

# Analysis of Tahoe Truckee Sierra Disposal 2022 Interim Year Rate Application

**County of El Dorado**

June 21, 2022



# Agenda

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# Background and Scope of Analysis

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- On May 22, 2022, Tahoe Truckee Sierra Disposal (TTSD) submitted its interim year rate application requesting:
  - A 4.71 percent increase to all residential and commercial refuse collection rates.
- Crowe was engaged by the County as an independent third-party to review the rate application.
- We followed the County's rate setting process which is contained in the County's Solid Waste Rate Setting Policies and Procedures Manual. This Rate Manual is incorporated into the County's franchise agreement with TTSD.

# Results of Analysis

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The calculated rate increase is based on use of the worksheet provided in Attachment C of our report. The worksheet is used to calculate changes in operating costs (85% of the CPI, or 4.07%) and changes in disposal costs (12.80%). We made a minor adjustment to the requested rate change to equal 4.72%.

Series Title	Garbage and trash collection in U.S. city average, all urban consumers, not seasonally adjusted
Seasonality	Not Seasonally Adjusted
Survey Name	CPI for All Urban Consumers (CPI-U)
Measure Data Type	Garbage and trash collection
Area	U.S. city average
Item	Garbage and Trash Collection

Year	Period	Label	Observation Value
2020	M12	2020 Dec	508.19
2021	M01	2021 Jan	512.722
2021	M02	2021 Feb	517.27
2021	M03	2021 Mar	518.505
2021	M04	2021 Apr	518.579
2021	M05	2021 May	516.44
2021	M06	2021 Jun	517.202
2021	M07	2021 Jul	521.185
2021	M08	2021 Aug	524.408
2021	M09	2021 Sep	529.934
2021	M10	2021 Oct	530.114
2021	M11	2021 Nov	529.053
2021	M12	2021 Dec	532.538

Consumer Price Index as of December 2020	508.190
Consumer Price Index as of December 2021	532.538
Change in Consumer Price Index	24.348
<b>Percent Change in Consumer Price Index</b>	<b>4.79%</b>

The 4.72 percent rate change is applicable for residential and commercial rates.

# Proposed Residential Rates

Service Level	Current Rate (Per Customer, Per Month)	Requested Rate (Per Customer, Per Month)	Rate Increase (Per Customer, Per Month)
1, 32-Gallon Can	\$31.18	\$32.65	\$1.47
2, 32-Gallon Cans	\$41.14	\$43.08	\$1.94
1, 32-Gallon Can (Senior)	\$25.42	\$26.62	\$1.20
Extra, 32-Gallon Can	\$5.37	\$5.62	\$0.25

# Proposed Commercial Rates

Service Level	Current Rate (Per Customer, Per Month)	Requested Rate (Per Customer, Per Month)	Rate Increase (Per Customer, Per Month)
32-Gallon Service	\$7.17	\$7.51	\$0.34
3-yd, EOW, MSW Dumpster	\$269.75	\$282.48	\$12.73
4-yd, 2XW, MSW Dumpster	\$856.79	\$897.22	\$40.43
6-yd, 2XW, MSW Dumpster	\$1,301.95	\$1,363.39	\$61.44
3-yd Cardboard-only, 2XW	\$340.07	\$356.12	\$16.05
4-yd, Extra Service	\$169.26	\$177.25	\$7.99



# Questions