



**CITY OF PACIFICA  
COUNCIL AGENDA SUMMARY REPORT**

**9/27/2021**

**SUBJECT:**

Resolution of the City of Pacifica Directing Staff to Issue Notice of Public Hearing for New or Increased Solid Waste Collection Services Fees and Charges

**RECOMMENDED ACTION:**

Move that the City Council adopt a Resolution of the City of Pacifica Directing Staff to Issue Notice of Public Hearing for New or Increased Solid Waste Collection Services Fees and Charges and find adoption of the Resolution exempt from the California Environmental Quality Act ("CEQA").

**STAFF CONTACT:**

Lisa Petersen, Director of Public Works  
650-738-3770  
lpetersen@pacifica.gov

Sarah Coffey, City Clerk  
650-738-7307  
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**BACKGROUND/DISCUSSION:**

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. The City and Recology executed a First Amended Franchise Agreement on March 11, 2013 ("Agreement"). In October 2016, Council approved by resolution an extension of the term of the Agreement for an additional five years, extending the contract to December 31, 2022.

**The Agreement:**

The Agreement generally grants Recology the exclusive right and franchise to collect the following materials in the City service area:

1. Solid waste generated at residential premises, commercial premises and city facilities;
2. Targeted recyclable materials generated at residential premises and city facilities;
3. Organic materials generated at residential premises, commercial premises and city facilities; and
4. Construction and demolition debris generated at residential premises, commercial premises and city facilities.

The Agreement also generally grants Recology a non-exclusive right and franchise to collect the following materials in the Service Area:

1. Targeted recyclable materials generated at commercial premises; and
2. Major appliances and specialty recyclable or reusable materials generated at residential premises and commercial premises.

In November 2020, Council adopted a Resolution Confirming the 3.26% rate adjustment per

Recology of the Coast's Rate Application for the Period of January 1, 2021 to December 31, 2021. The 2020 annual index-based operational increase combined with an added route to address additional trash pickup related to increased trash in the beach areas brought the total Rate Period from January 1, 2021 through December 31, 2021 to an average increase of 3.26%.

This year, in addition to the operational increases to the rate, rate increases include additional costs related to California Senate Bill 1383 (regarding organics recycling) for expanding the commercial organics collection that includes a new once-six times a week organics service for commercial customers. Additional costs were related to fleet replacement mandated by the State for California Air Resources Board (CARB) vehicle compliance for reduction in vehicle emissions.

**Annual Operational Rate Adjustment Request:**

The Agreement allows Recology to submit annual rate increase adjustments for the City Council's approval. The rate adjustment for Rate Period number thirteen (January 1, 2022 through December 31, 2022) requires submittals of documentation to the City by September 1, 2021. The City has received the submittal for the 2022 year and has reviewed the operational rate adjustment request of 5.51%. This is an "index-based" rate adjustment pursuant to Section 11.03 (Annual Rate Application Process) of the Franchise Agreement. The rate adjustment was reviewed by HFH Consultants, a solid waste services firm, and City staff.

**Rate Modification History:**

Recology's five year (2018 to 2022) average modification is 4.64%, including this requested modification:

<b>Year</b>	<b>Modification Pct. Change</b>
2018	6.66%
2019	2.75%
2020	5.03%
2021	3.26%
2022	5.51%

**Rate Setting Process:**

In accordance with an agreement between the City of Pacifica, Recology and Lionel Emde, a public notice will be sent to all customers liable for payment of the proposed fee increase informing them of a public hearing on November 22, 2021 and the process for the protest hearing. In order to meet a 45-day noticing period, notices will be mailed on or before October 4, 2021. See Attachment 2 for more information.

Individuals will have the opportunity to comment on the proposed rate increase during the 45-day period as well as during the public hearing on November 22, 2021. At the conclusion of the public hearing, the City Clerk shall complete the tabulation of all protests received, and shall report the results of the tabulation to the City Council upon completion. If review of the protests received demonstrates that the number received is manifestly less than one-half of the parcels served by the City with respect to the fee, which is the subject of the protest, then the Clerk may advise the City Council of the absence of a majority protest without determining the validity of all protests.

**FISCAL IMPACT:**

As proposed by the methodology in the Agreement, the City recommends a rate increase of 5.51% for Recology's services. There are no increases or decreases to City fees as these are not subject to the rate adjustment. Residential customers, most of whom subscribe to the 20 gallon can monthly rate would increase from \$26.14 to \$27.58 per month or an increase of \$1.44 per month or \$17.28 annually.

The City has entered into an agreement with HFH Consultants for \$20,000 for review of the rate request with Recology and help with implementation of upcoming SB 1383 organic recycling requirements. The cost of this agreement will be included in the mid-year budget amendment, if deemed necessary.

**CEQA:**

The adoption of the Resolution is not subject to review under CEQA pursuant to Public Resources Code Section 21000, et seq. and the CEQA Guidelines (14 Cal. Code Regs. §§ 15000 et. seq.), including without limitation, Public Resources Code section 21065 and California Code of Regulations 15378 as this is not a "project" that may cause a direct, or reasonably foreseeable indirect, physical change in the environment and if a "project," is exempt under the "common sense" exception (14 Cal. Code Regs. § 15061(b)(3)) because it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment and it is categorically exempt pursuant to section 15273 of the CEQA Guidelines.

**ORIGINATED BY:**

Public Works

**ATTACHMENT LIST:**

Att1-Notice of Public Hearing RY13 (PDF)  
Exhibit A-Procedures for Conducting Protest Hearings (PDF)



**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFICA DIRECTING STAFF TO ISSUE NOTICE OF PUBLIC HEARING FOR NEW OR INCREASED SOLID WASTE COLLECTION SERVICES FEE AND CHARGES**

**WHEREAS**, The City of Pacifica (“City”) entered into a Franchise Agreement (“Agreement”) with Recology of the Coast (“Recology”) pursuant to which Recology provides services regarding recyclable materials, organic materials, and solid waste collection (“Services”);

**WHEREAS**, pursuant to the Franchise Agreement, Recology has the right to charge and collect from customers rates for services subject to a maximum not to exceed the amount set forth in the Franchise Agreement;

**WHEREAS**, Recology has applied for a rate adjustment to be approved at a public hearing; and

**WHEREAS**, the City Council desires to initiate proceedings to review Recology’s request to revise the rates effective beginning January 1, 2022.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Pacifica that:

Section 1. The City Council directs staff to schedule a public hearing at which all interested persons shall be permitted to present oral and written testimony with respect to the proposed rate revision. The City Council further directs staff to give written notice of the hearing via the United States Postal Service, postage prepaid, at least forty-five (45) days before the date set for the public hearing.

Section 2. The City Council finds that this Resolution is not subject to review under the California Environmental Quality Act (CEQA) pursuant to Public Resources Code Section 21000, et seq. and the CEQA Guidelines (14 Cal. Code Regs. §§ 15000 et. seq.), including without limitation, Public Resources Code section 21065 and California Code of Regulations 15378 as this is not a “project” that may cause a direct, or reasonably foreseeable indirect, physical change in the environment and if a “project,” is exempt under the “common sense” exception (14 Cal. Code Regs. § 15061(b)(3)) because it can be seen with certainty that there is no possibility that this action may have a significant effect on the environment and it is categorically exempt pursuant to section 15273 of the CEQA Guidelines. Resolution is exempt from the California Environmental Quality Act (“CEQA”) pursuant to Section 15273 of the CEQA Guidelines.

. . . . .

**PASSED AND ADOPTED** at a regular meeting of the City Council of the City of Pacifica, California, held on the 27th day of September, 2021, by the following vote:

- AYES**, Councilmembers:
- NOES**, Councilmembers:
- ABSENT**, Councilmembers:
- ABSTAIN**, Councilmembers:

\_\_\_\_\_  
Sue Beckmeyer, Mayor

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Sarah Coffey, City Clerk

\_\_\_\_\_  
Michelle Marchetta Kenyon, City Attorney

# City of Pacifica Notice of Public Hearing

## PROPOSED REFUSE COLLECTION CHARGES

Notice is hereby given that the City Council of the City of Pacifica will conduct a public hearing on Monday, November 22, 2021 at 7:00 p.m. to consider the revision of Recology of the Coast's refuse collection charges that will be effective beginning January 1, 2022.

If approved, you will see the refuse collection charges appear at this new rate on Recology's bills issued for 2021. This public hearing will be held as a teleconference meeting (no physical meeting location) due to the COVID-19 emergency and State and County Orders relating to COVID-19. Anyone interested in observing the meeting or providing public comments should refer to the meeting agenda for further details.

The City of Pacifica will publish the meeting agenda not less than 72 hours prior to the meeting. The agenda will be available online at <https://pacificacityca.igam2.com> and will also be posted in the City Hall window at 540 Crespi Drive in Pacifica.

	Current	Proposed
<b><u>Single-Family Residential Service</u></b>		
One time additional 32 gallon bag	\$9.11	\$9.61
Each additional gallon over 32 per pick up	\$1.59	\$1.68
Mini can 20 gallons or less (20 gallon can)	\$26.14	\$27.58
32 gallon Cart	\$40.35	\$42.57
48 gallon Cart	\$59.99	\$63.30
64 gallon Cart	\$79.68	\$84.07
96 gallon Cart (acknowledged by City)	\$119.00	\$125.56
Extra Recycling Cart	\$3.72	\$3.92
Extra Organic Materials Cart	\$3.72	\$3.92
Residential service rates are for solid waste container sizes and include costs for recyclables and organics materials collection service.		
<b><u>Commercial Solid Waste Bin Collection Service</u></b>		
Commercial container rentals		
1 cubic yard	\$68.38	\$72.15
2 cubic yards	\$79.74	\$84.13
<b><u>Commercial container pick up for Solid Waste</u></b>		
1 cubic yard	\$62.69	\$66.14
2 cubic yards	\$91.18	\$96.20

Compacted commercial container pick up for Solid Waste

1 cubic yard	\$92.28	\$97.36
2 cubic yards	\$158.66	\$167.40

Commercial container pick up for Organics

1 cubic yard	\$102.54	\$108.19
2 cubic yards	\$176.26	\$185.97

Commercial Can/Cart Solid Waste Pick Up

Each additional gallon over 32	\$2.32	\$2.45
32 gallon Cart	\$45.57	\$48.08
48 gallon Cart	\$68.33	\$72.09
64 gallon Cart	\$86.29	\$91.04
96 gallon Cart	\$136.67	\$144.20

Commercial Can/Cart Organics Pick Up

32 gallon Cart	\$41.01	\$43.27
48 gallon Cart	\$61.51	\$64.90
64 gallon Cart	\$82.01	\$86.53
96 gallon Cart	\$123.01	\$129.79

**Debris Box Solid Waste and Construction and Demolition  
Debris Collection**

14 yard container (7 days)	\$578.77	\$610.66
Each additional day	\$47.53	\$50.15
20 yard container (7 days)	\$745.65	\$786.74
Each additional day	\$66.74	\$70.42

**Miscellaneous Single-Family Services**

Service from side or rear of house	\$6.64	\$7.01
Return pick up charge	\$11.50	\$12.13
Special call for large items	charge by volume	charge by volume

**Extra charge for collection private driveways:**

1 to 30 feet	no charge	no charge
Over 30 feet (for every 10 feet or part thereof)	\$6.64	\$7.01
Life line rates (available only for 20 gallon Cart Customers)	\$24.54	\$25.89
Single Family return trip charge (i.e. provision of collection service after the regularly scheduled collection day) per event	\$18.60	\$19.62

**Miscellaneous Commercial and Multi-Family Services**

Recycling services provided to commercial and multi-family customers	no charge	no charge
<b><u>Distance charge for MFD and commercial accounts for container size of 3 cubic yards or less:</u></b>		
Within fifty (50) feet of access by Contractor's collection	no charge	no charge
51 feet or more from access by Contractor's collection vehicle	no charge	no charge
<b><u>Distance charge for MFD and commercial accounts for container size larger than 3 cubic yards or less:</u></b>		
0 to fifty (50) feet of access by Contractor's collection vehicle	no charge	no charge
51 feet or more from access by Contractor's collection vehicle	no charge	no charge
Extra pick up charge for MFD and commercial customers (charge per collection event)	charge by volume	charge by volume
Lock purchase fee (one time charge; replacement at no additional charge)	\$21.09	\$22.25
Key service (unlock and relock bin). Monthly charge based on once per week service	\$11.78	\$12.43
Container steam cleaning (or clean container exchange) Bin or debris box	\$105.42	\$111.23
Fee to collect contaminated Targeted Recyclable Materials or Organic Materials (per container)	\$26.51	\$27.97
		<b>Rate</b>
<b>Franchise Fee</b> (annual cumulative amount collected – flat amount)		\$ 805,000
<b>Frontierland Park Remediation Fee</b> (annual cumulative amount collected – no increase – flat amount)		\$ 75,000
<b>AB 939 Fee</b> (annual cumulative amount collected – no increase – flat amount)		\$ 30,000

The proposed increase of 5.51% in refuse collection rates and fees for each customer are calculated using the procedure set forth in Sections 11.02.C and Attachments P, K and M of the Franchise Agreement between the City and Recology.



City of Pacifica  
540 Crespi Dr.  
Pacifica, CA 94044

**PLEASE READ –  
PROPOSED GARBAGE  
RATE INCREASE  
RATE HEARING  
November 22, 2021 – 7PM**



#### **Your Opportunity to Get Involved**

You are invited to present oral or written testimony to the City Council at the public hearing on **November 22, 2021 at 7:00 p.m.** You may also present the City Clerk with a written protest against the proposed charges at or prior to the public hearing. The protest must be signed by the customer liable for payment of the fee and must include the service address(es) of the property(ies). Before the hearing, protests may be delivered to the City Clerk's office. The mailing address is City Clerk, 540 Crespi Dr.; Pacifica, CA 94044. If written protests against the proposed charges are presented by a majority of customers liable for payment of the fees, then Recology will not impose the proposed charges.

If you have any questions about the proposed charges, please feel free to contact City Hall at (650) 738-7300 or view the material on the City's website: [www.cityofpacifica.org](http://www.cityofpacifica.org).

## Exhibit "A"

### Procedures for Conducting Protest Hearings

#### Submission of Protests

1. Any property owner/ billing account holder may submit a written protest to the City Clerk, either by delivery to the office of the City Clerk or by submitting the protest at the public hearing. Protests must be received by the end of the public hearing. No postmarks will be accepted.
2. Each protest must identify the affected property (by assessor's parcel number or street address) and include the signature of the record property owner/ billing account holder. Email protests cannot be accepted. Although oral comments at the public hearing will not qualify as a formal protest unless accompanied by a writing, the City Council welcomes input from the community during the public hearing on the proposed fees.
3. If a parcel served by the City is owned by more than a single record owner, each owner may submit a protest, but only one protest will be counted per parcel and any one protest submitted in accordance with these rules will be sufficient to count as a protest for that property.
4. In order to be valid a protest must bear the original signature of the record owner with respect to the property identified on the protest. Protests not bearing the original signature of a record owner shall not be counted.
5. Any person who submits a protest may withdraw it by submitting to the City Clerk a writing request that the protest be withdrawn. The withdrawal of a protest shall contain sufficient information to identify the affected parcel and the name of the record owner or record customer who submitted both the protest and the request that it be withdrawn.
6. A fee protest proceeding is not an election.
7. To ensure transparency and accountability in the fee protest tabulation, protests shall constitute disclosable public records from and after the time they are received.
8. Failure of any person to receive notice shall not invalidate the proceedings.

#### Tabulation of Protests.

1. The City Clerk shall determine the validity of all protests. The City Clerk shall not accept as valid any protest if the City Clerk determines that any of the following conditions exist:
  - a. The protest does not identify a property served by the City.
  - b. The protest does not bear an original signature of a record owner of the parcel /billing account holder identified on the protest.
  - c. The protest does not state its opposition to the proposed fees.

- d. The protest was not received by the City Clerk before the close of the public hearing on the proposed fees.
  - e. A request to withdraw the protest is received prior to the close of the public hearing on the proposed fees.
2. The City Clerk's decision that a protest is not valid or does not apply to a specific fee shall constitute a final action of the City and shall not be subject to any internal appeal.
  3. A majority protest exists if written protests are timely submitted and not withdrawn by the record owners of, or customers with respect to, a majority of the properties subject to the proposed fee.
  4. At the conclusion of the public hearing, the City Clerk shall complete the tabulation of all protests received, including those received during the public hearing and shall report the results of the tabulation to the City Council upon completion. If review of the protests received demonstrates that the number received is manifestly less than one-half of the parcels served by the City with respect to the fee which is the subject of the protest, then the Clerk may advise the City Council of the absence of a majority protest without determining the validity of all protests.