

RESOLUTION NO. 16-098

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

WHEREAS, effective July 15, 2003, the City of Carson (City) entered into the Franchise Agreement for Integrated Commercial 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 a non-exclusive franchise commercial refuse hauler for the City and collects, transports, processes, and disposes of all solid waste and recyclables which are generated or accumulated within the City by commercial properties; 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, commercial 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 commercial rates and the proposed rate increase 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, commercial 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 commercial property owners served by WM, as required by Proposition 218 (Cal. Const. Art. XIII D, § 6); and

WHEREAS, the Notice of Public Hearing instructed commercial 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 commercial solid waste collection services rate structure to be applied to commercial 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 commercial 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 commercial 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 commercial 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 commercial 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 commercial 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 COMMERCIAL 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 commercial 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

Currently, the City has franchise agreements with two (2) solid waste haulers. These haulers are responsible for the collection of commercial solid waste disposal services, and the charges are billed directly each month to the commercial property owners. The proposed maximum rates for commercial refuse services and certain new rates for Waste Management services may be increased by 6.29% unless the City Council receives protests as described below from a majority of commercial property owners.

**Proposed Commercial/Industrial Rates
Effective 7/1/16**

Standard Bin Rates

Bin Size	Collections per Week						
	1x	2x	3x	4x	5x	6x	7x
2 cubic yards	\$158.53	\$283.91	\$402.07	\$525.66	\$631.33	\$786.65	\$951.21
3 cubic yards	\$172.91	\$344.27	\$491.66	\$645.95	\$781.32	\$971.48	\$1,174.82
4 cubic yards	\$239.94	\$402.06	\$578.53	\$763.41	\$926.06	\$1,153.72	\$1,396.39
6 cubic yards	\$300.71	\$517.62	\$752.28	\$998.33	\$1,215.49	\$1,518.23	\$1,839.50
Optional Services:							
Locking Lids	\$15.30	\$24.30	\$33.97	\$44.11	\$52.93	\$65.44	\$79.48
Scout Service	\$50.97	\$94.44	\$141.57	\$191.11	\$235.17	\$295.98	\$366.10
Push-Out Service	\$38.23	\$67.45	\$99.10	\$132.32	\$161.68	\$202.55	\$249.34

Compactor Bin Rates to be @ 150% of the standard bin rates

Roll-off Rate \$310.67 per pull and \$81.43 per ton disposal

Roll-off compactor rate \$324.75 per pull and \$81.43 per ton disposal

If implemented by the Council following the August 2, 2016 hearing, these proposed rates for commercial refuse services 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 proposed new fee schedule who wish to protest the proposed rate increases or the new fees can send in a written protest to the City Clerk at the address below, or attend the public hearing on the proposed fees to submit their written protest at the hearing. Only one written protest per commercial parcel in the City's service area will be counted. Protests to the proposed commercial refuse service charge schedule 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 leasee), c) present an original signature of the protester, and d) a clear statement protesting the proposed commercial refuse service fees pursuant to this notice. Written protests by electronic mail (e-mail) will not be accepted. If written protests against the proposed commercial refuse rates are presented by a majority of the affected property owners of the affected parcels, the City will not approve the proposed rate schedule and commercial refuse rates will remain at their current levels.

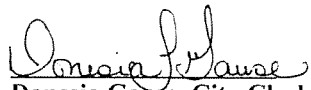
**Persons wishing to protest must submit such protests to the City Clerk at:
701 East Carson Street, Carson, California 90745**

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

