

PUBLIC HEARING

NEW COMMERCIAL AND RESIDENTIAL SOLID WASTE HAULING RATES

Stephanie Katsouleas, P.E., Public Works Director
Steve Charelian, Finance Director
Anna Luke-Jones, Senior Management Analyst

MAY 12, 2020



TONIGHT'S ACTION

**CONDUCT PUBLIC HEARING
TO CONSIDER ADOPTING NEW REFUSE
RATES FOR RESIDENTIAL AND
COMMERCIAL SOLID WASTE
COLLECTION SERVICES**

**EFFECTIVE FOR 5 YEARS
FY20/21 THROUGH FY 24/25**



OVERVIEW

- Summary of the Refuse Contract Process
- New Contract Provisions
- The Proposition 218 Process
- Understanding Customer Types
- Refuse Rate Structures
- Next Steps



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 (plus 3 optional one-year extensions)

TIMELINE TO DATE

Dates	Item completed for new contract process
July 18, 2017	Procurement process for new hauling contract begins
September 28 – November 3, 2017	Staff conducted community outreach, including a residential survey
November 7, 2017 – May 15, 2018	Desired solid waste services formalized Request for Proposals (RFP) prepared and released
August 23 and October 1, 2018	Proposals received and oral interviews held
October 2, 2018 – January 15, 2019	Negotiations held and presented to City Council on January 15, 2019.
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.



NEW CONTRACT PROVISIONS

WM will bill all customers for refuse service	Commercial business recycling will now be fee-based. 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.
4 community paper shredding events per year	
6 bulky item collection services per year for Residential and Multi-Family customers	Only plastics #1, 2 and 5 will be accepted in recycling containers community-wide
ALL food, soiled paper & yard waste will be <u>mixed</u> in the green Organics cart. NO BAGS!	Restricting collection until after 9AM on northbound Highland Ave.
20-gallon trash cart; will now be offered at the same rate as the 35-gallon cart.	WM will develop a working group of stakeholders to address Downtown refuse-related needs.



PROPOSITION 218 NOTIFICATION PROCESS

- MARCH 3rd: Notices and proposed rates mailed to property owners and rate payers
- Published eight 5x7 ads in Beach Reporter
- Posted Calendar and News Story w/e-notifications.
- Utilized the City's Facebook & Twitter accounts.
- Created Prop 218 informational power point & posted on City website (April 1 – present) to serve as the public meeting presentation.
- Public Hearing set for May 5th, and continued to May 12th.



PROPOSITION 218 PROTEST COUNT

If more than 6000 protests are received	If less than 6000 protests are received
<ol style="list-style-type: none">1. A majority protest exists, and the City Council may not approve the rate increase2. The City must pay the difference in rates from the General Fund3. City Council can amend its contract with Waste Management to reduce services4. City Council can initiate the Proposition 218 process again at any time.	<ol style="list-style-type: none">1. The City may approve the new rate increase.2. The new rates will take effect July 1, 2020.3. Approval of the rate increase is good for 5 years, at which time another Prop 218 will be required.



NEXT STEPS

- City Clerk announces the final protest count received by the end of the Public Hearing.
- If a majority protest is not reached, Council may adopt Resolution 20-0055 approving the new rates.



QUESTIONS

