

RESOLUTION NO. 140-2023

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFICA
CONFIRMING RECOLOGY OF THE COAST'S APPLICATION FOR RATE INCREASE OF
5.86% IS ACCURATE AND CONSISTENT WITH THE ANNUAL RATE ADJUSTMENT
PROCEDURES SPECIFIED IN RECOLOGY AGREEMENT; AND FINDING CONFIRMATION
OF RATE INCREASE EXEMPT UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY
ACT ("CEQA") PURSUANT TO CEQA GUIDELINES SECTION 15061(b)(3)**

WHEREAS, in February 2010, the City of Pacifica entered into a franchise agreement with Recology of the Coast ("Recology") for Recyclable Materials, Organic Materials, and Solid Waste Collection Services ("Agreement"); and

WHEREAS, the City and Recology executed a First Amendment to the Franchise Agreement on March 11, 2013; and

WHEREAS, on October 24, 2016, the City Council adopted Resolution No. 67-2016, extending the term of the Agreement for an additional five years until December 31, 2022; and

WHEREAS, the Agreement generally grants Recology the exclusive right and franchise to collect waste materials in Pacifica. This includes solid waste, targeted recyclable material and organic materials on residential, commercial and City premises as well as construction and demolition; and

WHEREAS, on October 10, 2022, the City Council adopted a Resolution approving a Second Amendment to the Franchise Agreement, which among other things, extended the term an additional 10 years, with an option to extend an additional five years; and

WHEREAS, the Second Amendment also revised the Annual Rate Application Process identified in the Agreement to clarify that Recology ultimately sets the rate charged to the ratepayers; and

WHEREAS, for future rate adjustments, the City's role would be to undertake an administrative review of the application for a rate increase to confirm accuracy and consistency with the rate adjustment procedures specified in the Agreement; and

WHEREAS, the City hired HF&H financial consultants in fall of 2023 who have confirmed the accuracy and consistency of the requested Recology rate increase of 5.86% with the rate adjustment procedures specified in the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Pacifica does hereby resolve as follows:

1. The confirmation of the rate increase would be exempt under CEQA Guidelines Section 15061(b)(3) because it can be seen with certainty that there is no possibility approval would cause a significant effect on the environment as it is an administrative item and will not change the services provided by Recology.

2. Recology of the Coast's application for rate increase of 5.86% is accurate and consistent with the annual rate adjustment procedures specified in the Agreement and does not exceed the allowable maximum rate of 6%.

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PASSED AND ADOPTED at a regular meeting of the City Council of the City of Pacifica, California, held on the 27th day of November, 2023, by the following vote:

AYES, Councilmembers: *Beckmeyer, Bier, Bigstycyk, Botes.*

NOES, Councilmembers: *n/a.*

ABSENT, Councilmembers: *Vaterhaus.*

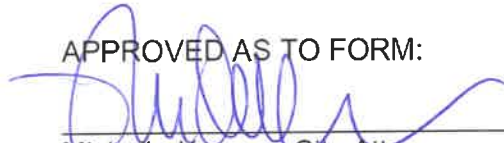
ABSTAIN, Councilmembers: *n/a.*


Tygarlas Twyrils Bigstycyk, Mayor

ATTEST:


Sarah Coffey, City Clerk

APPROVED AS TO FORM:


Michelle Kenyon, City Attorney