$ 550	\$ 588
Total	\$ 4,803	\$ 4,823	\$ 4,908	\$ 5,322	\$ 5,595
Recycling Monthly Cost of Service	\$ 4.90	\$ 4.83	\$ 4.72	\$ 4.93	\$ 4.98

Commercial Cart Monthly Collection Cost

Year 1

Container Size	Per Week Frequency	MONTHLY		Total
		Collection	Disposal	
96	1	\$ 6.03	\$ 0.97	\$ 7.00
300	1	\$ 6.03	\$ 2.90	\$ 8.93
96	2	\$ 12.07	\$ 1.93	\$ 14.00
300	2	\$ 12.07	\$ 5.79	\$ 17.86
96	3	\$ 18.10	\$ 2.90	\$ 21.00
300	3	\$ 18.10	\$ 8.69	\$ 26.79
96	4	\$ 24.14	\$ 3.86	\$ 28.00
300	4	\$ 24.14	\$ 11.58	\$ 35.72
96	5	\$ 30.17	\$ 4.83	\$ 35.00
300	5	\$ 30.17	\$ 14.48	\$ 44.65
96	6	\$ 36.21	\$ 5.79	\$ 42.00
300	6	\$ 36.21	\$ 17.38	\$ 53.58

Container Size (Gallons)	Cost of Service Monthly Rates					
	Collections per Week					
	1	2	3	4	5	6
96	\$ 7.00	\$ 14.00	\$ 21.00	\$ 28.00	\$ 35.00	\$ 42.00
300	\$ 8.93	\$ 17.86	\$ 26.79	\$ 35.72	\$ 44.65	\$ 53.58

**Commercial Cart Monthly Collection Cost
Year 2**

Container Size	Per Week Frequency	MONTHLY		Total
		Collection	Disposal	
96	1	\$ 6.39	\$ 1.12	\$ 7.50
300	1	\$ 6.39	\$ 3.35	\$ 9.73
96	2	\$ 12.77	\$ 2.23	\$ 15.00
300	2	\$ 12.77	\$ 6.69	\$ 19.47
96	3	\$ 19.16	\$ 3.35	\$ 22.51
300	3	\$ 19.16	\$ 10.04	\$ 29.20
96	4	\$ 25.55	\$ 4.46	\$ 30.01
300	4	\$ 25.55	\$ 13.39	\$ 38.94
96	5	\$ 31.93	\$ 5.58	\$ 37.51
300	5	\$ 31.93	\$ 16.74	\$ 48.67
96	6	\$ 38.32	\$ 6.69	\$ 45.01
300	6	\$ 38.32	\$ 20.08	\$ 58.40

Cost of Service Monthly Rates									
Container Size (Gallons)	Collections per Week								
	1	2	3	4	5	6			
96	\$ 7.50	\$ 15.00	\$ 22.51	\$ 30.01	\$ 37.51	\$ 45.01			
300	\$ 9.73	\$ 19.47	\$ 29.20	\$ 38.94	\$ 48.67	\$ 58.40			

**Commercial Cart Monthly Collection Cost
Year 3**

Container Size	Per Week Frequency	MONTHLY		Total
		Collection	Disposal	
96	1	\$ 6.43	\$ 1.03	\$ 7.45
300	1	\$ 6.43	\$ 3.08	\$ 9.51
96	2	\$ 12.85	\$ 2.05	\$ 14.91
300	2	\$ 12.85	\$ 6.16	\$ 19.02
96	3	\$ 19.28	\$ 3.08	\$ 22.36
300	3	\$ 19.28	\$ 9.24	\$ 28.52
96	4	\$ 25.71	\$ 4.11	\$ 29.82
300	4	\$ 25.71	\$ 12.32	\$ 38.03
96	5	\$ 32.14	\$ 5.13	\$ 37.27
300	5	\$ 32.14	\$ 15.40	\$ 47.54
96	6	\$ 38.56	\$ 6.16	\$ 44.72
300	6	\$ 38.56	\$ 18.48	\$ 57.05

Cost of Service Monthly Rates	
Container Size (Gallons)	Collections per Week
	1 2 3 4 5 6
96	\$ 7.45 \$ 14.91 \$ 22.36 \$ 29.82 \$ 37.27 \$ 44.72
300	\$ 9.51 \$ 19.02 \$ 28.52 \$ 38.03 \$ 47.54 \$ 57.05

Commercial Cart Monthly Collection Cost

Year 4

Container Size	Per Week Frequency	MONTHLY		Total
		Collection	Disposal	
96	1	\$ 6.68	\$ 1.03	\$ 7.71
300	1	\$ 6.68	\$ 3.09	\$ 9.76
96	2	\$ 13.35	\$ 2.06	\$ 15.41
300	2	\$ 13.35	\$ 6.17	\$ 19.53
96	3	\$ 20.03	\$ 3.09	\$ 23.12
300	3	\$ 20.03	\$ 9.26	\$ 29.29
96	4	\$ 26.71	\$ 4.12	\$ 30.82
300	4	\$ 26.71	\$ 12.35	\$ 39.05
96	5	\$ 33.39	\$ 5.14	\$ 38.53
300	5	\$ 33.39	\$ 15.43	\$ 48.82
96	6	\$ 40.06	\$ 6.17	\$ 46.24
300	6	\$ 40.06	\$ 18.52	\$ 58.58

		Cost of Service Monthly Rates					
Container Size (Gallons)	Collections per Week						
	1	2	3	4	5	6	
96	\$ 7.71	\$ 15.41	\$ 23.12	\$ 30.82	\$ 38.53	\$ 46.24	
300	\$ 9.76	\$ 19.53	\$ 29.29	\$ 39.05	\$ 48.82	\$ 58.58	

**Commercial Cart Monthly Collection Cost
Year 5**

Container Size	Per Week Frequency	MONTHLY		Total
		Collection	Disposal	
96	1	\$ 6.68	\$ 1.03	\$ 7.71
300	1	\$ 6.68	\$ 3.08	\$ 9.76
96	2	\$ 13.36	\$ 2.05	\$ 15.41
300	2	\$ 13.36	\$ 6.16	\$ 19.52
96	3	\$ 20.04	\$ 3.08	\$ 23.12
300	3	\$ 20.04	\$ 9.24	\$ 29.28
96	4	\$ 26.72	\$ 4.11	\$ 30.83
300	4	\$ 26.72	\$ 12.32	\$ 39.04
96	5	\$ 33.40	\$ 5.13	\$ 38.53
300	5	\$ 33.40	\$ 15.40	\$ 48.80
96	6	\$ 40.08	\$ 6.16	\$ 46.24
300	6	\$ 40.08	\$ 18.49	\$ 58.56

		Cost of Service Monthly Rates					
Container Size (Gallons)	Collections per Week						
	1	2	3	4	5	6	
96	\$ 7.71	\$ 15.41	\$ 23.12	\$ 30.83	\$ 38.53	\$ 46.24	
300	\$ 9.76	\$ 19.52	\$ 29.28	\$ 39.04	\$ 48.80	\$ 58.56	

COMMERCIAL COST OF SERVICE

	Year 1 FY 2010	Year 2 FY 2011	Year 3 FY 2012	Year 4 FY 2013	Year 5 FY 2014
FRONT LOAD					
Revenue Requirement					
Collection	\$ 705,373	\$ 748,154	\$ 793,140	\$ 973,158	\$ 1,055,774
Disposal	\$ 230,121	\$ 271,759	\$ 260,725	\$ 271,906	\$ 282,133
Recycling Processing	\$ 85,806	\$ 65,546	\$ 49,577	\$ 71,654	\$ 76,514
Total	\$ 1,021,300	\$ 1,085,459	\$ 1,103,442	\$ 1,316,718	\$ 1,414,420
Unit Costs					
Collection					
Annual Collections	67,573	68,924	71,681	74,549	77,531
Cost per collection	\$ 10.44	\$ 10.85	\$ 11.06	\$ 13.05	\$ 13.62
Disposal					
Annual disposal capacity	360,115	367,317	382,010	397,290	413,182
Cost per CY of capacity	\$ 0.64	\$ 0.74	\$ 0.68	\$ 0.68	\$ 0.68
Recycling Processing					
Customers	37	37	39	41	42
Cost per customer	\$ 194.73	\$ 145.83	\$ 106.06	\$ 147.40	\$ 151.34
ROLL OFF					
Revenue Requirement					
Collection	\$ 461,401	\$ 481,073	\$ 502,993	\$ 531,446	\$ 556,540
Containers	\$ 78,750	\$ 78,750	\$ 84,000	\$ 84,000	\$ 84,000
Total	\$ 540,151	\$ 559,823	\$ 586,993	\$ 615,446	\$ 640,540
Unit Costs					
Collection					
Annual Collections	3,062	3,123	3,248	3,378	3,513
Cost per collection	\$ 150.68	\$ 154.03	\$ 154.85	\$ 157.32	\$ 158.41
Containers					
Annual Collections (City-owned)	1,515	1,545	1,607	1,671	1,738
Cost per collection	\$ 51.99	\$ 50.97	\$ 52.28	\$ 50.27	\$ 48.33

**Container Monthly Collection Cost
Year 1**

Container Size	Per Week Frequency	MONTHLY		Total
		Collection	Disposal	
1.50	1	\$ 45.23	\$ 4.15	\$ 49.39
2.00	1	\$ 45.23	\$ 5.54	\$ 50.77
3.00	1	\$ 45.23	\$ 8.31	\$ 53.54
3.50	1	\$ 45.23	\$ 9.69	\$ 54.93
4.00	1	\$ 45.23	\$ 11.08	\$ 56.31
6.00	1	\$ 45.23	\$ 16.61	\$ 61.85
8.00	1	\$ 45.23	\$ 22.15	\$ 67.39
1.50	2	\$ 90.47	\$ 8.31	\$ 98.78
2.00	2	\$ 90.47	\$ 11.08	\$ 101.54
3.00	2	\$ 90.47	\$ 16.61	\$ 107.08
3.50	2	\$ 90.47	\$ 19.38	\$ 109.85
4.00	2	\$ 90.47	\$ 22.15	\$ 112.62
6.00	2	\$ 90.47	\$ 33.23	\$ 123.70
8.00	2	\$ 90.47	\$ 44.31	\$ 134.77
1.50	3	\$ 135.70	\$ 12.46	\$ 148.16
2.00	3	\$ 135.70	\$ 16.61	\$ 152.32
3.00	3	\$ 135.70	\$ 24.92	\$ 160.62
3.50	3	\$ 135.70	\$ 29.08	\$ 164.78
4.00	3	\$ 135.70	\$ 33.23	\$ 168.93
6.00	3	\$ 135.70	\$ 49.84	\$ 185.55
8.00	3	\$ 135.70	\$ 66.46	\$ 202.16
1.50	4	\$ 180.94	\$ 16.61	\$ 197.55
2.00	4	\$ 180.94	\$ 22.15	\$ 203.09
3.00	4	\$ 180.94	\$ 33.23	\$ 214.17
3.50	4	\$ 180.94	\$ 38.77	\$ 219.70
4.00	4	\$ 180.94	\$ 44.31	\$ 225.24
6.00	4	\$ 180.94	\$ 66.46	\$ 247.40
8.00	4	\$ 180.94	\$ 88.61	\$ 269.55
1.50	5	\$ 226.17	\$ 20.77	\$ 246.94
2.00	5	\$ 226.17	\$ 27.69	\$ 253.86
3.00	5	\$ 226.17	\$ 41.54	\$ 267.71
3.50	5	\$ 226.17	\$ 48.46	\$ 274.63
4.00	5	\$ 226.17	\$ 55.38	\$ 281.55
6.00	5	\$ 226.17	\$ 83.07	\$ 309.24
8.00	5	\$ 226.17	\$ 110.76	\$ 336.93
1.50	6	\$ 271.41	\$ 24.92	\$ 296.33
2.00	6	\$ 271.41	\$ 33.23	\$ 304.63
3.00	6	\$ 271.41	\$ 49.84	\$ 321.25
3.50	6	\$ 271.41	\$ 58.15	\$ 329.56
4.00	6	\$ 271.41	\$ 66.46	\$ 337.86
6.00	6	\$ 271.41	\$ 99.69	\$ 371.09
8.00	6	\$ 271.41	\$ 132.92	\$ 404.32

Year 1		Cost of Service Monthly Rates					
Container Size (Cubic Yards)	Collections per Week						
	1	2	3	4	5	6	
1.50	\$ 49.39	\$ 98.78	\$ 148.16	\$ 197.55	\$ 246.94	\$ 296.33	
2.00	\$ 50.77	\$ 101.54	\$ 152.32	\$ 203.09	\$ 253.86	\$ 304.63	
3.00	\$ 53.54	\$ 107.08	\$ 160.62	\$ 214.17	\$ 267.71	\$ 321.25	
3.50	\$ 54.93	\$ 109.85	\$ 164.78	\$ 219.70	\$ 274.63	\$ 329.56	
4.00	\$ 56.31	\$ 112.62	\$ 168.93	\$ 225.24	\$ 281.55	\$ 337.86	
6.00	\$ 61.85	\$ 123.70	\$ 185.55	\$ 247.40	\$ 309.24	\$ 371.09	
8.00	\$ 67.39	\$ 134.77	\$ 202.16	\$ 269.55	\$ 336.93	\$ 404.32	

Commercial Front-Load Recycling			
	Collection	Processing	Total
1x per week	\$ 45.23	\$ 194.73	\$ 239.97

**Container Monthly Collection Cost
Year 2**

Container Size	Per Week Frequency	MONTHLY		Total
		Collection	Disposal	
1.50	1	\$ 47.04	\$ 4.81	51.85
2.00	1	\$ 47.04	\$ 6.41	53.45
3.00	1	\$ 47.04	\$ 9.62	56.66
3.50	1	\$ 47.04	\$ 11.22	58.26
4.00	1	\$ 47.04	\$ 12.82	59.86
6.00	1	\$ 47.04	\$ 19.24	66.27
8.00	1	\$ 47.04	\$ 25.65	72.69
1.50	2	\$ 94.07	\$ 9.62	103.69
2.00	2	\$ 94.07	\$ 12.82	106.90
3.00	2	\$ 94.07	\$ 19.24	113.31
3.50	2	\$ 94.07	\$ 22.44	116.52
4.00	2	\$ 94.07	\$ 25.65	119.72
6.00	2	\$ 94.07	\$ 38.47	132.55
8.00	2	\$ 94.07	\$ 51.30	145.37
1.50	3	\$ 141.11	\$ 14.43	155.54
2.00	3	\$ 141.11	\$ 19.24	160.35
3.00	3	\$ 141.11	\$ 28.85	169.97
3.50	3	\$ 141.11	\$ 33.66	174.77
4.00	3	\$ 141.11	\$ 38.47	179.58
6.00	3	\$ 141.11	\$ 57.71	198.82
8.00	3	\$ 141.11	\$ 76.94	218.06
1.50	4	\$ 188.15	\$ 19.24	207.38
2.00	4	\$ 188.15	\$ 25.65	213.80
3.00	4	\$ 188.15	\$ 38.47	226.62
3.50	4	\$ 188.15	\$ 44.88	233.03
4.00	4	\$ 188.15	\$ 51.30	239.44
6.00	4	\$ 188.15	\$ 76.94	265.09
8.00	4	\$ 188.15	\$ 102.59	290.74
1.50	5	\$ 235.19	\$ 24.05	259.23
2.00	5	\$ 235.19	\$ 32.06	267.25
3.00	5	\$ 235.19	\$ 48.09	283.28
3.50	5	\$ 235.19	\$ 56.11	291.29
4.00	5	\$ 235.19	\$ 64.12	299.31
6.00	5	\$ 235.19	\$ 96.18	331.37
8.00	5	\$ 235.19	\$ 128.24	363.43
1.50	6	\$ 282.22	\$ 28.85	311.08
2.00	6	\$ 282.22	\$ 38.47	320.69
3.00	6	\$ 282.22	\$ 57.71	339.93
3.50	6	\$ 282.22	\$ 67.33	349.55
4.00	6	\$ 282.22	\$ 76.94	359.17
6.00	6	\$ 282.22	\$ 115.42	397.64
8.00	6	\$ 282.22	\$ 153.89	436.11

Year 2		Cost of Service Monthly Rates					
Container Size (Cubic Yards)	Collections per Week						
	1	2	3	4	5	6	
1.50	\$ 51.85	\$ 103.69	\$ 155.54	\$ 207.38	\$ 259.23	\$ 311.08	
2.00	\$ 53.45	\$ 106.90	\$ 160.35	\$ 213.80	\$ 267.25	\$ 320.69	
3.00	\$ 56.66	\$ 113.31	\$ 169.97	\$ 226.62	\$ 283.28	\$ 339.93	
3.50	\$ 58.26	\$ 116.52	\$ 174.77	\$ 233.03	\$ 291.29	\$ 349.55	
4.00	\$ 59.86	\$ 119.72	\$ 179.58	\$ 239.44	\$ 299.31	\$ 359.17	
6.00	\$ 66.27	\$ 132.55	\$ 198.82	\$ 265.09	\$ 331.37	\$ 397.64	
8.00	\$ 72.69	\$ 145.37	\$ 218.06	\$ 290.74	\$ 363.43	\$ 436.11	

Commercial Front-Load Recycling			
	Collection	Processing	Total
1x per week	\$ 47.04	\$ 145.83	\$ 192.87

**Container Monthly Collection Cost
Year 3**

Container Size	Per Week Frequency	MONTHLY		Total
		Collection	Disposal	
1.50	1	\$ 47.95	\$ 4.44	52.38
2.00	1	\$ 47.95	\$ 5.92	53.86
3.00	1	\$ 47.95	\$ 8.87	56.82
3.50	1	\$ 47.95	\$ 10.35	58.30
4.00	1	\$ 47.95	\$ 11.83	59.78
6.00	1	\$ 47.95	\$ 17.75	65.69
8.00	1	\$ 47.95	\$ 23.66	71.61
1.50	2	\$ 95.89	\$ 8.87	104.77
2.00	2	\$ 95.89	\$ 11.83	107.73
3.00	2	\$ 95.89	\$ 17.75	113.64
3.50	2	\$ 95.89	\$ 20.70	116.60
4.00	2	\$ 95.89	\$ 23.66	119.56
6.00	2	\$ 95.89	\$ 35.49	131.39
8.00	2	\$ 95.89	\$ 47.32	143.22
1.50	3	\$ 143.84	\$ 13.31	157.15
2.00	3	\$ 143.84	\$ 17.75	161.59
3.00	3	\$ 143.84	\$ 26.62	170.46
3.50	3	\$ 143.84	\$ 31.05	174.90
4.00	3	\$ 143.84	\$ 35.49	179.33
6.00	3	\$ 143.84	\$ 53.24	197.08
8.00	3	\$ 143.84	\$ 70.98	214.82
1.50	4	\$ 191.79	\$ 17.75	209.53
2.00	4	\$ 191.79	\$ 23.66	215.45
3.00	4	\$ 191.79	\$ 35.49	227.28
3.50	4	\$ 191.79	\$ 41.41	233.20
4.00	4	\$ 191.79	\$ 47.32	239.11
6.00	4	\$ 191.79	\$ 70.98	262.77
8.00	4	\$ 191.79	\$ 94.64	286.43
1.50	5	\$ 239.74	\$ 22.18	261.92
2.00	5	\$ 239.74	\$ 29.58	269.31
3.00	5	\$ 239.74	\$ 44.36	284.10
3.50	5	\$ 239.74	\$ 51.76	291.49
4.00	5	\$ 239.74	\$ 59.15	298.89
6.00	5	\$ 239.74	\$ 88.73	328.46
8.00	5	\$ 239.74	\$ 118.30	358.04
1.50	6	\$ 287.68	\$ 26.62	314.30
2.00	6	\$ 287.68	\$ 35.49	323.18
3.00	6	\$ 287.68	\$ 53.24	340.92
3.50	6	\$ 287.68	\$ 62.11	349.79
4.00	6	\$ 287.68	\$ 70.98	358.67
6.00	6	\$ 287.68	\$ 106.47	394.16
8.00	6	\$ 287.68	\$ 141.96	429.65

Year 3		Cost of Service Monthly Rates					
Container Size (Cubic Yards)	Collections per Week						
	1	2	3	4	5	6	
1.50	\$ 52.38	\$ 104.77	\$ 157.15	\$ 209.53	\$ 261.92	\$ 314.30	
2.00	\$ 53.86	\$ 107.73	\$ 161.59	\$ 215.45	\$ 269.31	\$ 323.18	
3.00	\$ 56.82	\$ 113.64	\$ 170.46	\$ 227.28	\$ 284.10	\$ 340.92	
3.50	\$ 58.30	\$ 116.60	\$ 174.90	\$ 233.20	\$ 291.49	\$ 349.79	
4.00	\$ 59.78	\$ 119.56	\$ 179.33	\$ 239.11	\$ 298.89	\$ 358.67	
6.00	\$ 65.69	\$ 131.39	\$ 197.08	\$ 262.77	\$ 328.46	\$ 394.16	
8.00	\$ 71.61	\$ 143.22	\$ 214.82	\$ 286.43	\$ 358.04	\$ 429.65	

Commercial Front-Load Recycling			
	Collection	Processing	Total
1x per week	\$ 47.95	\$ 106.06	\$ 154.01

**Container Monthly Collection Cost
Year 4**

Container Size	Per Week Frequency	MONTHLY		Total
		Collection	Disposal	
1.50	1	\$ 56.57	\$ 4.45	61.02
2.00	1	\$ 56.57	\$ 5.93	62.50
3.00	1	\$ 56.57	\$ 8.90	65.46
3.50	1	\$ 56.57	\$ 10.38	66.95
4.00	1	\$ 56.57	\$ 11.86	68.43
6.00	1	\$ 56.57	\$ 17.79	74.36
8.00	1	\$ 56.57	\$ 23.73	80.29
1.50	2	\$ 113.13	\$ 8.90	122.03
2.00	2	\$ 113.13	\$ 11.86	125.00
3.00	2	\$ 113.13	\$ 17.79	130.93
3.50	2	\$ 113.13	\$ 20.76	133.89
4.00	2	\$ 113.13	\$ 23.73	136.86
6.00	2	\$ 113.13	\$ 35.59	148.72
8.00	2	\$ 113.13	\$ 47.45	160.59
1.50	3	\$ 169.70	\$ 13.35	183.05
2.00	3	\$ 169.70	\$ 17.79	187.50
3.00	3	\$ 169.70	\$ 26.69	196.39
3.50	3	\$ 169.70	\$ 31.14	200.84
4.00	3	\$ 169.70	\$ 35.59	205.29
6.00	3	\$ 169.70	\$ 53.38	223.09
8.00	3	\$ 169.70	\$ 71.18	240.88
1.50	4	\$ 226.27	\$ 17.79	244.06
2.00	4	\$ 226.27	\$ 23.73	250.00
3.00	4	\$ 226.27	\$ 35.59	261.86
3.50	4	\$ 226.27	\$ 41.52	267.79
4.00	4	\$ 226.27	\$ 47.45	273.72
6.00	4	\$ 226.27	\$ 71.18	297.45
8.00	4	\$ 226.27	\$ 94.90	321.17
1.50	5	\$ 282.84	\$ 22.24	305.08
2.00	5	\$ 282.84	\$ 29.66	312.49
3.00	5	\$ 282.84	\$ 44.49	327.32
3.50	5	\$ 282.84	\$ 51.90	334.74
4.00	5	\$ 282.84	\$ 59.31	342.15
6.00	5	\$ 282.84	\$ 88.97	371.81
8.00	5	\$ 282.84	\$ 118.63	401.47
1.50	6	\$ 339.40	\$ 26.69	366.10
2.00	6	\$ 339.40	\$ 35.59	374.99
3.00	6	\$ 339.40	\$ 53.38	392.79
3.50	6	\$ 339.40	\$ 62.28	401.68
4.00	6	\$ 339.40	\$ 71.18	410.58
6.00	6	\$ 339.40	\$ 106.77	446.17
8.00	6	\$ 339.40	\$ 142.36	481.76

Year 4		Cost of Service Monthly Rates					
Container Size (Cubic Yards)	Collections per Week						
	1	2	3	4	5	6	
1.50	\$ 61.02	\$ 122.03	\$ 183.05	\$ 244.06	\$ 305.08	\$ 366.10	
2.00	\$ 62.50	\$ 125.00	\$ 187.50	\$ 250.00	\$ 312.49	\$ 374.99	
3.00	\$ 65.46	\$ 130.93	\$ 196.39	\$ 261.86	\$ 327.32	\$ 392.79	
3.50	\$ 66.95	\$ 133.89	\$ 200.84	\$ 267.79	\$ 334.74	\$ 401.68	
4.00	\$ 68.43	\$ 136.86	\$ 205.29	\$ 273.72	\$ 342.15	\$ 410.58	
6.00	\$ 74.36	\$ 148.72	\$ 223.09	\$ 297.45	\$ 371.81	\$ 446.17	
8.00	\$ 80.29	\$ 160.59	\$ 240.88	\$ 321.17	\$ 401.47	\$ 481.76	

Commercial Front-Load Recycling			
	Collection	Processing	Total
1x per week	\$ 56.57	\$ 147.40	\$ 203.97

**Container Monthly Collection Cost
Year 5**

Container Size	Per Week Frequency	MONTHLY		Total
		Collection	Disposal	
1.50	1	\$ 59.01	\$ 4.44	63.45
2.00	1	\$ 59.01	\$ 5.92	64.93
3.00	1	\$ 59.01	\$ 8.88	67.89
3.50	1	\$ 59.01	\$ 10.36	69.37
4.00	1	\$ 59.01	\$ 11.84	70.84
6.00	1	\$ 59.01	\$ 17.75	76.76
8.00	1	\$ 59.01	\$ 23.67	82.68
1.50	2	\$ 118.02	\$ 8.88	126.90
2.00	2	\$ 118.02	\$ 11.84	129.85
3.00	2	\$ 118.02	\$ 17.75	135.77
3.50	2	\$ 118.02	\$ 20.71	138.73
4.00	2	\$ 118.02	\$ 23.67	141.69
6.00	2	\$ 118.02	\$ 35.51	153.53
8.00	2	\$ 118.02	\$ 47.34	165.36
1.50	3	\$ 177.03	\$ 13.32	190.34
2.00	3	\$ 177.03	\$ 17.75	194.78
3.00	3	\$ 177.03	\$ 26.63	203.66
3.50	3	\$ 177.03	\$ 31.07	208.10
4.00	3	\$ 177.03	\$ 35.51	212.53
6.00	3	\$ 177.03	\$ 53.26	230.29
8.00	3	\$ 177.03	\$ 71.01	248.04
1.50	4	\$ 236.04	\$ 17.75	253.79
2.00	4	\$ 236.04	\$ 23.67	259.71
3.00	4	\$ 236.04	\$ 35.51	271.54
3.50	4	\$ 236.04	\$ 41.42	277.46
4.00	4	\$ 236.04	\$ 47.34	283.38
6.00	4	\$ 236.04	\$ 71.01	307.05
8.00	4	\$ 236.04	\$ 94.69	330.72
1.50	5	\$ 295.05	\$ 22.19	317.24
2.00	5	\$ 295.05	\$ 29.59	324.64
3.00	5	\$ 295.05	\$ 44.38	339.43
3.50	5	\$ 295.05	\$ 51.78	346.83
4.00	5	\$ 295.05	\$ 59.18	354.22
6.00	5	\$ 295.05	\$ 88.77	383.81
8.00	5	\$ 295.05	\$ 118.36	413.40
1.50	6	\$ 354.06	\$ 26.63	380.69
2.00	6	\$ 354.06	\$ 35.51	389.56
3.00	6	\$ 354.06	\$ 53.26	407.32
3.50	6	\$ 354.06	\$ 62.14	416.19
4.00	6	\$ 354.06	\$ 71.01	425.07
6.00	6	\$ 354.06	\$ 106.52	460.58
8.00	6	\$ 354.06	\$ 142.03	496.08

Year 5		Cost of Service Monthly Rates					
Container Size (Cubic Yards)	Collections per Week						
	1	2	3	4	5	6	
1.50	\$ 63.45	\$ 126.90	\$ 190.34	\$ 253.79	\$ 317.24	\$ 380.69	
2.00	\$ 64.93	\$ 129.85	\$ 194.78	\$ 259.71	\$ 324.64	\$ 389.56	
3.00	\$ 67.89	\$ 135.77	\$ 203.66	\$ 271.54	\$ 339.43	\$ 407.32	
3.50	\$ 69.37	\$ 138.73	\$ 208.10	\$ 277.46	\$ 346.83	\$ 416.19	
4.00	\$ 70.84	\$ 141.69	\$ 212.53	\$ 283.38	\$ 354.22	\$ 425.07	
6.00	\$ 76.76	\$ 153.53	\$ 230.29	\$ 307.05	\$ 383.81	\$ 460.58	
8.00	\$ 82.68	\$ 165.36	\$ 248.04	\$ 330.72	\$ 413.40	\$ 496.08	

Commercial Front-Load Recycling			
	Collection	Processing	Total
1x per week	\$ 59.01	\$ 151.34	\$ 210.35

PROPOSED RATES

	Year 1 FY 2010	Year 2 FY 2011	Year 3 FY 2012	Year 4 FY 2013	Year 5 FY 2014
Residential Solid Waste Refuse Monthly Fee					
Proposed	\$ 17.00	\$ 18.00	\$ 19.00	\$ 21.60	\$ 21.60
COS Reference	\$ 19.97	\$ 21.36	\$ 21.02	\$ 21.43	\$ 21.48
Proposed Over/(Under)	\$ (2.97)	\$ (3.36)	\$ (2.02)	\$ 0.17	\$ 0.12
Landfill Disposal Fees (City Tons)					
Proposed	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00	\$ 30.00
COS Reference	\$ 17.83	\$ 20.64	\$ 19.04	\$ 19.10	\$ 19.05
Proposed Over/(Under)	\$ 12.17	\$ 9.36	\$ 10.96	\$ 10.90	\$ 10.95
Landfill Disposal Fees (City Tons)					
County	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00	\$ 45.00
COS Reference	\$ 17.83	\$ 20.64	\$ 19.04	\$ 19.10	\$ 19.05
Proposed Over/(Under)	\$ 27.17	\$ 24.36	\$ 25.96	\$ 25.90	\$ 25.95
Commercial Rates					
Rate Associated with a 300 gallon Container and Twice per Week Collection					
Proposed	\$ 33.28	\$ 33.28	\$ 33.28	\$ 33.28	\$ 33.28
COS Reference	\$ 17.86	\$ 19.47	\$ 19.02	\$ 19.53	\$ 19.52
Proposed Over/(Under)	\$ 15.42	\$ 13.81	\$ 14.26	\$ 13.75	\$ 13.76
Rate Associated with Commercial Side Load Recycling (18 gallon Bin and Once per Week Collection)					
Proposed	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.15	\$ 5.15
COS Reference	\$ 5.28	\$ 5.44	\$ 5.23	\$ 4.93	\$ 4.98
Proposed Over/(Under)	\$ (0.28)	\$ (0.44)	\$ (0.23)	\$ 0.22	\$ 0.17
Rate Associated with a 6 CY Dumpster and Twice per Week Collection					
Proposed	\$ 126.00	\$ 136.00	\$ 145.00	\$ 155.00	\$ 160.00
COS Reference	\$ 123.70	\$ 132.55	\$ 131.39	\$ 148.72	\$ 153.53
Proposed Over/(Under)	\$ 2.30	\$ 3.45	\$ 13.61	\$ 6.28	\$ 6.47
Rate Associated with Commercial Front Load Recycling (6 CY Dumpster and Once per Week Collection)					
Proposed	\$ 36.25	\$ 36.25	\$ 36.25	\$ 38.75	\$ 38.75
COS Reference	\$ 348.72	\$ 369.48	\$ 299.56	\$ 203.97	\$ 210.35
Proposed Over/(Under)	\$ (312.47)	\$ (333.23)	\$ (263.31)	\$ (165.22)	\$ (171.60)
Roll-Off Collection Rates (Disposal to be Billed Separately)					
Proposed	\$ 130.00	\$ 145.00	\$ 160.00	\$ 175.00	\$ 175.00
COS Reference	\$ 150.68	\$ 154.03	\$ 154.85	\$ 157.32	\$ 158.41
Proposed Over/(Under)	\$ (20.68)	\$ (9.03)	\$ 5.15	\$ 17.68	\$ 16.59
Roll-Off Rental Rate (for one month)*					
Proposed	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00	\$ 25.00
COS Reference	\$ 51.99	\$ 50.97	\$ 52.28	\$ 50.27	\$ 48.33
Proposed Over/(Under)	\$ (26.99)	\$ (25.97)	\$ (27.28)	\$ (25.27)	\$ (23.33)

* R. W. Beck proposes a \$5.00 per day fee to keep roll-off containers longer than one month

COMMERCIAL FRONT-LOAD RATES

Year 1		Monthly Rates					
Container Size (Cubic Yards)	Collections per Week						
	1	2	3	4	5	6	
1.50	\$ 50.31	\$ 100.61	\$ 150.92	\$ 201.23	\$ 251.54	\$ 301.84	
2.00	\$ 51.72	\$ 103.43	\$ 155.15	\$ 206.87	\$ 258.59	\$ 310.30	
3.00	\$ 54.54	\$ 109.08	\$ 163.61	\$ 218.15	\$ 272.69	\$ 327.23	
3.50	\$ 55.95	\$ 111.90	\$ 167.85	\$ 223.79	\$ 279.74	\$ 335.69	
4.00	\$ 57.36	\$ 114.72	\$ 172.08	\$ 229.43	\$ 286.79	\$ 344.15	
6.00	\$ 63.00	\$ 126.00	\$ 189.00	\$ 252.00	\$ 315.00	\$ 378.00	
8.00	\$ 74.84	\$ 149.67	\$ 224.51	\$ 299.35	\$ 374.18	\$ 449.02	

Year 2		Monthly Rates					
Container Size (Cubic Yards)	Collections per Week						
	1	2	3	4	5	6	
1.50	\$ 53.20	\$ 106.39	\$ 159.59	\$ 212.79	\$ 265.99	\$ 319.18	
2.00	\$ 54.84	\$ 109.68	\$ 164.53	\$ 219.37	\$ 274.21	\$ 329.05	
3.00	\$ 58.13	\$ 116.26	\$ 174.39	\$ 232.53	\$ 290.66	\$ 348.79	
3.50	\$ 59.78	\$ 119.55	\$ 179.33	\$ 239.10	\$ 298.88	\$ 358.66	
4.00	\$ 61.42	\$ 122.84	\$ 184.26	\$ 245.68	\$ 307.10	\$ 368.53	
6.00	\$ 68.00	\$ 136.00	\$ 204.00	\$ 272.00	\$ 340.00	\$ 408.00	
8.00	\$ 74.84	\$ 149.67	\$ 224.51	\$ 299.35	\$ 374.18	\$ 449.02	

Year 3		Monthly Rates					
Container Size (Cubic Yards)	Collections per Week						
	1	2	3	4	5	6	
1.50	\$ 57.81	\$ 115.62	\$ 173.44	\$ 231.25	\$ 289.06	\$ 346.87	
2.00	\$ 59.44	\$ 118.89	\$ 178.33	\$ 237.78	\$ 297.22	\$ 356.66	
3.00	\$ 62.71	\$ 125.42	\$ 188.12	\$ 250.83	\$ 313.54	\$ 376.25	
3.50	\$ 64.34	\$ 128.68	\$ 193.02	\$ 257.36	\$ 321.70	\$ 386.04	
4.00	\$ 65.97	\$ 131.94	\$ 197.92	\$ 263.89	\$ 329.86	\$ 395.83	
6.00	\$ 72.50	\$ 145.00	\$ 217.50	\$ 290.00	\$ 362.50	\$ 435.00	
8.00	\$ 79.03	\$ 158.06	\$ 237.08	\$ 316.11	\$ 395.14	\$ 474.17	

Year 4		Monthly Rates					
Container Size (Cubic Yards)	Collections per Week						
	1	2	3	4	5	6	
1.50	\$ 63.59	\$ 127.18	\$ 190.77	\$ 254.36	\$ 317.95	\$ 381.55	
2.00	\$ 65.14	\$ 130.27	\$ 195.41	\$ 260.55	\$ 325.68	\$ 390.82	
3.00	\$ 68.23	\$ 136.45	\$ 204.68	\$ 272.91	\$ 341.14	\$ 409.36	
3.50	\$ 69.77	\$ 139.55	\$ 209.32	\$ 279.09	\$ 348.86	\$ 418.64	
4.00	\$ 71.32	\$ 142.64	\$ 213.95	\$ 285.27	\$ 356.59	\$ 427.91	
6.00	\$ 77.50	\$ 155.00	\$ 232.50	\$ 310.00	\$ 387.50	\$ 465.00	
8.00	\$ 83.68	\$ 167.36	\$ 251.05	\$ 334.73	\$ 418.41	\$ 502.09	

Year 5		Monthly Rates					
Container Size (Cubic Yards)	Collections per Week						
	1	2	3	4	5	6	
1.50	\$ 66.12	\$ 132.25	\$ 198.37	\$ 264.49	\$ 330.62	\$ 396.74	
2.00	\$ 67.67	\$ 135.33	\$ 203.00	\$ 270.66	\$ 338.33	\$ 405.99	
3.00	\$ 70.75	\$ 141.50	\$ 212.25	\$ 283.00	\$ 353.74	\$ 424.49	
3.50	\$ 72.29	\$ 144.58	\$ 216.87	\$ 289.16	\$ 361.45	\$ 433.74	
4.00	\$ 73.83	\$ 147.67	\$ 221.50	\$ 295.33	\$ 369.16	\$ 443.00	
6.00	\$ 80.00	\$ 160.00	\$ 240.00	\$ 320.00	\$ 400.00	\$ 480.00	
8.00	\$ 86.17	\$ 172.33	\$ 258.50	\$ 344.67	\$ 430.84	\$ 517.00	

COMMERCIAL CART MONTHLY RATES

Year 1		Monthly Rates				
Container Size (Gallons)	Collections per Week					
	1	2	3	4	5	6
96	\$8.23	\$16.47	\$24.70	\$32.93	\$41.17	\$49.40
300	\$16.64	\$33.28	\$49.92	\$66.56	\$83.20	\$99.84

Year 2		Monthly Rates				
Container Size (Gallons)	Collections per Week					
	1	2	3	4	5	6
96	\$8.23	\$16.47	\$24.70	\$32.93	\$41.17	\$49.40
300	\$16.64	\$33.28	\$49.92	\$66.56	\$83.20	\$99.84

Year 3		Monthly Rates				
Container Size (Gallons)	Collections per Week					
	1	2	3	4	5	6
96	\$8.23	\$16.47	\$24.70	\$32.93	\$41.17	\$49.40
300	\$16.64	\$33.28	\$49.92	\$66.56	\$83.20	\$99.84

Year 4		Monthly Rates				
Container Size (Gallons)	Collections per Week					
	1	2	3	4	5	6
96	\$8.23	\$16.47	\$24.70	\$32.93	\$41.17	\$49.40
300	\$16.64	\$33.28	\$49.92	\$66.56	\$83.20	\$99.84

Year 5		Monthly Rates				
Container Size (Gallons)	Collections per Week					
	1	2	3	4	5	6
96	\$8.23	\$16.47	\$24.70	\$32.93	\$41.17	\$49.40
300	\$16.64	\$33.28	\$49.92	\$66.56	\$83.20	\$99.84

SOLID WASTE REVENUE RECONCILIATION

	Year 1 FY 2010	Year 2 FY 2011	Year 3 FY 2012	Year 4 FY 2013	Year 5 FY 2014
REVENUE PROJECTIONS					
Residential Collection					
Revenue from Residential Customers	\$ 2,802,552	\$ 3,032,208	\$ 3,337,464	\$ 3,949,690	\$ 4,105,210
Revenue from Commercial Customers Served Via 96-Gallon Carts	\$ 155,797	\$ 174,763	\$ 181,754	\$ 189,024	\$ 196,585
Revenue from Commercial Side-Load Recycling	\$ 4,896	\$ 4,994	\$ 5,194	\$ 5,563	\$ 5,786
Subtotal	\$ 2,963,245	\$ 3,211,965	\$ 3,524,411	\$ 4,144,277	\$ 4,307,580
Commercial Front-Load Collection					
Revenue from Commercial Front-Load Refuse	\$ 788,197	\$ 1,048,231	\$ 1,164,088	\$ 1,298,610	\$ 1,395,368
Revenue from Commercial Front-Load Recycling	\$ 15,973	\$ 16,293	\$ 16,944	\$ 18,837	\$ 19,591
Subtotal	\$ 804,170	\$ 1,064,523	\$ 1,181,032	\$ 1,317,448	\$ 1,414,959
Roll Off Collection					
Revenue from collection fees	\$ 398,065	\$ 452,876	\$ 519,714	\$ 591,175	\$ 614,822
Revenue from rental fees	\$ 37,868	\$ 38,625	\$ 40,170	\$ 41,777	\$ 43,448
Subtotal	\$ 435,933	\$ 491,501	\$ 559,884	\$ 632,951	\$ 658,269
Landfill Fees					
Revenue from City tons	\$ 886,146	\$ 903,869	\$ 940,023	\$ 977,624	\$ 1,016,729
Revenue from County tons	\$ 117,585	\$ 119,936	\$ 124,734	\$ 129,723	\$ 134,912
Revenue from Roll-Off Customers	\$ 452,243	\$ 461,288	\$ 479,739	\$ 498,929	\$ 518,886
Subtotal	\$ 1,455,974	\$ 1,485,093	\$ 1,544,497	\$ 1,606,277	\$ 1,670,528
Total Revenue	\$ 5,659,321	\$ 6,253,082	\$ 6,809,824	\$ 7,700,953	\$ 8,051,336
Cost of Service Requirement	\$ 5,871,485	\$ 6,460,978	\$ 6,627,397	\$ 7,209,778	\$ 7,545,374
Over/(Under) Recovery	\$ (212,164)	\$ (207,896)	\$ 182,427	\$ 491,175	\$ 505,962
Percent Over/(Under) Recovery	-3.6%	-3.2%	2.8%	6.8%	6.7%
Cumulative	\$ (212,164)	\$ (420,059)	\$ (237,632)	\$ 253,543	\$ 759,505

City of Eloy Commercial Rates

Commercial collection is conducted by Arizona City Sanitation Services.
This company includes pick-up twice per week. There are no other options for pick-up frequency.

Commercial Garbage Rate:

Delivery of Container: \$260.00

Monthly Service Charge:

300 Gallon Container	\$64.40
450 Gallon Container	\$96.60
2 Yard Container	\$83.73
3 Yard Container	\$130.09
4 Yard Container	\$173.45
6 Yard Container	\$260.18
8 Yard Container	\$346.90

Note: Included in the above garbage collection rate is a \$2.00 fee for uncontained refuse collection. Said collection entitles each service account to one uncontained refuse collection per month. Additional uncontained refuse collections, as the request of the service account, shall be charged at a rate of \$25.00 per ton.

Roll-Off User Fees:

City-Owned Roll-Offs:

<u>Size</u>	<u>Daily Rental Rate</u>	<u>Collection Rate</u>
20 Yard	\$10.00	\$60.00 per collection, plus current landfill user fee*
30 Yard	\$10.00	\$65.00 per collection, plus current landfill user fee*
40 Yard	\$10.00	\$70.00 per collection, plus current landfill user fee*

Privately Owned Roll-Offs:

All privately owned roll-off users shall be charged \$65.00 per collection plus the current landfill user fee.

*Landfill user fee as of 6/25/2009 is \$20.00 per ton.

City of Florence Cart Collection Rates

The City of Florence offers collection of 96 and 300 gallon containers.

Current Rates:

Number and Type of Container	Total Container Volume(CY)	Pick-Ups Per Week		
		2X	3X	5X
1-90 Gallon	0.45	\$18.10	-	-
1 300 gallon	1.5	\$42.00	\$63.00	\$105.00
2 300 gallon	3	\$61.00	\$91.50	\$152.50
3 300 gallon	4.5	\$80.00	\$120.00	\$200.00
4 300 gallon	6	\$99.00	\$148.50	\$247.50
5 300 gallon	7.5	\$118.00	\$177.00	\$295.00
6 300 gallon	9	\$137.00	\$205.50	\$342.50
7 300 gallon	10.5	\$156.00	\$234.00	\$390.00
8 300 gallon	12	\$175.00	\$262.50	\$437.50
9 300 gallon	13.5	\$194.00	\$291.00	\$485.00
10 300 gallon	15	\$213.00	\$319.50	\$532.50
11 300 gallon	16.5	\$232.00	\$348.00	\$580.00
12 300 gallon	18	\$251.00	\$376.50	\$627.50
13 300 gallon	19.5	\$270.00	\$405.00	\$675.00
14 300 gallon	21	\$289.00	\$433.50	\$722.50

Revenue and Over/(Under) Recovery by Cost Center

#	Service Category	Year 1 FY 2010	Year 2 FY 2011	Year 3 FY 2012	Year 4 FY 2013	Year 5 FY 2014
420	Residential Collection	\$ 1,481,622	\$ 1,605,982	\$ 1,762,206	\$ 2,072,138	\$ 2,153,790
421	Uncontained Trash	\$ 474,119	\$ 513,914	\$ 563,906	\$ 663,084	\$ 689,213
422	Recycling Collection	\$ 592,649	\$ 642,393	\$ 704,882	\$ 828,855	\$ 861,516
423	Recycling Operations	\$ 118,530	\$ 128,479	\$ 140,976	\$ 165,771	\$ 172,303
425	Landfill	\$ 1,953,341	\$ 2,072,421	\$ 2,192,196	\$ 2,350,066	\$ 2,455,026
426	Commercial Front Load	\$ 603,128	\$ 798,393	\$ 885,774	\$ 988,086	\$ 1,061,219
427	Commercial Roll Off	\$ 435,933	\$ 491,501	\$ 559,884	\$ 632,951	\$ 658,269
TOTAL REVENUE REQUIREMENT		\$ 5,659,321	\$ 6,253,082	\$ 6,809,824	\$ 7,700,953	\$ 8,051,336

Year 1	Revenue	Revenue Requirement	Over/Under Recovery
420 Residential Collection	\$ 1,481,622	\$ 1,683,856	\$ (202,233)
421 Uncontained Trash	\$ 474,119	\$ 483,806	\$ (9,687)
422 Recycling Collection	\$ 592,649	\$ 701,235	\$ (108,586)
423 Recycling Operations	\$ 118,530	\$ 309,536	\$ (191,006)
425 Landfill	\$ 1,953,341	\$ 1,447,529	\$ 505,811
426 Commercial Front Load	\$ 603,128	\$ 705,373	\$ (102,245)
427 Commercial Roll Off	\$ 435,933	\$ 540,151	\$ (104,218)
Over/Under Recovery	\$ 5,659,321	\$ 5,871,485	\$ (212,164)

Year 2	Revenue	Revenue Requirement	Over/Under Recovery
420 Residential Collection	\$ 1,605,982	\$ 1,820,874	\$ (214,891)
421 Uncontained Trash	\$ 513,914	\$ 554,593	\$ (40,678)
422 Recycling Collection	\$ 642,393	\$ 732,643	\$ (90,250)
423 Recycling Operations	\$ 128,479	\$ 335,442	\$ (206,963)
425 Landfill	\$ 2,072,421	\$ 1,709,450	\$ 362,971
426 Commercial Front Load	\$ 798,393	\$ 748,154	\$ 50,239
427 Commercial Roll Off	\$ 491,501	\$ 559,823	\$ (68,322)
Over/Under Recovery	\$ 6,253,082	\$ 6,460,978	\$ (207,896)

Year 3	Revenue	Revenue Requirement	Over/Under Recovery
420 Residential Collection	\$ 1,762,206	\$ 1,910,587	\$ (148,381)
421 Uncontained Trash	\$ 563,906	\$ 575,905	\$ (11,999)
422 Recycling Collection	\$ 704,882	\$ 770,056	\$ (65,174)
423 Recycling Operations	\$ 140,976	\$ 350,674	\$ (209,697)
425 Landfill	\$ 2,192,196	\$ 1,640,042	\$ 552,155
426 Commercial Front Load	\$ 885,774	\$ 793,140	\$ 92,634
427 Commercial Roll Off	\$ 559,884	\$ 586,993	\$ (27,110)
Over/Under Recovery	\$ 6,809,824	\$ 6,627,397	\$ 182,427

Year 4	Revenue	Revenue Requirement	Over/Under Recovery
420 Residential Collection	\$ 2,072,138	\$ 2,066,241	\$ 5,897
421 Uncontained Trash	\$ 663,084	\$ 655,049	\$ 8,036
422 Recycling Collection	\$ 828,855	\$ 812,454	\$ 16,402
423 Recycling Operations	\$ 165,771	\$ 377,059	\$ (211,288)
425 Landfill	\$ 2,350,066	\$ 1,710,371	\$ 639,695
426 Commercial Front Load	\$ 988,086	\$ 973,158	\$ 14,928
427 Commercial Roll Off	\$ 632,951	\$ 615,446	\$ 17,505
Over/Under Recovery	\$ 7,700,953	\$ 7,209,778	\$ 491,175

Year 5	Revenue	Revenue Requirement	Over/Under Recovery
420 Residential Collection	\$ 2,153,790	\$ 2,148,298	\$ 5,492
421 Uncontained Trash	\$ 689,213	\$ 679,258	\$ 9,955
422 Recycling Collection	\$ 861,516	\$ 852,137	\$ 9,379
423 Recycling Operations	\$ 172,303	\$ 394,665	\$ (222,362)
425 Landfill	\$ 2,455,026	\$ 1,774,701	\$ 680,324
426 Commercial Front Load	\$ 1,061,219	\$ 1,055,774	\$ 5,445
427 Commercial Roll Off	\$ 658,269	\$ 640,540	\$ 17,729
Over/Under Recovery	\$ 8,051,336	\$ 7,545,374	\$ 505,962