

NOTICE OF PUBLIC HEARING

Solid Waste Collection Rates

June 16, 2020 at 6:30 PM

**CITY OF SAN JACINTO
625 S. PICO AVENUE
SAN JACINTO, CALIFORNIA 92583**

IN ACCORDANCE WITH SECTION 6(A) OF ARTICLE XIID OF THE CALIFORNIA CONSTITUTION (PROPOSITION 218) AND GOVERNMENT CODE SECTION 53756, NOTICE IS HEREBY GIVEN that a public hearing will be held before the CITY OF SAN JACINTO on **June 16, 2020** at the Community Center, 625 S. Pico Avenue, San Jacinto, California. Members of the public may also attend the public hearing virtually, and information and instructions on attending the hearing virtually will be provided with the agenda for such meeting. Due to COVID-19, the City reserves the right to hold the public hearing solely using electronic means without a physical meeting space, under the authority of Governor Gavin Newsom's Executive Order No. N-29-20, as amended from time to time.

At the public hearing, the Council will consider the adoption of a resolution to approve the adjustment of rates for solid waste collection and handling services ("Solid Waste Charges") for a five-year period commencing July 1, 2020, through and including July 1, 2025 pursuant to Section 8.d. of that certain Agreement for the Collection and Handling of Solid Waste dated March 17, 2005 between CR&R Incorporated and the City of San Jacinto, as amended from time to time. The agreement, as amended, is collectively referred to as the "Franchise Agreement."

The City has entered into the Franchise Agreement with CR&R Incorporated for the collection and handling of solid waste and other specified services within the City. The amounts proposed to be imposed on property owners or customers of record within the City are derived from the Franchise Agreement. The amount CR&R charges pursuant to the agreement has been determined to be the amount necessary to provide their services. The Franchise Agreement authorizes adjustments based on cost increases associated with collection and handling of solid waste. The City and CRR are entering into a proposed Fourth Amendment to the Franchise Agreement. The proposed Fourth Amendment includes a change in the methodology for calculating inflation to better reflect current local market conditions, as well as to account for certain service enhancements. Service enhancements include on-call single unit residential bulky household waste collection service. You are receiving this notice due to the proposed changes in the Franchise Agreement between CR&R Incorporated and the City of San Jacinto, and to address cost increases for providing solid waste services.

Proposed Rate Increases effective July 1, 2020

Solid Waste Charges are determined based on the type of customer, and type of service provided to the customer. Additionally, rates are determined based on the frequency of service, and the type and size of container serving the property. The current and proposed schedules of Solid Waste Charges calculated in accordance with Franchise Agreement as amended by the Fourth Amendment to the Franchise Agreement for the period of July 1, 2020 to June 30, 2021 are included in the schedule attached to this notice.

Each year beginning July 1 2021, through and including July 1, 2025, the Solid Waste Charges will be increased to account for inflation and for changes in rates imposed on CRR or the City by the County of Riverside. The formulae for such adjustments are set forth below.

Franchise Agreement Inflationary Indices Rate Adjustments

If adopted, the Solid Waste Charges will be adjusted annually for inflation and to pass through costs in wholesale service, commencing July 1, 2021, and any time thereafter through and including July 1, 2025, as follows:

1. Service Component Formula:
 - a. Residential: $(\text{Solid Waste Charge} \times 85.5\%) \times 100\%$ of the percentage increase or decrease in the Bureau of Labor Statistics Consumer Price Index for all Urban Consumers within the Riverside-San Bernardino-Ontario, CA. areas during the prior calendar year (Series ID CUURS49CSA0) ("CPI")
 - b. Commercial: $(\text{Solid Waste Charge} \times 79\%) \times \text{CPI}$
2. Landfill Tipping Fee Formula:
 - a. Residential: $(\text{Solid Waste Charge} \times 14.5\%) \times 100\%$ of the percentage increase or decrease in the rates adopted by the County of Riverside ("County Rate Increase")
 - b. Commercial: $(\text{Solid Waste Charge} \times 21\%) \times \text{County Rate Increase}$
3. Commercial Organic Rates CPI Formula:
 - a. Service: $(\text{Service Component Rate} \times \text{CPI})$
 - b. Digester: $(\text{Digester Component Rate} \times \text{County Rate Increase})$

All other rates in the approved rate schedule of Solid Waste Charges including, but not limited to, various fees and roll-off haul rates, shall also be adjusted by 100% of the change in the CPI. The comparison shall be made for each calendar year (Annual Change) during the term thereof and shall be effective each July 1st. The pass-through adjustments are referred to collectively as the "Pass-Through Adjustments."

The Pass-Through Adjustments shall be assumed for the five-year period identified above so that annual increases effective July 1, 2021 through July 1, 2025 shall be automatic upon the 30-day notice required under Government Code Section 53756(d). The Solid Waste Charges shall not increase by more than 15% in any fiscal year as a result of the Pass-Through Adjustments.

Proposition 218

Owners and tenants, as defined under Proposition 218, may respond to the proposed Solid Waste Charges **in writing** prior to or during the public hearing. Consistent with the provisions of Proposition 218 and Government Code Section 53755, this notice has been mailed to the record owners of the property at the addresses as they appear on the latest equalized assessment roll. If you object to the proposed fees as described in this Notice you may file a written protest with the City at or before the time set for the public hearing. If the public hearing is being held virtually as a result of COVID-19, allowance for electronic submission of protests will be made. For more information, please contact the City Clerk. Otherwise, protests submitted electronically (for example, by electronic mail or by fax), will not be counted. Protests can be mailed or personally delivered to:

CITY OF SAN JACINTO
595 S. San Jacinto Avenue
San Jacinto, California 92583

A valid protest **must** include:

1. The name of the person submitting the protest and their interest in the property (e.g. owner or tenant), and
2. Identification of the property by either assessor's parcel number or street address, and
3. A statement of protest ("I/we protest" will suffice), and

4. The original signature of the protesting owner or tenant (photocopies will not be accepted, unless permission to submit a written protest electronically has been granted by the City).

Please note that pursuant to Government Code section 53755 (b) only one written protest will be counted per parcel. If multiple protests are submitted on behalf of a single parcel, only one protest will be counted.

The City Clerk will determine the validity of all protests submitted and exclude any invalid protests from the final tabulation. The City Clerk may confer with the City Attorney in determining the validity of written protests. As part of this process, the City Attorney may view contested or suspect protest forms. The City Clerk's decision shall be final and binding.

FOR MORE INFORMATION

If you have questions regarding this Notice, the Public Hearing, or the Fees/Charges, please contact the City of San Jacinto at (951) 487-7330.