

TOWN OF WINDSOR AGENDA REPORT

Joint Windsor Town Council, Windsor Redevelopment Successor Agency and Windsor Water District Meeting Date: April 15, 2026

To: Mayor and Town Council
From: Kristina Owens, Government Operations Manager
Subject: Amendment No. 10 to the Collection Services Agreement with Sonoma County Resource Recovery, LLC

Recommendation to Council:

Adopt a resolution approving Amendment No. 10 to the Collection Service Agreement with Sonoma County Resource Recovery, LLC, for the annual adjustment to maximum compensation and rates.

Strategic Plan Element:

The recommended action supports the goals of Infrastructure and Livability. Goal Statement: Through a lens of sustainability and innovation, invest in the Town's infrastructure and public facilities to meet the needs of future generations. Goal Statement: Preserve community character by maximizing the use of existing amenities and creating future opportunities that enhance quality of life for all.

Background:

On August 6, 2017, Council formally awarded a 10-year exclusive franchise to Sonoma County Resource Recovery, LLC. ("SCRR") for Residential and Commercial Garbage, Recyclable Materials, and Organic Waste Collection Services ("Agreement") commencing October 1, 2017, through September 30, 2027.

The Agreement provides for annual adjustments of the maximum compensation and rates that SCRR may charge for collection services. The annual adjustment is a pass-through consisting of the following elements: Collection Element, Disposal Element, Recyclable Material Processing / Sales Element, Organic Waste Processing Element (food waste and green/food waste), and Franchise Fee Element by using the Refuse Rate Index (RRI) adjustment calculation outlined in the Agreement, known as the annual RRI application. The RRI application is due to the Town on or before February 1 of the corresponding year. The submittal date was changed in Amendment No. 4 to coincide with the new rate effective date of April 1 from October 1.

The Disposal Element and Organic Waste Processing Element are based on Contractor Service Fees (Service Fees) by the Master Operations Agreement (MOA) dated April 23, 2013. The MOA is between the County of Sonoma (County) and Republic Services (Republic), the operator of the Sonoma County Landfill. The MOA is directly related to the Waste Delivery Agreement, an executed agreement between the Town and Republic, whereby the Town agreed to deliver its Committed City Waste, as defined, to County Facilities. The service rates for the Disposal Element and Organic Waste Processing Element are approved separately by two voting bodies, the Sonoma County Board of Supervisors and Zero Waste Sonoma, respectively.

Discussion:

The Amendment marks the tenth since the execution of the Agreement. Past amendments addressed

new services, the clarification of contract language, and the implementation of new state regulations, such as Senate Bill 1383 and the annual rate pass-throughs. In 2023, the Town completed an audit in response to Zolly vs. City of Oakland (2022) to verify that the imposed 10% franchise fee included as part of the proposed service recipient rates adheres to the California Supreme Court ruling. The audit findings concluded that the imposed franchise fee does not violate the ruling. The audit findings were included in Amendment No. 8.

Amendment Number	Approval Date
Amendment No. 1	March 21, 2018
Amendment No. 2	August 1, 2018
Amendment No. 3	August 21, 2019
Amendment No. 4	June 17, 2020
Amendment No. 5	June 2, 2021
Amendment No. 6	May 18, 2022
Amendment No. 7	May 17, 2023
Amendment No. 8	April 17, 2024
Amendment No. 9	April 16, 2025

The Agreement allows for an annual rate adjustment, a pass-through of costs for the collection of services that include but are not limited to fuel costs, changes in market, disposal tipping fees, organic waste tipping fees, cost of operations, and/or services provided.

On March 2, 2026, SCRR submitted the RRI Application with the updated Service Fees based on the five (5) elements listed above, resulting in the costs to provide collection service and, in turn, resulting in the customer's monthly service charge. The Town's consultant, R3 Consulting Group, Inc., reviewed the RRI Application with the following findings and concluded the rate adjustments included in Amendment No. 10, Exhibit 1-Service Recipient Rates of the Agreement, account for the following:

The SCRR's 2026/2027 RRI Application results in the following changes:

- Collection Element increase of 2.25%.
- Disposal Element decrease of 0.77% (i.e., the disposal fee increased from \$171.63 per ton to \$170.30 per ton for solid waste disposal per ton per the Sonoma County Landfill System tip fee increase).
- Recyclable Material Processing / Sales Element decrease of 4.04% (i.e., the total percentage of tonnage delivered to each approved Recyclable Materials Processing Facility increased from \$96.23 per ton to \$92.34 per ton).
- Organic Waste Processing Element increase of 11.48% (i.e., the processing fee increased from \$116.67 per ton to \$130.06 per ton for processing organic waste per the Sonoma County Landfill System).
- The Franchise Fee Element is equal to 10% of each customer rate.
- AB939 Program/Agreement Management Fee increased by 2.49%.

In comparison to current rates, this year's annual rate pass-through results in the following changes:

- Average SFD Residential curbside and on-premises monthly rate increase of 2.43% (\$0.87 - \$3.17/month).
- Average SFD Residential senior monthly rate increase of 2.70% (\$0.79 - \$1.66/mo.).
- Average MFD Residential monthly cart rate increase of 2.39% (\$0.44 - \$44.70/mo.).
- Average MFD Residential monthly bin rate increase of 2.18% (\$1.48 - \$265.11/mo.).

- Average Commercial monthly cart rate increase of 2.71% (\$0.44 - \$52.16/mo.).
- Average Commercial monthly bin rate increase of 3.05% (\$1.48 - \$352.40/mo.).
- Collection costs for MFD and Commercial Roll-off Rates increased by 2.25%.
- SFD Additional Service Rates increased by 2.25%.

Based on the proposed annual rate pass-through, Table 1 - Single Family Rate Comparison, Table 2 - Multi-Family Rate Comparison, and Table 3 - Commercial Rate Comparison will display the proposed rate increase based on service size and frequency for a limited number of services, and Table 4 - Countywide Rate Comparison will display a rate comparison to other Sonoma County jurisdictions.

Based on the proposed annual rate pass-through, Tables 1 through 3 will display the proposed rate increases based on service size and frequency for a limited number of services, while Table 4 will display a rate comparison to other Sonoma County jurisdictions.

Table 1 - Single Family Rate Comparison

Bundled	20g	32g	64g	96g
Current	\$29.30	\$38.46	\$59.24	\$89.90
Proposed	\$30.17	\$39.50	\$60.61	\$91.63
Rate Increase	\$0.87	\$1.04	\$1.37	\$1.73

Table 2 - Multi-Family Rate Comparison

Garbage	64g	1.5cy	3cy
Current	\$103.72	\$415.11	\$686.50
Proposed	\$105.62	\$420.47	\$693.97
Rate Increase	\$1.90	\$5.36	\$7.47
Recycling	96g	1.5cy	3cy
Current	\$83.29	\$165.25	\$389.00
Proposed	\$83.72	\$165.06	\$389.93
Rate Increase	\$0.43	\$(0.19)	\$0.93
Organics	64g	1.5cy	3cy
Current	\$96.03	\$233.05	\$407.88
Proposed	\$99.96	\$246.63	\$433.72
Rate Increase	\$3.93	\$13.58	\$25.84

Table 3 - Commercial Rate Comparison

Garbage	64g	1.5cy	3cy
Current	\$118.65	\$437.81	\$724.31
Proposed	\$119.98	\$443.68	\$732.64
Rate Increase	\$1.33	\$5.87	\$8.33
Recycling	96g	1.5cy	3cy
Current	\$83.29	\$165.25	\$389.00
Proposed	\$83.72	\$165.06	\$389.93
Rate Increase	\$0.43	\$(0.19)	\$0.93
Organics	64g	1.5cy	3cy

Current	\$96.03	\$233.05	\$407.88
Proposed	\$99.96	\$246.63	\$433.72
Rate Increase	\$3.93	\$13.58	\$25.84

Table 4 - Countywide Rate Comparison

Jurisdiction	Effective Date	20g	32g	64g	96g
Rohnert Park	7/1/25	\$17.15	\$31.44	\$49.12	\$76.67
Sonoma City	7/1/25	\$17.65	\$28.35	\$59.73	\$90.83
Petaluma	7/1/25	\$18.03	\$31.88	\$60.48	\$99.79
Sebastopol	7/1/24	\$17.44	\$30.48	\$55.63	\$92.84
Cotati	1/1/25	\$20.07	\$28.22	\$73.95	\$113.97
Healdsburg	1/1/26	\$24.98	\$32.93	\$47.08	\$63.94
Windsor (Current)	4/1/25	\$29.30	\$38.46	\$59.24	\$89.90
Windsor (Proposed)	4/1/26	\$30.17	\$39.50	\$60.61	\$91.63
Cloverdale	9/1/25	\$33.82	\$46.44	\$73.02	\$94.47
Santa Rosa	1/1/26	\$36.39	\$40.92	\$59.75	\$91.52
Countywide Average		\$23.19	\$33.83	\$59.85	\$90.50

Lastly, on June 17, 2020, the Council approved amended language to Article 4, Section 4.04.8.1.1, of the Agreement, which states that should SCRR experience delays in submitting the RRI application, it is at the Town's discretion to approve SCRR to bill service recipients beyond sixty (60) days retroactively. Approval of the attached Resolution for Amendment No. 10 reflects the proposed modifications listed above, the rate sheets for all service recipients, and the approval of SCRR to bill retroactively to April 1, 2026.

Fiscal Impact:

Adopting the attached resolution regarding maximum compensation and rates will increase rates for collecting garbage, recyclable materials, and organic waste collection services, effective April 1, 2026.

Per the Agreement, SCRR makes franchise payments of 10% of gross revenue to the Town. Revenue projections for franchise fees were approved in the adopted budget for fiscal years 2025-2026 and 2026-2027.

Environmental Review:

Approval of the proposed Amendment does not change the level or area of service. None of the changes brought about would exceed any applicable threshold of significance. As there is no possibility of a significant effect on the environment, such adoption is exempt from California Environmental Quality Act (CEQA) review pursuant to CEQA Guidelines Section 15061(b)(3).

Attachment(s):

1. Resolution
2. Attachment to Resolution - Amendment No. 10
3. Amendment No. 10_2026-27 Rate Sheets
4. R3 Consulting Group Memo

5. SCRR Extension Request Letter

6. Republic Services Letter

11.6 Correspondence Received (Distributed 2026.04.13)

Prepared by:

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Reviewed by:

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Approved by:

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