

**Notice of Public Hearing on Solid Waste/Recycling Collection Service Rate Increase**

**June 2, 2020 at 7:00 PM**

**Poway City Hall - Council Chambers  
13325 Civic Center Drive  
Poway CA 92064**

In compliance with Article XIID of the California State Constitution and the Proposition 218 Omnibus Implementation Act, the City of Poway is hereby notifying all affected property owners and customers of record of the proposed Solid Waste/Recycling Collection Service Rate increases effective July 1, 2020, and automatic pass-through adjustments for a period of five years, through June 30, 2025.

**Public Hearing Information:** A Public Hearing will be held on June 2, at 7:00 p.m., at 13325 Civic Center Drive, Poway, California in the City Council Chambers to consider all written protests against the proposed rate increases. At this time the City Council will also consider authorizing future inflationary adjustments in the solid waste/recycling rates through June 30, 2025 calculated with the same methodology and formulas as explained in more detail under "Establishment of Rates."

The City Council will conduct the public hearing on the proposed increases and will receive a final tabulation of all written protests received by the City Clerk. Protests must be submitted in writing to the City Clerk's office by 7:00 p.m. on June 2, 2020 and will also be accepted in the Council Chambers at the public hearing. The Council will then consider and may adopt the proposed Solid Waste/Recycling Collection Service Rate increases.

All written protests must be signed by the owner or customer of record and contain a description of the property (address and/or Assessor Parcel Number) represented by the protest. Only one (1) protest will be counted for each property. Please send or hand-deliver your written protest to:

**City of Poway  
Office of the City Clerk  
13325 Civic Center Drive  
Poway, CA 92064**

Email or fax protests will not be accepted.

If a majority of affected property owners do not file written protests, the rate increase and future adjustments may be approved by the City Council.

**Establishment of Rates:** Solid waste/recycling collection service rates are established annually. These services are provided by a private contractor, EDCO Waste and Recycling Services (EDCO) with an exclusive Franchise Agreement to operate in the City of Poway.

**Service Fees:** The Franchise Agreement with EDCO allows for an annual increase of the service fee, effective July 1 annually. The following table uses a formula and the San Diego-Carlsbad area Consumer Price Index (CPI) for All Urban Consumers (all items), base period of 1982-84=100, published by the United States Department of Labor, Bureau of Labor Statistics for the latest 12-month period for which statistics are available.

The formula used to calculate the percentage change for the service fee portion of the base rate is calculated by determining the difference between the San Diego-Carlsbad CPI for the second half of 2018 (295.018) and the second half 2019 (300.718), then dividing the Index change (5.70 points) by the CPI of the previous period (295.018) and multiplying that by 100, which results in an increase of 1.93 percent. This is the multiplier used for the service fee portion of the base rates.

SERVICE FEE PORTION FORMULA	
Previous CPI Second Half (SD) 2018	295.018
Previous CPI Second Half (SD) 2019	300.718
Index Change	5.70
Percentage Change	1.93%

**Disposal Tip Fee:** The Franchise Agreement with EDCO and the Regional Solid Waste Association (RSWA) allows for an annual increase of the disposal tip fee, effective July 1 annually. The following table uses a formula for the Los Angeles-Long Beach-Anaheim, area CPI for All Urban Consumers (all items), base period of 1982-84=100, published by the United States Department of Labor, Bureau of Labor Statistics for the latest 12-month period for which statistics are available. The formula used to calculate the percentage change for the disposal tip fee portion of the base rate is calculated using a similar comparison as above.

DISPOSAL TIP FEE PORTION FORMULA	
Previous CPI December (LA) 2018	267.631
Previous CPI December (LA) 2019	275.553
Index Change	7.92
Percentage Change	2.96%

This percentage change was adjusted downward from 2.96 percent to 2.59 percent by applying a calculation that includes, in part, a modifier of the percentage increase of the previous year's increase in waste tonnage.

**Organic Fee:** A new service and rate for commingled organics collection, including food and yard waste, to ensure compliance with state mandates will go into effect in early 2021 or when the EDCO's Anaerobic Digester facility is operational. Converting the existing residential green waste collection to a fully commingled organic program will result in an additional \$3.68 per month to the current single-family residential collection rate. Each customer will receive a single 95-gallon cart for weekly collection (green and food waste) with up to two additional carts available at no additional charge. Commercial organic collection fees will vary depending on the size of the carts/bins and frequency of service.

Customers will be assessed the Proposition 218 noticing costs, which will be reflected as a separate line item on the customer's first bill upon approval of the new rates clearly identifying the charge as the Proposition 218 noticing fee.

The following tables show the current and proposed monthly Solid Waste/Recycling Collection Service Rates for the three common levels of

service and commercial organic rates. Your service level may not be reflected here.

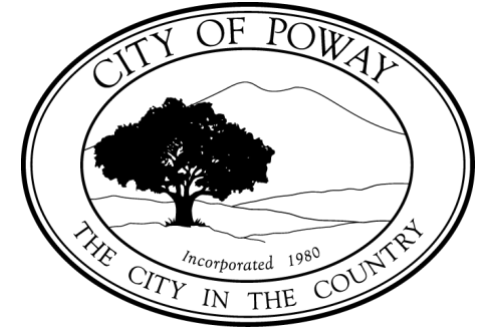
<b>35-Gallons Residential Cart Single Family</b>		
	<b>Monthly Rate</b>	
	<b>Current</b>	<b>Proposed</b>
Service Fee	\$8.66	\$8.83
Disposal Tip Fee	\$4.14	\$4.25
Franchise Fee 10%	\$1.42	\$1.45
AB 939 Fee	\$1.20	\$1.20
<b>Total</b>	<b>\$15.42</b>	<b>\$15.73</b>
	Change	\$0.31/month

<b>95-Gallons Residential Cart Single Family</b>		
	<b>Monthly Rate</b>	
	<b>Current</b>	<b>Proposed</b>
Service Fee	\$14.88	\$15.17
Disposal Tip Fee	\$4.14	\$4.25
Franchise Fee 10%	\$2.11	\$2.16
AB 939 Fee	\$1.20	\$1.20
<b>Total</b>	<b>\$22.33</b>	<b>\$22.78</b>
	Change	\$0.45/month

<b>3-Yard Bin Commercial (Serviced 1x/week)</b>		
	<b>Monthly Rate</b>	
	<b>Current</b>	<b>Proposed</b>
Service Fee	\$73.91	\$75.34
Disposal Tip Fee	\$28.71	\$29.45
Franchise Fee 10%	\$11.40	\$11.64
<b>Total</b>	<b>\$114.02</b>	<b>\$116.43</b>
	Change	\$2.41/month

<b>Commercial Organic Collection Rates</b>				
Size	Frequency (per week)			Extra Pickup
	1	2	3	
Cart (65 gal.)	\$87.02	\$174.03	\$261.05	\$34.81
Cart (95 gal.)	\$98.14	\$196.28	\$294.43	\$39.26
2 Cubic Yard	\$159.17	\$318.34	\$477.50	\$63.67

If you have questions about the proposed Solid Waste/Recycling Collection Service Rate increases, please call Izzy Murguia, Senior Management Analyst, at (858) 668-4728.



## NOTICE OF PUBLIC HEARING ON SOLID WASTE/RECYCLING COLLECTION SERVICE RATE INCREASES

June 2, 2020

7:00 PM

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Council Chambers  
13325 Civic Center Drive  
Poway, CA 92064