



Date: December 8, 2022
To: Board of Directors
From: Lisa Mundis, Finance Director
Subject: Bay View Refuse and Recycling Proposed CPI Rate Increase 2023

Recommendation:

Accept the proposed rate increase of 4% to Residential and Commercial customers of Bay View Refuse and Recycling in Kensington.

Rationale for Recommendation:

The Annual Consumer Price Index in the San Francisco-Oakland-Hayward, CA area increased by 5.7% from August 2021 to August 2022. Using the "Rate Adjustment Methodology" in Exhibit B of the Bay View contract with KPPCSD, rate increases are capped at 5%. Bay View has requested 4%.

Discussion:

Based on the the CPI Increase of 5.7%, an increase is warranted and expected for Bay View Refuse and Recycle to continue to provide the residents of Kensington with excellent service. Although Bay Refuse is allowed to increase the rate by 5%, they are only requesting a 4% increase as a courtesy to its customers who are being impacted by inflation.

Fiscal Impact:

The increase is within the terms of the current contract

Attachments:

Bay View Contract Exhibit B "Rate Adjustment Methodology"

Bay View 2023 CPI Rate Increase Chart