

CITY OF HUNTINGTON BEACH PUBLIC WORKS DEPARTMENT



Public Hearing to Adopt Resolution 2021-05 Proposed Residential Trash Rate Increase

January 19, 2021

Huntington Beach Solid Waste Program - Summary of Issue



- California Greenhouse Gas Reduction Initiative.
 - The State of California has determined that greenwaste material in the landfill is a major source of methane, a greenhouse gas.
- AB 1594, effective at the January 1, 2020, stopped beneficial reuse of green material in landfills.
- In order to comply with the change in law, a residential trash rate increase is proposed to fund a new program for residential green waste recycling.

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SUPPLEMENTAL COMMUNICATION

Meeting Date: 1/19/2021

Agenda Item No.: 20(20-212)

Background Information



- ~ 24,000 tons per year of city's residential green material was used to cover the working face of landfill – (Alternative Daily Cover - ADC)
 - County landfills supported ADC by accepting processed green material free of charge
 - Through 12/31/19, CalRecycle counted this tonnage toward our state mandated recycling goal
 - Effective 1/1/20, CalRecycle no longer considers ADC tonnage towards the per capita recycling target AND the County landfill charges per ton for residential green

Background Information



- Beneficial reuse (free of charge) for residential green is built into the current residential rate structure
- Republic and staff have been working to develop a new program for residential green material since 2019
- In the interim, additional costs for green waste to the landfill are approximately \$100,000 for 2020
- Landfill solution is limited time option - tonnage is not counted toward per capita recycling goal and not compliant with CalRecycle mandates



Background Information

- Due to the pandemic and consideration for economic hardship in the community, the city has paid the additional expense from the Refuse Fund through 2020, but this no longer sustainable.
 - We have a goal to maintain a balanced Refuse Fund.
 - The current service fees cannot support the added expense.
 - We have to meet our State mandated recycling target or risk censure and fines for non-compliance.



AB 1594 - Cost of Compliance

- Republic has secured agricultural outlets to accept the residential green material for land application soil enrichment
 - Cost for new program is \$560,000 per year
 - City has approximately 47,700 residential trash customers
 - An increase of \$0.98 per household per month is proposed to pay for the program
 - The increase will be a pass-through from the Refuse Fund to Republic to pay for the new program



Proposed Rates

	Current Charge to Residents	2/1/2021 Charge to Residents	Difference
Refuse Collection and Disposal (to Republic)	17.12	17.12	0.00
Materials Recovery & Sorting (to Republic)	3.00	3.00	0.00
Green Material Recycling (to Republic)	0.00	0.98	0.98
Total Compensation to Republic per residence/month	\$20.12	\$21.10	\$0.98
City Public Education Programs	0.15	0.15	0.00
City Account Services	\$1.89	\$1.89	0.00
Total Charge per Residence per Month	\$22.16	\$23.14	\$0.98



Notification (Proposition 218)

The City is following the notice and public hearing requirements established by Proposition 218

- Notice was mailed to affected customers more than 45 days ago
- Affected customers were provided opportunity to protest the fee increase in writing
- If 50% +1 of our customers object to the fee increase it cannot be imposed.
- Comments/Protest Summary

Proposed Rate Increase



- It is recommended that the City Council approve Resolution 2021-05.
 - This increase will fund green waste recycling program.
 - Monthly fee will increase \$0.98 per household per month - from \$22.16 to \$23.14.
 - Rate is set for 5 years (CPI adjustments)

Questions?

