

PROPOSITION 218: NEW REFUSE RATES

***IN LIEU OF COMMUNITY MEETING*
APRIL 1, 2020**

APRIL 1, 2020 – POSTED ON CITY WEBSITE



OVERVIEW – WHAT WE’LL COVER

- Why a Power Point? COVID-19
- Some key definitions
- History of the refuse contract process
- Key new contract changes
- The Proposition 218 process
- Understanding customer types
- Proposed refuse rates
- The public hearing



WHY A POWER POINT? COVID-19

- Due to circumstances surrounding COVID-19 and to honor social distancing mandates, the Prop 218 public Community Meeting scheduled for April 1, 2020 in the Council Chambers was canceled.
- This power point is a more descriptive version to cover the presentation that was going to be delivered at the April 1, 2020 community meeting.
- Instead of a live Question & Answer period, please submit your questions to Anna Luke-Jones in the Public Works Department by email to aluke@citymb.info or by phone to (310) 802-5363.



SOME KEY DEFINITIONS

To make this as user-friendly as possible, here are the definitions of some words or phrases that will be used in the power point slides:

Word or Phrase	Definition
Proposition 218	A CA law requiring cities to notify property owners & rate payers of utility rate increases for a 5- year period.
Refuse	A term commonly used to refer to solid waste (trash and recyclables).
Solid Waste	Another “umbrella” term to describe the area or industry of disposal – landfill, recycling, compost, etc. e.g.: The solid waste industry.
Trash	Refers to material disposed at the landfill. e.g.: A trash cart should be used to dispose materials intended for the landfill.
Recycling	Refers to the process of making something into a new item. With regards to curbside collection, represents certain glass, metal, paper and plastics. e.g.: A recycling cart is used to dispose items which will be remade into a new item.
Organics	Refers to yard clippings, food scraps & soiled paper that can or will be reutilized.
Carts	Refers to plastic, wheeled solid waste containers with flip-lids that are used by all single-family residential, some multi-family and some commercial customers for refuse collection.
Bins	Refers to 2, 3, 4 & 6 cubic yard metal bins on wheels used for commercial or large multi-family dwelling refuse collection (landfill trash = green metal bin, recycling = white metal bin).



HISTORY OF REFUSE CONTRACT PROCESS

CURRENT Waste Management Contract Term	NEW Waste Management Contract Term
June 1, 2011 – June 30, 2020	July 1, 2020 – June 30, 2027 (<u>plus 3</u> optional one-year extensions)

TIMELINE TO DATE

Dates	Item completed for new contract process
July 18, 2017	City Council directed staff to begin procurement process for new hauling contract.
September 28 – November 3, 2017	Staff conducted community outreach, including a residential survey regarding current and future services.
November 7, 2017 – May 15, 2018	Council subcommittee members finalized the solid waste services desired for new contract; prepared a Request for Proposals (RFP) and released it for bids.
August 23 and October 1, 2018	Proposals were received from 3 waste hauling companies on August 23 rd . Oral interviews held on October 1 st following a comprehensive review of the proposals.
October 2, 2018 – January 15, 2019	Three negotiated contracts were finalized and presented to City Council on January 15, 2019. See the 01-15-19 City Council Agenda for more details.
February 5, 2019	Council awards the next solid waste contract to Waste Management (lowest bidder).
March 3, 2020	Council initiates Proposition 218 process; sets May 5, 2020 for Public Hearing.



KEY NEW CONTRACT CHANGES

Solid Waste contracts typically last for 7-10 years. Each new contract reflects the changing needs of the community and services offered in the solid waste industry. The following list highlights some key changes in the new Waste Management (WM) contract effective July 1, 2020. Learn more about these changes at www.citymb.info/newcontract2020.

Contract Change	Brief Description
New Refuse Billing Process	WM will be taking over REFUSE billing only for all customers. Water/sewer bills still with City.
Residential Food Waste	ALL food, soiled paper & yard waste will be <u>mixed</u> in the green Organics cart. NO BAGS!
Paper Shredding Events Increased	WM will host four (4) community paper shredding events every calendar year.
Bulky Item Pick-Ups Increased from 9 Items to 18 items	Residential and Multi-Family customers can request six (6) visits per home/dwelling unit, at three (3) items per visit. A total of 18 items per calendar year per home/dwelling unit.
Plastics Recycling Changes Community-Wide	Beginning July 1, 2020, only plastics #1, 2 and 5 will be accepted in recycling containers community-wide (residential, multi-family, commercial, schools, public cans, government).
Highland Ave. Collection Restrictions/Traffic	To reduce travel congestion during peak times, WM is restricted from servicing sections of Highland Ave. during designated times. Visit www.citymb.info/newcontract2020 for details.
Rate Change for Commercial Business Recycling	Commercial business recycling (blue carts and white bins) will be provided and serviced at a rate for the first time. The cost of recycling will be 50% of the trash rate for the same cart or bin size. Food Waste will continue at no additional charge.
20 gallon gray trash cart	Residents can order a 20-gallon trash cart; the cost is the same as the 35-gallon cart. May benefit smaller, single households, those with spatial constraints or if 35-gallon is too heavy.
Downtown Refuse Group	WM will develop a working group of stakeholders to address Downtown refuse-related needs.



PROPOSITION 218 PROCESS

What is Proposition 218?

- Passed by CA voters in 1996.
- Proscribe (“limits”) methods local governments can create or increase taxes/fees/charges.
- Allows property owners or rate payers (a person who pays the solid waste bill, which could be a tenant) to protest rate increases.
- City is required to provide a 45-day protest period for property owners/rate payers to submit protests.
- A **Public Hearing & absence of a majority protest** is required prior to Council adoption of new rates.
 - Public Hearing date is **May 5, 2020**.



PROPOSITION 218 PROCESS CONT'D

What's Required by the State of California & City of MB

- (State of CA) The public agency must send notice and rates to each property owner and rate payer.

City of Manhattan Beach Actions

- Sent notices and proposed rates to property owners, rate payers (and tenants for informational purposes only).
- Publish Public Notices/ads in Beach Reporter on 3/19, 3/26, 4/2, 4/9 and 4/16.
- Created this power point & posted on City website to help with understanding the process.



PROPOSITION 218 PROCESS CONT'D

How to Protest the Rate Increase

STEP A – Prepare a written protest	STEP B – Submit your protest statement
<p><u>INCLUDE:</u> Property address subject to increase, statement protesting rate increase, property owner/rate payer name and signature</p>	<p><u>Option 1:</u> Deposit your written protest in the Payment Drop-Off Box in the City Hall Parking Lot</p> <p><u>Option 2:</u> Mail your written protest to City Clerk's Office at City Hall, 1400 Highland Ave. Manhattan Beach, CA 90266</p> <p><u>Option 3:</u> Email an electronic copy of a signed written protest to cityclerk@citymb.info</p>



Protests must be received between March 11, 2020 – May 5, 2020, and prior to the close of the public hearing.

Only property owners or rate payers may submit written protest. One protest per parcel of property will be counted in calculating a majority protest.



PROPOSITION 218 PROCESS CONT'D

How Do I Participate in the
Public Hearing on May 5, 2020?
Will I Be Able to Attend the City Council Meeting?

Should City Hall remain closed past April 30, 2020, the public will be given the opportunity to participate *remotely* in the City Council Meeting/Public Hearing on May 5, 2020 at 6:00 PM.

Further details regarding public participation for the May 5, 2020 City Council Meeting will be provided at the time of posting for the agenda on April 29, 2020 at www.citymb.info.



PROPOSITION 218 PROCESS CONT'D

What Happens if the City Receives Enough Protests to Overturn the Rate Increase?

The City Council may not approve the rate increase if there is a “majority protest.” A majority protest exists if the City Clerk must receive written protests from 50% + 1 of the property owners/rate payers in Manhattan Beach to prevent the rate increase from taking effect.

1. If 50% + 1 of property owners/rate payers submit protests, *City Council cannot implement the rate increase to property owners/rate payers.*
2. The City will then pay the increase from the General Fund for the term of the contract.
3. City Council can amend its contract with Waste Management, to reduce services to lower the contract rate.
4. City Council can also initiate the Proposition 218 process again.



UNDERSTANDING CUSTOMER TYPES

CART CUSTOMERS

Single-Family

Multi-Family

Commercial



Sizes Available

Trash

20 (residential only), 35, 65 & 95 gallon

Recycling

35, 65 & 95 gallon

Organics

Residential: 35, 65 & 95 gallon
Commercial: 35 & 65 gallon

BIN CUSTOMERS

Multi-Family

Commercial



Sizes Available

Trash & Recycling:

2, 3, 4 & 6 cubic yard bins



Organics:

35 & 65 gallon carts only



PROPOSED REFUSE RATES

How Does Everyone Get Charged?

Single-Family Residents CARTS	Multi-Family Dwellings (2-9 units using CARTS):	Multi-Family Dwellings (any # of units) using BINS:
<p>Rates are based on the size and quantity of gray trash carts the property has on-site. Recycling & Organics carts/collection is provided at no additional charge.</p> 	<p>Duplexes, triplexes and small apartment complexes with up to 9 units that use <u>CARTS</u> fall in this category. Rates are a <u>flat fee</u> charged monthly based on the number of units on the property (2-9). The cart size and quantity <u>does not</u> affect rates for these customers. Recycling & Organics carts/collection is provided at no additional charge.</p> 	<p>Duplexes, triplexes and any apartment complex that uses <u>BINS</u> fall in this category. Rates are based on the size, quantity and service schedule of:</p> <ul style="list-style-type: none">• Green metal cubic yard trash bins (2, 3, 4 and 6 yd³)• (New rate) White metal cubic yard recycling bins (for plastic, metal, paper & glass) 



PROPOSED REFUSE RATES CONT'D

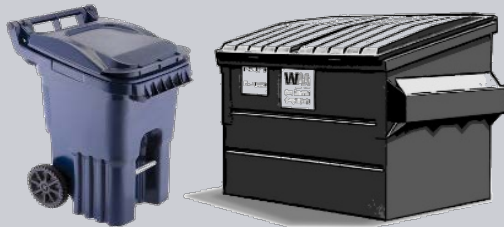
How Does Everyone Get Charged?

Commercial Businesses Using CARTS and/or BINS

Rates are based on the size, quantity and service schedule of:

- **Trash CARTS** or metal cubic yard BINS (2, 3, 4 & 6 cubic yards).
- **(New rate) Recycling CARTS** or metal cubic yard recycling BINS (2, 3, 4 & 6 cubic yards) for plastic, metal, paper & glass.

Organics carts & collection (yard & food waste) = no additional charge.

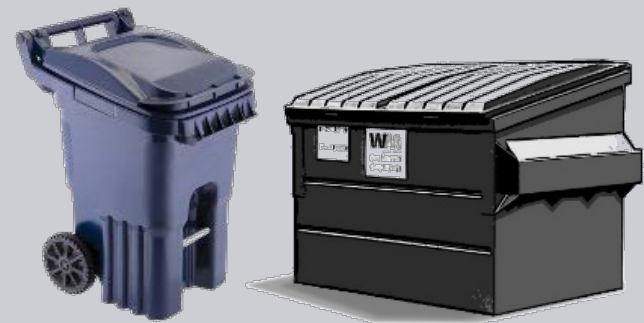


MBUSD and Private Schools (preschool to 12th grade) using CARTS and/or BINS

Rates are based on the size, quantity and service schedule of:

- **Trash CARTS** or metal cubic yard BINS (2, 3, 4 & 6 cubic yards).

Recycling CARTS or metal BINS, and **Organics** carts & collection (yard & food waste) = no additional charge.



WHAT TO DO NEXT...

If You **Want to** Submit a Written Protest:

Follow instructions in Proposition 218 notice or the information summarized on slide 9 of this Power Point.

If You **Do Not Want to** Submit a Written Protest:

No further action needed from you.

If You Have Any Questions:

Contact **Anna Luke-Jones** in the Public Works Department by email at aluke@citymb.info or phone at (310) 802-5363. Learn more about key contract changes at www.citymb.info/newcontract2020.

