To better understand the recent increase in the Rumpke waste collection bill, we are providing further information. Last year Republic Services told the City that we needed to bid waste collection services. They could no longer continue collecting waste for the collection fees listed in their contract. Two companies bid for waste service and both included fuel surcharge calculations.

Unfortunately fuel prices have significantly increased since July 1, 2021, which is when the new contract went into effect. At that time, diesel fuel was under \$3.00.

The highest amount Rumpke can raise the fuel surcharge is \$0.84, which is the amount that just went into effect. This amount is based on the cost of diesel fuel as of March 2022 and will not change until April 2023, and only if fuel prices have decreased. Below is further information provided by Rumpke:

Waste & Recycling Price Increase Effective April 1, 2022

Beginning April 1, 2022, the weekly trash collection rate for Erlanger residents is \$16.29 per month. The subscription curbside recycling rate is \$6.34 per month.

Understanding the Increase

As part of the City of Erlanger's contract with Rumpke Waste & Recycling, Rumpke can assess a fluctuating fuel surcharge annually, if diesel fuel rises above \$3 per gallon. The rate will increase or decrease on April 1 each year based on fuel prices the first week of March.

Calculation of the Fuel Surcharge

The fuel surcharge is related directly to the national diesel fuel prices as reported by the Energy Information Administration of the U.S. Department of Energy (EIA/DOE) in its Retail On-Highway Diesel Prices Index for the Midwest Region. This index is available to the public and is widely recognized in trucking and transportation industries.

As part of the City's contract with Rumpke, Rumpke established a range for fuel costs and an associated fuel surcharge amount.

Price Range	Fuel Surcharge
\$3.00 & Below	\$0.00
\$3.01- \$3.25	\$0.12
\$3.26-\$3.50	\$0.24
\$3.51-\$3.75	\$0.36
\$3.76-\$4.00	\$0.48
\$4.01 -\$4.25	\$0.60
\$4.26-\$4.50	\$0.72
\$4.51+	\$0.84

The first week of March 2022, diesel fuel was \$4.649 per gallon, per the index, making the annual fuel surcharge \$0.84.