

## RESOLUTION 2021-26

### A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA APPROVING THE ISSUANCE OF A NOTICE OF PUBLIC HEARING FOR MAXIMUM ALLOWABLE SOLID WASTE COLLECTION RATES

**WHEREAS**, a new Franchise Agreement with Recology San Benito County was approved by the City Council which commenced on November 1, 2018 and said Agreement included provisions for a contractually obligated annual rate adjustment process; and

**WHEREAS**, The City Council approved the Franchise Agreement with Recology San Benito County which included the rate setting process for the annual rate adjustment is defined in **Article 9: Contractor's Compensation and Rate Setting** in the Franchise Agreement and the rate adjustment calculations are performed in conformance to the procedures described in Attachment E of the Franchise Agreement; and

**WHEREAS**, the Franchise Agreement includes programs and improvements to meet state mandates AB 939, AB 341, AB 1826, and SB 1383 and other mandates, and the solid waste rates pay for the collection and disposal of garbage; collection and processing of recyclables, organics (yard waste and food scraps) curbside bulky item collection, free compost giveaway events, free electronic waste collection, Environmental Day events, recycling staff, free quarterly recycling/bulky collection events and seasonal recycling programs to meet state waste reduction mandates; and

**WHEREAS**, the approved Franchise Agreement includes a contractually obligated annual rate adjustment using a prescribed index-based methodology where the rate adjustment is based on the consumer price index (CPI) and fuel index and includes disposal and processing costs to determine solid waste collection rates. And, that the annual rate adjustment process requires Recology San Benito County to submit its application for a rate on or before April 1, and such an application was received and staff reviewed the rate application and found it to be complete, and that per the Franchise Agreement, the rate adjustment goes into effect on July 1st; and

**WHEREAS**, the proposed maximum solid waste rates are included in the Notice of Public Hearing and that the actual rates charged to ratepayers may be lower; and

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

**WHEREAS**, the Notice of Public Hearing provides the maximum solid waste rates for Fiscal Year (FY) 2021/2022 through FY 2025/2026 which is in conformance with the methodology in **Article 9: Contractor's Compensation and Rate Setting** in the

Franchise Agreement, and that the annual rate adjustment cannot exceed 5% annually, and, that the actual rates charged to rate payers may be lower. And, that the rates stated in this notice will not be increased without further written notice to the City and a further notice of public hearing pursuant to Proposition 218; and

**WHEREAS**, pursuant to the Franchise Agreement, the new rates will become effective July 1 annually, and a courtesy notice will be sent to ratepayers each year on or before June 1.

**NOW, THEREFORE, BE IT RESOLVED**, that the City Council hereby approves the issuance of a Notice of Public Hearing for July 13, 2021 for the maximum allowable solid waste collection rates for FY 2021/2022 through FY 2025/2026.

**PASSED AND ADOPTED**, by the City Council at a regular meeting held this 18th day of May 2021, by the following vote:

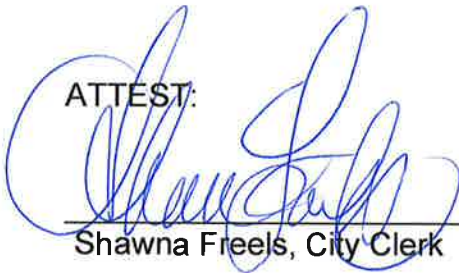
AYES: Jordan, Flores, Freels, Freeman

NOES: None

ABSTAIN: None

ABSENT: Edge

ATTEST:

  
Shawna Freels, City Clerk

  
Leslie Q. Jordan, Mayor