

RESOLUTION NO. 16-097

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY
OF CARSON, CALIFORNIA TO CONSIDER AND
APPROVE A RESIDENTIAL WASTE MANAGEMENT
SERVICES RATE ADJUSTMENT FOLLOWING NOTICED
MAJORITY PROTEST HEARING**

WHEREAS, effective July 15, 2003, the City of Carson (City) entered into a Franchise Agreement for Integrated Residential Waste Management Services (Agreement) between the City and USA Waste of California, Inc. dba Waste Management of Los Angeles (WM); and

WHEREAS, under the Agreement, WM is the exclusive franchised residential refuse hauler for the City and collects, transports, processes, and disposes of solid waste and recyclables which are generated or accumulated within the City by residents; and

WHEREAS, WM's right to adjust the solid waste collection service rate is contingent upon WM providing written notice containing a revised schedule of rates to the City Manager pursuant to the Agreement and California Constitution Article XIID (Proposition 218); and

WHEREAS, solid waste collection service rates are calculated in accordance with the rate formula established in the Agreement. The rate formula has two components: Refuse Disposal Fee and the Consumer Price Index (CPI) Adjustment; and

WHEREAS, On May 6, 2016, WM provided written notice to the City Manager containing a schedule of rates and a proposed residential rate increase, which was reviewed and confirmed by the City to be in accordance with the rate formula established in the Agreement; and

WHEREAS, under the proposed rate increase, commencing July 1, 2016, residential charges would increase, per the Agreement, due to increased refuse

disposal tipping fees at various solid waste disposal facilities and also by a CPI adjustment of 6.29%; and

WHEREAS, Carson Municipal Code (CMC) Section 5229 of Article V, Chapter 2 - Collection of Charges, states the procedures for collection of charges for solid waste collection services; and

WHEREAS, on June 8, 2016, staff mailed a "Notice of Public Hearing" to all residential property owners served by WM, as required by Proposition 218 (Cal. Const. Art. XIII D, § 6); and

WHEREAS, the Notice of Public Hearing instructed residential property owners on how to file a protest on the proposed water rates, in accordance with Proposition 218; and

WHEREAS, the City Council of the City of Carson held a fair and noticed public protest hearing as described in the Notice of Public Hearing on August 2, 2016, to consider the proposed residential solid waste collection services rate structure to be applied to residential rate increases, pursuant to the requirements under Proposition 218; and

WHEREAS, at said public hearing, all interested persons were afforded the opportunity to protest the rate increases, and a majority protest was not received by the City Council.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CARSON, CALIFORNIA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The foregoing Recitals are hereby found to be true and correct and incorporated herein by this reference.

Section 2. The Council hereby ratifies the Proposition 218 process and adopts the refuse rates proposed by WM as set forth in the Notice of Public Hearing (Exhibit "A" hereto) mailed to all residential property owners, and pursuant to Proposition 218 finds as follows:

- a) *Fee for Service Provided Only:* Revenues derived from the fee may not be used for any purpose other than that for which the fee was imposed. The fees collected are used to pay WM for the refuse collection and disposal services it provides to the City's residential customers. In fact, the City Council negotiated the proposed rates down dramatically from those originally proposed by WM in order to better tailor the rates to reflect only inflationary and service cost increases.
- b) *Fee not to Exceed Cost of Service:* Revenues derived from the fee may not exceed the funds required to provide refuse service. The City's cost for refuse service is established by the Agreement, which it competitively procured and negotiated with WM as the lowest-cost contractor for residential refuse collection and disposal services. In fact, the City Council negotiated the proposed rates down dramatically from those originally proposed by WM in order to better tailor the rates to reflect only inflationary and service cost increases.
- c) *Fee not to Exceed Proportional Cost:* The amount of the fee may not exceed the proportional cost of the refuse service attributable to the parcel. WM proposes that the current refuse rates are reasonably proportional and cost-based, and meet the general requirements of fairness and equity under Proposition 218.

Section 3. The Council has fully considered this matter and has:

- i. Reviewed the submittal, notice and the information submitted herewith regarding the proposed increase, the parcels to which the proposed fee increase would apply, and the reasons and basis for the increase and the fees;
- ii. Provided notice of the proposed fee increase to the record owners (or renters responsible for payment of the fee) of all parcels to which the proposed fee increase would apply in accordance with Article XIID of the California Constitution;
- iii. Heard and received all written protests from any owners (or renters) of real property subject to the fee;
- iv. Taken and received oral and documentary evidence pertaining to the proposed fee increase; and
- v. Been fully informed of this matter.

Section 4. The Council finds that insufficient written protests were presented to prevent the proposed residential refuse rates from being imposed.

Section 5. The Council finds that based on these facts and the circumstances and information received during the public hearing, the increases in residential refuse



rates as described in the Notice of Public Hearing (Exhibit "A" hereto) are necessary and are hereby adopted. Said refuse rates shall retroactively take effect on July 1, 2016.

Section 6. This Resolution shall become effective thirty (30) days from the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED at a regular meeting of the City Council this 2nd day of August, 2016.

MAYOR ALBERT ROBLES

ATTEST:

CITY CLERK DONESIA GAUSE

APPROVED AS TO FORM:

City Attorney

**NOTICE OF PUBLIC HEARING
BY THE CITY COUNCIL OF THE CITY OF CARSON
REGARDING THE CITY'S RESIDENTIAL REFUSE COLLECTION CHARGES
AND INCREASES TO SUCH CITY REFUSE CHARGES**

NOTICE IS HEREBY GIVEN that the City Council, ("Council") of the City of Carson, ("City") will hold a public hearing to consider a request by Waste Management to implement a rate increase of approximately 6.29% for its residential refuse collection services within the City. Said public hearing will be held at a regular meeting of the City Council as follows:

DATE: Tuesday, August 2, 2016
TIME: 6:00 p.m.
PLACE: Council Chambers, City Hall
701 East Carson Street
Carson, California 90745

The residential solid waste disposal services in the City are performed by Waste Management and the charges are billed with your property taxes on the Los Angeles County Tax Roll to residential property owners within the City ("Tax Bill") as the "City Refuse Fee".

Unless the City Council receives protests as described below from a majority of residential property owners, the maximum amounts of City Refuse Fees chargeable on your Tax Bill will increase commencing July 1, 2016, as follows:

Type of Service	<u>Current Monthly Rate</u>	<u>Proposed Monthly Rate</u>	<u>Current Yearly Rate</u>	<u>Proposed Yearly Rate</u>	<u>Approximate Percentage Increase in Rate</u>
Regular Residential (includes single-family, multi-family, apartment, condominium, rental housing, mobile homes and trailer parks)	\$19.96	\$21.22	\$239.52	\$254.64	6.29%
Senior Residential (62 years and subject to certain qualifications)	\$9.98	\$10.61	\$119.76	\$127.32	6.29%

If implemented by the Council following the August 2, 2016 hearing, these increases will go into effect retroactively on July 1, 2016. The proposed rates are based upon the increase in the U.S. Department of Labor, Bureau of Labor and Statistics, Consumer Price Index, All Urban Consumers, Los Angeles-Anaheim-Riverside, reflecting among other things, escalating costs of labor, electricity, supplies, equipment and gasoline. In addition, the proposed increases are based upon the rise in collection and disposal fees due to operational cost increases and regulatory requirements.

Pursuant to the State of California Constitution Article XIID, record owners of real property subject to the City Refuse Fees who wish to protest the proposed rate increases can mail or deliver a written protest to the City Clerk at the address below, or attend the public hearing on the increase to submit their written protest at the hearing. Only one written protest per residential parcel in the City's service area will be counted. Protests to the proposed

residential City Refuse Fee increase must be submitted in writing. Written protests must be received by 4 pm on August 2, 2016, in the City Clerk's Office or prior to the close of the public hearing on August 2, 2016, in the City Council Chambers. 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 identify the affected property by Assessor's Parcel Number (APN); b) identify the name of the person/ratepayer signing the protest and their interest in the subject property (e.g., owner or renter), c) present an original signature of the protester, and d) a clear statement protesting the proposed City Refuse Fees pursuant to this notice. Written protests by electronic mail (e-mail) will not be accepted. If written protests against the proposed residential City Refuse Fee increase are presented by a majority of the affected property owners of the affected parcels, the City will not approve the proposed rate schedule and such City Refuse Fees will remain at their current levels.

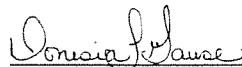
**Persons wishing to protest must submit such protests to the City Clerk at:
701 East Carson Street, Carson, California 90745**

by 4 pm on the day of the public hearing or appear at the public hearing and submit their written protests at the hearing.

**Any additional information on the increase may be obtained from the City's Public Works Department at:
2390 E. Dominguez Street, Carson, CA 90810, Phone (310) 847-3520**

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 the Public Hearing Notice, or in written correspondence delivered to the City Clerk at, or prior to, the Public Hearing.

DATED: **This 8th of June, 2016**


Donesia Gause, City Clerk

