

RESOLUTION 2020-60

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA APPROVING SOLID WASTE COLLECTION RATES EFFECTIVE JANUARY 1, 2021 TO JUNE 30, 2021

WHEREAS, on November 1, 2018, a new Franchise Agreement with Recology San Benito County as the collection hauler within the County of San Benito took effect, which includes specific provisions related to an annual index-based rate adjustment process; and

WHEREAS, the annual rate adjustment process required Recology San Benito County to submit its application for a rate adjustment on or before April 1 of each year and it was received on March 30, 2020, and staff reviewed the rate adjustment application, found it to be complete for a maximum allowable rate adjustment of 4.5%; and proposed Solid Waste Rates are attached hereto and incorporated herein by reference in the Public Hearing Notice; and

WHEREAS, while not currently required by law, the City Council is following the noticing procedure set forth in Article XIID §6 of the California Constitution (Proposition 218) and in accordance with Proposition 218, the Board authorized staff to proceed with noticing and protest proceedings for the proposed solid waste collection rate adjustments; and

WHEREAS, on April 28, 2020 the San Juan Bautista City Council adopted a resolution authorizing staff to send a Proposition 218 notice of the proposed maximum allowable solid waste collection rates and the opportunity to submit written protests to affected rate payers and such a notice was mailed to property owners and rate payers within San Juan Bautista on April 29, 2020; and

WHEREAS, the Council held a public hearing on June 16, 2020 to consider the proposed Solid Waste Rates (Exhibit 1) and to receive and consider any protests received; and at the public hearing, the Council heard and received all oral and written testimony and evidence that was made, presented, or filed, and all persons present at the hearing were given ample opportunity to hear and be heard with respect to any matter related to the Solid Waste Rates; and

WHEREAS, at the conclusion of public testimony, the Council closed the public hearing, determined that there was not a majority protest, and deliberated and considered the merits of the proposed Solid Waste Rates; the Council directed staff to discuss with Recology options to delay the rate increase due to COVID-19 related impacts on residents and businesses; and

WHEREAS, the Regional Agency senior staff from the County, Hollister and San Juan Bautista met with Recology senior staff to discuss rate increase deferral options on July 13, 2020, August 19, 2020 and September 9, 2020; and

WHEREAS, the three Regional Agency Members hadn't acted as required per the Franchise Agreement to approve the rate adjustment though they are contractually obligated to compensate Recology for the revenues it would receive, and the 4.5% rate increase for FY20/21 revenue for a six-month deferral totals \$251,914; and

WHEREAS, at the September 9th meeting, the Regional Agency senior staff approved an option for Recology to be compensated the \$251,914 for a six month rate increase deferral by establishing a balancing account which would use future liquidated damages and performance disincentives paid by Recology to the RA Members as a credit towards paying off the \$251,914, and the balancing account mechanism was memorialized in the First Amendment to the Franchise Agreement and the Council approved the First Amendment to the Franchise Agreement via resolution at their October 20, 2020 meeting; and

WHEREAS, due to the deferral of the rate increase from July 1, 2020 to Jan 1, 2021, the new rates which were presented via the Proposition 218 process, presented to the City Council for Public Hearing at the June 16, 2020 City Council meeting and this Public Hearing was carried over to the November 17, 2020 meeting.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of San Juan Bautista hereby finds and resolves that in accordance with Article XIID §6 of the California Constitution:

- a. The revenues derived from the Solid Waste Rates (Exhibit 1) will not exceed the funds required to provide solid waste collection service.
- b. The revenues derived from the Solid Waste Rates (Exhibit 1) will not be used for any purpose other than solid waste collection.
- c. The Solid Waste Rate charged will not exceed the cost of solid waste collection per parcel.
- d. Any surplus monies collected from the solid waste collection fees will be used to offset revenue requirements.
- e. The Solid Waste Rate is only charged for solid waste collection service that is currently available.
- f. The Solid Waste Rate is not charged for general governmental services.

BE IT FURTHER RESOLVED by the City Council that it hereby approves the maximum allowable Solid Waste Rates set forth in the Public Hearing Notice, effective January 1, 2021 to June 30, 2021.

PASSED AND ADOPTED, by the City Council of the City of San Juan Bautista at a regular meeting held this 17th day of November 2020, by the following vote:

**Resolution 2020-60
Solid Waste Collection Rates Increase**

AYES: Edge, Flores, Freeman, Jordan, DeVries
NOES: None
ABSTAIN: None
ABSENT: None



Mary V. Edge, Mayor


ATTEST:



Laura Cent, City Clerk

Resolution 2020-60
Solid Waste Collection Rates Increase

Exhibit 1

	<p>NOTICE OF PUBLIC HEARING</p> <p>Increase for Solid Waste/Recycling/Organics Collection Rates for Rate Year 2020/2021</p>
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**City of San Juan Bautista
City Hall**

June 16, 2020

**Residential rates include fees for weekly
garbage, recyclables, organics collection**

Single family homes are billed bi-monthly

Cart Size	Prior Monthly Rate	Maximum 2020/21 Monthly Rate	Monthly Difference
20-Gallon Cart	\$26.86	\$28.07	\$1.21
32-Gallon Cart	\$32.33	\$33.78	\$1.45
64-Gallon Cart	\$55.28	\$57.76	\$2.48

On June 16, 2020 at 6:00 p.m., the San Juan Bautista City Council will hold a Public Hearing to accept public input and testimony on the maximum allowable charge for solid waste collection to be effective July 1, 2020 thru June 30, 2021. Any interested person may present verbal or written input to the Council. Although the Council will consider all input, State law provides that only written protests of property owners may be counted to determine whether a majority protest to the maximum rates exists. If, at the conclusion of the public hearing, a majority protest of property owners does not exist, the Council will adopt the maximum allowable charges as approved per the franchise agreement.

**Commercial /Multi-Family Collection Rate include
fees weekly garbage and recyclables collection**

Commercial customers are billed monthly

Bin Size	Prior Monthly Rate	Maximum 2020/21 Monthly Rate	Monthly Difference
64-Gallon Cart	\$55.28	\$57.76	\$2.48
96-Gallon Cart	\$83.45	\$87.19	\$3.74
1-2 Yard	\$227.41	\$237.61	\$10.20

The approved franchise agreement includes programs to meet state mandates AB 939, AB 341, AB 1826 and SB 1383 and includes an annual rate adjustment calculation. The rates pay for collection/disposal of garbage; collection/processing of recycling, yard waste, organics, seasonal recycling programs and public education activities to meet state regulatory requirements. The new rates will be effective July 1, 2020. The schedule of maximum rates is included in this notice. Note the listed rates are the maximum rates and the rate may actually be lower.

**Commercial/Multi-Family Organics Collection Rate
including fees, bin and cart sizes collected weekly**

Commercial customers are billed monthly

Bin Size	Prior Monthly Rate	Maximum 2020/21 Monthly Rate	Monthly Difference
64-Gallon Cart	\$33.17	\$34.67	\$1.50
96-Gallon Cart	\$50.06	\$52.31	\$2.25
1-1 Yard	\$106.39	\$111.18	\$4.79

The tables below provide the most common residential and commercial rates; all rates are available and provided at the Integrated Waste Management Division at RMA at 2301 Technology Parkway, Hollister.