



Subject: 2026/2027 Rate Application 3.27.2026 – Delivered via Email

As part of our annual rate application review process, we are submitting a requested rate adjustment aligned with the Consumer Price Index (CPI), which reflects a **2.20% increase**. This CPI figure is based on the annual change from the San Francisco-Oakland-Hayward region for All Items, as published by the U.S. Bureau of Labor Statistics [**Refer to Page 35 in the Rate Application**].

This increase reflects rising operational costs, particularly in employee compensation, including salaries and wages, pension obligations, and healthcare and benefit expenses. Retaining and supporting our dedicated workforce remains a top priority. Additionally, ongoing global conflict has created uncertainty around diesel fuel prices, which continues to impact our fleet operating costs.

To maintain and improve service quality, we're continuing to invest in our operations and explore new technologies. Recently, we successfully completed a pilot program with an Automated Side Loader (ASL) Truck, and we have invested in mobile tablets to improve field operations across departments. We remain committed to evaluating emerging technologies that enhance efficiency and support the communities we serve.

On the regulatory front, recent developments have paused implementation of Advanced Clean Fleets, but we remain committed to reducing emissions and exploring zero emission vehicle technologies. The main challenges still pertain to vehicle availability, infrastructure development, duty-cycle limitations, and payload capacity constraints. With SB 54 – the Plastic Pollution Prevention and Packaging Producer Responsibility Act – CalRecycle and industry stakeholders continue to develop a framework aimed at reducing plastic packaging waste, building domestic markets for recycled materials, and shifting recycling costs away from residents. As a member of the Resource Recovery Coalition of California (RRCC), we stay actively engaged on these issues and have attached their 2026 California Legislative Update for reference.

As we celebrate 120 years of service, we want to extend our sincere appreciation and gratitude for the continued partnership of our communities. This milestone is a testament to the trust and support we've built together over generations, and we remain deeply committed to providing reliable, high-quality waste and recycling services for years to come.

We are happy to answer any questions or provide further details as needed.

All the best,

A handwritten signature in black ink, appearing to read 'Gene Della Zoppa', with a stylized flourish at the end.

Gene Della Zoppa, CEO of Mill Valley Refuse Service
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