



CITY OF HUNTINGTON BEACH

Public Works Department

Sean Crumby, PE
Director of Public Works

Dear Huntington Beach Customer:

On January 1, 2020, a change in state law took effect altering requirements for the way that the yard clippings collected in the residential green containers can be recycled. Prior to January 1, 2020, residential green waste was allowed to be used as Alternative Daily Cover (ADC) within landfills and given credit toward state mandated recycling requirements. ADC is the practice of utilizing green waste as cover for landfills at no charge. This free reuse helped the City comply with the State's recycling mandates at no cost which was built into the refuse rates for Huntington Beach residents.

AB 1594 changed the law and discourages the use of green material as landfill cover, classifying the practice as disposal and not reuse (effective January 1, 2020). Due to the ongoing economic effects from the COVID-19 pandemic, the City has absorbed this cost as long as possible and delayed increasing rates. The City has investigated various alternatives and worked hard to keep the cost of addressing green waste as low as possible. This cost results in a proposed rate increase of \$0.98 per household per month for refuse collection.

The enclosed notice is the complete description of the proposed fee increase and announces the process for public input and review. Please send all comments to the City Clerk. A public hearing will be held and the rate adjustment presented to the City Council on January 19, 2021.

If you have questions about this proposed increase or the enclosed notice, please contact the City's Trash and Recycling office at 714-375-5010-option 8, or e-mail trashinfo@surfcity-hb.org.

Sincerely,

Sean Crumby, PE
Director of Public Works
City of Huntington Beach
2000 Main Street
Huntington Beach, CA 92648



CITY OF HUNTINGTON BEACH

PLEASE TAKE NOTICE THAT the Huntington Beach City Council will conduct a public hearing to consider approving the City's Residential Trash Collection Rate methodology, and establishing the future Rates, effective February 1, 2021, and rate increases through July 1, 2025. The public hearing will be conducted at the following place, date and time:

Tuesday, January 19, 2021, at 6:00 p.m., at the Huntington Beach City Council Chambers, 2000 Main Street, Huntington Beach, California.

Explanation of Proposed Residential Trash Collection Rate Methodology

The Residential Trash Collection Rate Methodology consists of three elements:

1. Refuse Collection and Recycling Rate. This Rate is the primary component of the Methodology, and was adopted through the 2006 Solid Waste Collection Franchise Agreement, which annually adjusts the fee per residence payable to the hauler according to three separately weighted costs (the Formula):

- a. March to March change in the Consumer Price Index for All Urban Consumers ("CPIU") for the Los Angeles-Long Beach-Anaheim area established by the U. S. Bureau of Labor Statistics--weighted 76%;
- b. The per ton landfill disposal fee—weighted 16%;
- c. The hauler's cost of Compressed Natural Gas fuel--weighted 8%.

2. City Account Maintenance Services. Incorporated into the Residential Trash Collection Rate are the City's actual costs of providing billing, payment processing, accounting, and customer services. As of July 1, 2020, these costs were \$1.89 per month. This amount will increase annually by the March CPIU beginning July 1, 2021.

3. Recycling Education. These are the City's actual costs for providing state-mandated recycling education programs. This cost is \$0.15 per month and will not be increased.

Current Rate

Effective July 1, 2017, the City Council adopted Resolution No. 2017-26 setting the Residential Refuse Collection Rate at \$20.57 per month, subject to annual increases in both the Refuse Collection and Recycling Rate and Account Maintenance Services through July 1, 2020. Effective July 1, 2020, the Residential Trash Collection Rate was adjusted to \$22.16 per month.

Proposed Residential Trash Collection Rates

Effective January 1, 2020, the cost of Refuse Collection and Recycling increased by \$47,000 per month in order to recycle green waste in compliance with a change in State law, Public Resources Code Section 41781.3. There are approximately 47,700 residences receiving Trash Collection service resulting in a pro rata green waste recycling cost of \$0.98 per residence per month.

If approved, effective February 1, 2021, the Residential Trash Collection Rate will increase from \$22.16 to \$23.14 per month to offset the increased cost of green waste recycling. Pursuant to the Trash Collection Rate Methodology explained above, future rate adjustments through July 1, 2025 will be as follows:

Effective Date	Proposed Residential Collection Rate (per dwelling unit per month)
February 1, 2021	\$23.14
July 1, 2021	\$23.14, Plus Formula Change And CPIU For March 2021
July 1, 2022	July 1, 2021 Rate, Plus Formula Change And CPIU For March 2022
July 1, 2023	July 1, 2022 Rate, Plus Formula Change And CPIU For March 2023
July 1, 2024	July 1, 2023 Rate, Plus Formula Change And CPIU For March 2024
July 1, 2025	July 1, 2024 Rate, Plus Formula Change And CPIU For March 2025

Please call the Public Works Trash & Recycling office at (714) 375-5010 for additional information regarding the methodology and amount of the Residential Trash Collection Rate.

Public Hearing to Consider Majority Protest

At the January 19, 2021 public hearing, the City Council will hear and consider: (1) all testimony regarding the methodology and formula for calculating annual increases of the Residential Trash Collection Rate; (2) the rate to be set effective February 1, 2021 and the increases authorized July 1, 2021, 2022, 2023, 2024 and 2025; and (3) whether the City Council shall adopt the proposed Resolution amending the Residential Trash Collection Rate.

As required by Article XIII D, Section 6 of the California Constitution, the City Council also will take all written protests against the methodology and proposed increase to the Residential Trash Collection Rate, and determine if a majority protest exists. Any property owner or property tenant of the parcel subject to the payment of the Residential Trash Collection Rate may submit a signed, written protest against the proposed adjustments. Written protests may be mailed or personally delivered to the City Clerk at City Hall, c/o Written Residential Trash Collection Rate Protest, 2000 Main Street, 2nd Floor, Huntington Beach, CA 92648. Protests that are mailed or delivered to City Hall must be received by the City Clerk before 5:00 p.m. on January 19, 2021. Written protests also may be delivered to the City Clerk at the January 19, 2021 public hearing until the close of the public hearing.

To be valid, a protest must include: (1) the name of the parcel owner or tenant of the owner; (2) the parcel address and/or assessor's parcel number; (3) a statement of protest ("I/we protest the increase of trash collection rates" will suffice); and (4) bear the original signature of the parcel owner or tenant. Please also write "City of Huntington Beach Residential Trash Collection Rate" on your written protest. Email protests and protests by telephone will not be accepted or counted. Only one written protest per parcel will be counted. Please note each owner and/or tenant of record on the same parcel will be counted as a single vote, regardless of the number of persons receiving trash collection service.

In the event of a majority protest, the proposed adjustment of the Residential Trash Collection Rate shall not be adopted. A majority protest shall exist only in the event that a majority of owners and tenants of the parcels subject to the Residential Trash Collection Rate timely submit written protests against the proposed rate adjustment to the City of Huntington Beach.