

**RESOLUTION NO. 17-085**

**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 March 29, 2017, 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, 2017, commercial charges would increase, per the Agreement, due to a CPI adjustment of 1.89%; 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 May 4, 2017, 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 June 20, 2017, 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 take effect on July 1, 2017.

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 20<sup>th</sup> day of June, 2017.

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MAYOR ALBERT ROBLES

ATTEST:

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CITY CLERK DONESIA GAUSE

APPROVED AS TO FORM:

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City Attorney