

## RESOLUTION 2018-153

### **RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN PABLO ESTABLISHING MAXIMUM SOLID WASTE (TRASH, RECYCLING, AND ORGANICS) COLLECTION RATES EFFECTIVE JANUARY 1, 2019 AND LIMITING ANY FUTURE COLLECTION RATE INCREASES TO NO MORE THAN THE CONSUMER PRICE INDEX CHANGES NOT TO EXCEED FIVE PERCENT (5%) EFFECTIVE JANUARY 1, 2020-2022**

WHEREAS, The City's Collection Franchise Agreement (Agreement) with Richmond Sanitary Service (RSS), as amended in 1994, 1999, 2000, 2002, 2007, 2012, and 2013 gives the company the exclusive right to collect all solid waste in the City until June 30, 2025;

WHEREAS the monthly rate charged to ratepayers has two components: a collection charge which is managed by the City as stipulated in the Agreement, and a post-collection charge (disposal of solid waste and processing of recycling, green waste, and household hazardous waste) which is managed by the West Contra Costa Integrated Waste Management Authority on behalf of the member agencies;

WHEREAS, the Agreement allows either party to initiate periodic requests to adjust rates and RSS submitted the Base Year Rate Change Application (Rate Application) on July 5, 2018 proposing a collection rate increase of 5.78%;

WHEREAS, City staff, in collaboration with the cities of Hercules and Pinole, released a Request for Proposal and selected R3 Consulting Group, Inc. (R3) to perform a high level fiscal review and analysis of the Rate Application;

WHEREAS, the R3 analysis and discussions with RSS resulted in the changes listed below and a new rate increase of 4.36%:

- Limiting bonus pay expenses at the average of the last three years of expenses;
- Disallowing lobbying expenses;
- Correcting 2019 revenue projections at current rates; and
- Correcting franchise fee calculations;

WHEREAS, notice of this public hearing was published in the *West County Times* twice in November 2018; and

WHEREAS, staff evaluation of establishing maximum rate adjustments pursuant to the Agreement with respect to the California Environmental Quality Act (CEQA) has determined that such action is statutorily exempt under Public Resources Code Section 21080(b)(8) and 14 Cal. Code of Regulations section 15273 for changes to rates and charges needed to meet operating expenses as set forth in the staff report, rate application and attached reports, in addition to the categorical exemption under Section 15061(b)(3) of the CEQA guidelines.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Pablo hereby:

- 1) Finds that establishing maximum solid waste collection rate adjustments is statutorily exempt from CEQA under Public Resources Code Section 21080(b)(8) and 14 Cal. Code of Regulations section 15273 for changes to rates and charges needed to meet operating expenses as set forth in the staff report, rate application and attached reports, in addition to the categorical exemption under Section 15061(b)(3) of the CEQA guidelines, on the basis that there is no significant environmental impact as a result of the rate changes.
- 2) Approves maximum solid waste collection rates in 2019 not to exceed:

*Residential Rates*

<b>Container Size</b>	<b>Collection</b>	<b>Post-collection</b>	<b>Proposed 2019 Total Monthly Rate</b>	
20 gallon	\$21.00	\$ 5.40	\$26.40	
35 gallon	\$22.73	\$ 9.47	\$32.20	
65 gallon	\$44.84	\$17.61	\$62.45	
95 gallon	\$67.18	\$26.42	\$93.60	

*Commercial Rates*

<b>Bin Size</b>	<b>Times per Week</b>					
	1	2	3	4	5	6
1 Yard	245.45	432.46	619.17	806.20	993.22	
2 Yard	409.77	752.30	1,094.77	1,437.28	1,779.93	
3 Yard	564.72	1,054.10	1,543.35	2,032.77	2,522.14	3,011.53
4 Yard	714.50	1,346.59	1,978.37	2,610.48	3,242.25	3,874.05
5 Yard	861.68	1,634.43	2,407.03	3,179.81	3,952.38	
6 Yard	1,007.14	1,920.10	2,832.79	3,972.54	4,658.43	
7 Yard	1,152.01	2,204.90	3,257.78	4,310.69	5,363.75	

**\*Includes \$41.95 per yard/per month/per pick-up per week (Post Collection Charge)**

### Industrial Collection Rates

	Collection			
Box Size	Rate	Disposal Rate (per ton) - Post Collection Charge		
MSW, Miscellaneous Trash, C & D				
10 Yard	307.87	plus disposal of \$150.69 per ton		
14 Yard	344.68	plus disposal of \$150.69 per ton		
20 Yard	370.18	plus disposal of \$150.69 per ton		
30 Yard	416.49	plus disposal of \$150.69 per ton		
40 Yard	461.93	plus disposal of \$150.69 per ton		
Green Waste, Wood, Dirt, Concrete, Cardboard, Metal				
Haul rates same as				
MSW, Miscellaneous		plus	disposal of \$150.69 per ton	
Trash and C&D above				

### Industrial Recycling Rates

Recycling	Times Per Week				
Bin Size	1	2	3	4	5
1 Yard	122.73	216.23	309.59	403.10	496.61
2 Yard	204.89	376.15	547.39	718.64	889.97
3 Yard	282.36	527.05	771.68	1,016.39	1,261.07
4 Yard	357.25	673.30	989.19	1,305.24	1,621.13
5 Yard	430.84	817.22	1,203.52	1,589.91	1,976.19
6 Yard	503.57	960.05	1,416.40	1,986.27	2,329.22
7 Yard	576.01	1,102.45	1,628.89	2,155.35	2,681.88

- 3) Limits future collection rate increases to no more than the Consumer Price Index changes not to exceed 5%, effective 2020-2022.
- 4) Directs that the City Clerk file a Notice of Exemption with the County Clerk.
- 5) Declares that the recitations herein are true and correct, and are included herein by reference as findings.

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ADOPTED this 3<sup>rd</sup> day of December, 2018, by the following vote:

AYES:	COUNCILMEMBERS:	Valdez, Cruz, Kinney, Morris and Calloway
NOES:	COUNCILMEMBERS:	None
ABSENT:	COUNCILMEMBERS:	None
ABSTAIN:	COUNCILMEMBERS:	None

ATTEST:

APPROVED:

/s/ Lehny M. Corbin

Lehny M. Corbin, Deputy City Clerk

/s/ Genoveva Garcia Calloway

Genoveva Garcia Calloway, Mayor