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## NOTICE OF PUBLIC HEARING BY THE CITY COUNCIL OF THE CITY OF SUISUN CITY REGARDING THE CITY'S RESIDENTIAL AND COMMERCIAL SOLID WASTE REFUSE COLLECTION CHARGES AND NEW RATES



Dear Suisun City Business and/or Suisun City Resident/Property Owner,

**NOTICE IS HEREBY GIVEN** that the City Council (City Council) of the City of Suisun City (City) will hold a Public Hearing to consider new rates for the residential and commercial refuse collection services and disposal fees charged to residential and commercial customers for solid waste collection and disposal services within the City. Said Public Hearing will be held at a regular meeting of the Suisun City City Council as follows:

DATE:	April 5, 2022
TIME:	6:30 p.m.
PLACE:	Suisun City Council Chambers 701 Civic Center Blvd. Suisun City, CA 94585

The solid waste disposal services in the City are performed by Republic Services. Residential services are billed quarterly and commercial services are billed monthly.

# **INFORMATION ABOUT THE CHARGES**

A. **Background:** The City Council has previously determined the collection and disposal of refuse in the City is a service to be performed by a private company, under an exclusive Franchise Agreement. The exclusive Franchise Agreement with Republic Services was approved by the City Council on originally on June 25, 1991, with three contact amendments to date. The maximum rates for solid waste collection services for calendar year 2022, to be approved at the Public Hearing on April 5, 2022, include charges for weekly residential service and commercial service based on size of containers and frequency of service, as well as special charges for specific services including bin rental and other related services.

B. **Basis upon which the charges were calculated:** Refuse service rates were negotiated between the City and Republic Services for solid waste collection services as part of the Franchise Agreement and represent the maximum amount that may be charged to you for refuse services under the Franchise Agreement. Your refuse bills compensate Republic Services for the costs of providing refuse services, including all labor, equipment, material, supplies, supervision and all other items necessary to perform the work and provide the services described in the Franchise Agreement.

The Public Hearing will include consideration of adopting a resolution that will authorize maximum rate increases for solid waste collection services for a five-year (5-year) period commencing April 5, 2022 through December 31, 2026. The proposed increase in rates reflects additional services provided by Republic Services under the Franchise Agreement, and including without limitation, regular inflationary cost increases, increased costs of providing State-required organics diversion programs and compliance with other recent changes in State law, and major

changes in the costs of providing recycling services as a result of certain adverse developments in the recycling markets.

The proposed 2022 rates included in Exhibit "A" hereto are the actual rates that will be charged to customers foregoing a majority protest (50% plus one protest from businesses and residents/property owners in the City). For the years 2023-2026, beginning January 1, 2023, refuse service rates are proposed to be adjusted on a yearly basis based on the actual increase in the Consumer Price Index (CPI) for All Urban Consumers: Water and Sewer and Trash Collection Services in U.S. City Average (CUSR0000SEHG) (CPI-WST).

The rate adjustment methodology provides for an adjustment to the rate adjustment index for each respective cost component for the twelve-month (12-month) period ending December prior to the rate year anniversary date for changes in the Consumer Price Index (CPI), in addition to fees of the franchisee.

**Reason for the charges**. The maximum rates for solid waste collection services are for the operation and administration of the refuse disposal and recycling programs implemented by the franchisee in accordance with the Franchise Agreement and State law, as well as to cover certain governmental fees, and franchise fees. The primary factors for the proposed new rate structure pertain to regular inflationary cost increases, increased costs of providing State-required organics diversion programs, primarily Senate Bill (SB) 1383, and other recently enacted State mandates, and changes in overseas recycling markets. In July 2017, for example, China announced a policy called National Sword, which limits the import of contaminated recyclable commodities and increases inspections of recyclable commodity imports. This policy change has had significant adverse cost impacts on solid waste service providers nationwide.

- State Assembly Bill (AB) 341 requires businesses and multi-family complexes to recycle if they generate four or more cubic yards of commercial solid waste per week. It requires apartment complexes to recycle if they have five or more dwelling units.
- State Assembly Bill (AB) 1826 requires businesses to arrange for organic recycling services if they generate two or more cubic yards of commercial solid waste per week. It requires apartment complexes to arrange for organic recycling service if they have five or more dwelling units.
- State Assembly Bill (AB) 1594 requires Jurisdictions to send their green waste to a compost facility in order to count green waste material as a diversion towards the City's 50% diversion goal.
- State Senate Bill (SB) 1383 mandates that California reduce organic waste by 75%, and increase edible food recovery by 20% by January 2025. As a result, green waste and food waste will no longer be able to be disposed of in the landfill. SB 1383 requires jurisdictions to allow food waste to be collected in residential green waste carts, which is then subjected to mandatory processing that significantly increases the cost of handling that material. SB 1383 also requires waste haulers to undertake new measures to reduce contamination, educate waste generators, procure recycled products with organics content, track and report on recycling participation, and assist local jurisdictions with enforcement of the State's new recycling requirements.

**Charge per account**. The proposed rates in Exhibit "A" include the rate and base rates that residential, multi-family, and commercial customers will pay assuming there is no majority protest. Moving forward, on January 1<sup>st</sup> of each year the CPI-WST will be applied to all rates. During the fifth year, 2026, both a rate review and another Prop 218 process may be conducted, as necessary.

#### C. <u>ABILITY TO PROTEST</u>

Owners of real property subject to the rate increases (and lessees/commercial or single family/multifamily customers of such property who actually pay the rates) in the City of Suisun City, who wish to protest the increase or the new rates can send in a written protest to the City Clerk at the address below and/or attend the public hearing on the increase to register their written protest at the hearing. Only one written protest per residential or commercial parcel in the city's service area (i.e. address/assessor parcel number) will be counted. Written protests must be actually received by the City Clerk, whether by mail or in-person delivery, prior to or during the Public Hearing on April 5, 2022. Any written protests received following the close of the Public Hearing will not be counted.

All written protests must, at a minimum, include the following information to be counted: (a) address or assessor parcel numbers of property subject to the new rates, (b) name and signature of the protester and whether the protester is a property owner or service account holder and (c) a clear statement protesting the rates pursuant to this notice. Written protests by electronic mail (email) or fax will not be accepted.

This protest hearing is being conducted in accordance with Article XIIID of the California Constitution. The City Council will not implement the new rates and fees should a majority written protest against the proposed rates and fees be received on all identified residential or commercial parcels in the City's service area.

Persons wishing to protest must submit (in-person or by mail) such protests to the City Clerk at 701 Civic Center Blvd., Suisun City, California 94585 before the public hearing or appear at the public hearing and submit their written protests at the hearing.

Any additional information on the proposed fee structure may be obtained from the City's Public Works Department at (707) 421-7340 or 701 Civic Center Blvd., Suisun City, California. Additional information and a copy of this Notice is also available on the City of Suisun City's website at <u>www.suisun.com</u> (search for Prop 218).

If you challenge this proposal in court, you may be limited to raising only those issues you, or someone else raised at the Public Hearing described in this Public Hearing Notice, or in written correspondence delivered to the City Clerk at, or prior to the Public Hearing.

DATED: This 9<sup>th</sup> day of February, 2022

Nouae Vue, P.E., Public Works Director

#### EXHIBIT "A" SOLID WASTE RESIDENTIAL AND COMMERCIAL RATES<sup>(1)</sup>

#### CITY OF SUISUN CITY RESIDENTIAL GARBAGE RATE & RECYCLING RATE CALCULATIONS

	Current Rates		Proposed Rates	
Garbage Single-Family Rate/Month	\$	31.21	\$	37.41
Recycling Single-Family Rate/Month	\$	5.10	\$	6.05
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TOTAL MONTHLY BILLING	\$36.31	\$43.46
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(1) Not all fees included in the rate structure shown above constitute "property-related fees" subject to the majority protest process under Proposition 218. The City has nonetheless provided the full proposed rate schedule in furtherance of public transparency.

## EXHIBIT "A" SOLID WASTE RESIDENTIAL AND COMMERCIAL RATES<sup>(1)</sup>

# CITY OF SUISUN CITY COMMERCIAL CART GARBAGE RATE CALCULATIONS

	P/U Per Week	Current Rates	Proposed Rates
	1	\$ 24.49	29.41
	2	\$ 44.72	53.70
Trailer Park and Apts	3	\$ 67.09	80.56
(curbside 32 gal can)	4	\$ 89.47	107.44
	5	\$ 111.82	134.27
	1	\$ 63.04	75.70
	2	\$ 126.07	151.38
96 gal cart	3	\$ 189.11	227.08
	4	\$ 252.15	302.78
	5	\$ 315.20	378.49
	1	\$ 67.97	81.62
	2	\$ 135.95	163.25
65 gal cart (Food waste)	3	\$ 203.93	244.88
	4	\$ 271.91	326.51
	5	\$ 339.86	408.10
Extra		\$ 39.90	47.91

(1) Not all rates identified above constitute "property-related fees" subject to the majority protest process under Proposition 218. The City has nonetheless provided a full schedule of all fees in furtherance of public transparency.

# EXHIBIT "A" SOLID WASTE RESIDENTIAL AND COMMERCIAL RATES<sup>(1)</sup>

# CITY OF SUISUN CITY

OMMERCIAL & INDUSTRIAL GARBAGE RATE CALCULATION

	P/U Per Week	Current Rates		Proposed Rates	
	1	\$	242.77	\$	291.52
	2	\$	449.28	\$	539.50
	3	\$	653.30	\$	784.48
2 CY Bin	4	\$	858.75	\$	1,031.19
	5	\$	1,045.88	\$	1,255.89
	1	\$	340.81	\$	409.24
	2	\$	628.37	\$	754.55
	3	\$	896.64	\$	1,076.69
3 CY Bin	4	\$	1,174.71	\$	1,410.59
	5	\$	1,412.55	\$	1,696.19
	1	\$	438.59	\$	526.66
	2 3	\$	846.85	\$	1,016.90
		\$	1,150.75	\$	1,381.82
4 CY Bin	4	\$	1,533.52	\$	1,841.45
	5	\$	1,883.19	\$	2,261.33
	1	\$	520.93	\$	625.53
	2	\$	990.70	\$	1,189.63
	3	\$	1,410.56	\$	1,693.80
5 CY Bin	4	\$	1,850.77	\$	2,222.40
	5	\$	2,248.65	\$	2,700.18
	1	\$	583.14	\$	700.23
	2	\$	1,127.59	\$	1,354.01
	3	\$	1,648.58	\$	1,979.61
6 CY Bin	4	\$	2,112.51	\$	2,536.70
	5	\$	2,575.20	\$	3,092.30
	1	\$	717.15	\$	861.15
	2 3	\$	1,360.58	\$	1,633.78
	3	\$	1,999.12	\$	2,400.54
7 CY Bin	4	\$	2,651.38	\$	3,183.78
	5	\$	3,295.11	\$	3,956.77

		Current Rates	Proposed Rates
20 yd box	MSW	\$485.12	\$ 582.53
25 yd box	MSW	\$514.52	\$ 617.83
30 yd box	MSW	\$543.92	\$ 653.14
40 yd box	MSW	\$573.37	\$ 688.51
20 yd box	Metal & Wood	\$411.60	\$ 494.25
25 yd box	Metal & Wood	\$437.76	\$ 525.66
30 yd box	Metal & Wood	\$462.23	\$ 555.04
40 yd box	Metal & Wood	\$489.99	\$ 588.38
20 yd box	YW (Organics)	-	\$ 544.81
25 yd box	YW (Organics)	-	\$ 576.22
30 yd box	YW (Organics)	-	\$ 605.60
40 yd box	YW (Organics)	-	\$ 638.94
	Less than 30 Yd Compactor	\$588.03	\$ 706.10

	Less than 30 Yd Compactor	\$588.03	\$ 706.10
Compactor	30 yd - 39 Yd Compactor	\$735.08	\$ 882.68
	> 40 Yd Compactor	\$882.03	\$ 1,059.15

(1) Not all rates identified above constitute "property-related fees" subject to the majority protest process under Proposition 218. The City has nonetheless provided a full schedule of all fees in furtherance of public transparency.