

RESOLUTION NO. 2017-26

A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF HUNTINGTON BEACH ADJUSTING AND RATIFYING
RESIDENTIAL REFUSE RATES BY THE FORMULA ESTABLISHED
IN THE REVISED AND RESTATED REFUSE COLLECTION
AND DISPOSAL SERVICES FRANCHISE AGREEMENT

WHEREAS, on July 17, 2006 the City Council adopted Ordinance No. 3744, granting a franchise to collect refuse to Rainbow Disposal and to Rainbow Transfer and Recycling; and

The state of the law remains unclear as to the applicability of California Constitution Article XIII (Proposition 218) to residential refuse rates. In order to avoid any future legal challenges, the City is following the procedural and substantive mandates of Proposition 218; and

The Revised and Restated Refuse Collection and Disposal Services Franchise Agreement includes a weighted fee formula comprised of three components as follows:

- (1) March to March Consumer Price Index for All Urban Consumers (“CPIU”) in Los Angeles, Orange and Riverside counties established by the U. S. Bureau of Labor Statistics, weighted 76%;
- (2) The landfill disposal fee – weighted 16%; and
- (3) The hauler’s cost of Compressed Natural Gas (CNG) fuel, weighted 8%; and

The City desires to adjust the maximum residential curbside refuse collection rate annually commensurate with the adjustments established by Rainbow Disposal Co. in accordance with the formula stated above; and

The residential curbside collection rate includes a maximum \$1.85 per dwelling unit per month for the City’s account services expenses attributed to the residential curbside refuse collection services provided, to be implemented as follows: July 1, 2017 = \$1.45; July 1, 2018 = \$1.65; and July 1, 2019 = \$1.85; and

The Huntington Beach Municipal Code Section 8.21.030, provides that the City Council establishes maximum rates for curbside residential collection service by resolution,

NOW, THEREFORE, the City Council of the City of Huntington Beach does hereby resolve as follows:

1. The foregoing recitals are all true and correct.
2. After a duly noticed City Council public hearing on June 5, 2017 to receive testimony and protest regarding the proposed residential curbside refuse collection rate, the City Council finds that no such majority protest was received and that the rates shall be adjusted as follows:

The monthly rate for curbside residential refuse collection for basic level of services shall be

\$15.21 Refuse Collection
\$3.00 Recycling
\$0.15 Public Education
\$1.45 Account Services
\$19.81 Total

for each single-family residence and each dwelling unit within a duplex, a triplex, or a four-plex receiving non-commercial refuse collection services. This equates to a daily rate of \$0.6513. This increase shall take effect on all billings dated after July 1, 2017, prorated for service from and after July 1, 2017.

3. Effective November 1, 2017, the monthly rate for curbside residential refuse collection for basic level of services shall be

\$15.97 Refuse Collection
\$3.00 Recycling
\$0.15 Public Education
\$1.45 Account Services
\$20.57 Total

for each single-family residence and each dwelling unit within a duplex, triplex, or four-plex receiving non-commercial refuse collection services. This equates to a daily rate of \$0.6763. This increase shall take effect on all billings dated after November 1, 2017, pro-rated for service from and after November 1, 2017.

4. That the Refuse Collection charges for residential curbside collection will be adjusted annually in accordance with the formula set forth in the Revised and Restated Refuse Collection and Disposal Services Franchise Agreement as follows:

- (1) March to March Consumer Price Index for All Urban Consumers in Los Angeles, Orange and Riverside counties established by the U. S. Bureau of Labor Statistics (“CPIU”), weighted 76%;
- (2) the landfill disposal fee – weighted 16%; and
- (3) the hauler’s cost of Compressed Natural Gas (CNG) fuel, weighted 8%.

5. The Account Services charges will be adjusted annually commencing July 1, 2020 per arch CPIU.
6. The Recycling charges may be adjusted annually provided that charges for each subsequent year shall not exceed the percentage of increase or decrease in the CPIU, subject to all other terms of Solid Waste Franchise Agreement.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the _____ day of _____, 2017.

Mayor

REVIEWED AND APPROVED:

INITIATED AND APPROVED:

City Manager



Director of Public Works

APPROVED AS TO FORM:



City Attorney

pc
5/26/2017
NR