

Notice of Public Hearing Regarding Proposed Solid Waste Rate Increases

PARA UNA VERSIÓN EN ESPAÑOL DE ESTE "AVISO DE AUDIENCIA PÚBLICA SOBRE LOS AUMENTOS PROPUESTOS DE LA TASA DE RESIDUOS SÓLIDOS", UTILICE EL SIGUIENTE ENLACE AL SITIO WEB:

<https://www.sanluisgarbage.com/news/list/>

ADEMÁS, UNA TRADUCCIÓN AL ESPAÑOL DE ESTE AVISO ESTÁ DISPONIBLE EN LA OFICINA DEL SECRETARIO DE LA CIUDAD DURANTE EL HORARIO COMERCIAL REGULAR

Property Owners and Tenants - Customers:

This notice is to inform you the City of Morro Bay (“the City”) will hold a public hearing regarding solid waste disposal rate increases (the “Proposed Rate Increase”) proposed by Morro Bay Garbage Service, Inc. (“Morro Bay Garbage”) for properties and customers receiving solid waste services within the City. The Proposed Rate Increase will be considered by the Morro Bay City Council at the date, time and location specified below. Consistent with the requirements of Proposition 218, this notice also provides you with the following information:

- The Date, Time, and Place of the Public Hearing;
- The Reason for the Proposed Rate Increase; and
- The Basis on which the Proposed Rate Increase is calculated; and
- The Majority Protest Procedures; and
- Proposed Rate Increase Amounts.

NOTICE OF PUBLIC HEARING

The Public Hearing for the Proposed Rate Increase within the City limits will be held on:

Date: October 10, 2023

Time: 5:30 PM

Place: Morro Bay City Council Chambers, Veterans Memorial Hall, 209 Surf Street, Morro Bay, CA

At the Public Hearing, the Council will consider all public comment in support of and protests in opposition to the Proposed Rate Increase and whether or not a Majority Protest exists pursuant to the California Constitution (as described below). If approved, the Proposed Rate Increase would become effective on October 15, 2023.

Reason for the Proposed Rate Increase

The Proposed Rate Increase is 20.20 percent for solid waste, recycling, and green waste/organics collection services. In addition, there will be a temporary 18.38 percent to account for a deficit in funding due to this rate increase being delayed from March 1, 2023 to October 15, 2023, to allow for completing the evaluation process for Proposed Rate increase and capture consulting fees to validate the increase. This short-term cost recoupment will expire July 15, 2024.

The increase is due to post-pandemic inflation which has affected supply chain and labor markets. Further, Morro Bay Garbage had to increase wages to retain and attract quality staff and drivers that are committed to safety and superior service. The costs of steel for container and truck repairs, tires, fuel and other petroleum related products have increased substantially. In addition, the recycling commodity markets have not healthily

rebounded from the initial downturn of the recycling market values. Limited overseas acceptance has some products exceeding demand and/or requiring lower contamination rates, which require more labor to sort out. Because of this, the Material Recovery Facility has increased their tipping fees, which are a further cost of service incorporated into the overall rate structure. Over seventy percent of the residential properties have either a 19 or 32 gallon container, which will result in a \$3.15 or \$5.04 increase per month, respectively. The additional residential, commercial, and industrial Proposed Rate increases are attached at the end.

Basis of the Proposed Rate Increase Calculation

The total Proposed Rate Increase of 20.20 percent is based on the following cost increases incurred by Morro Bay Garbage:

1. 30.32 percent of the Proposed Rate Increase is for market wage adjustments to attract and retain safe, quality employees.
2. 35.00 percent of the Proposed Rate Increase is on increased truck replacement, truck maintenance, and fuel costs.
3. 4.68 percent of the Proposed Rate Increase is for increases in insurance premiums.
4. 30.00 Percent of the Proposed Rate Increase for increases in general overall inflation across all operating costs.

The additional 16.84 percent temporary increase is for delayed rate implementation back to March 1, 2023, and 1.54 percent temporary increase is for rate review costs not imbedded in the service rates. The total Proposed Rate increase (to be implemented October 15, 2023) will be 38.58 percent. However, the short-term 18.38 percent cost recoupment will expire July 15, 2024, net of any consumer price index adjustment as discussed next.

In addition, commencing on January 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027 rates shall be adjusted to account for annual inflationary increases to all solid waste collection rates for residential, commercial and industrial units in an amount equal to the annual percent change based on the following:

Adjustment shall be made each January 1st and shall be equal to the percentage change in Consumer Price Index (CPI) for the year that ended the immediately preceding September 30 for the Bureau of Labor Statistics' All Urban Consumers Los Angeles-Long Beach-Anaheim.

A copy of the Maximum Rate Adjustment Application submitted in December 2022 and R3 Consulting Group, Inc.'s evaluation report of the Application provides additional information on the Proposed Rate increase, and is available at the City Clerk's Office located at 595 Harbor Street, Morro Bay, CA 93442.

How Do I Protest the Proposed Rate Increase?

Pursuant to Section 6 of Article XIII D of the California Constitution, the following persons may submit a written protest against the Proposed Rate Increase to the City Clerk before the close of the Public Hearing referenced above.

- An owner(s) of property (parcel(s)) receiving solid waste, recycling, and green waste services within the City limits. If the person(s) signing the protest, as an owner, is not shown on the last equalized assessment roll as the owner of the parcel(s) then the protest must contain or be accompanied by written evidence that such person signing the protest is the owner of the parcel(s) receiving services;
or
- A tenant(s) whose name appears on Morro Bay Garbage's records as the customer of record for the corresponding parcel receiving solid waste, recycling, and green waste services within the City limits (tenant-customer).

A valid written protest must contain: 1) a statement that you protest the Proposed Rate Increase; 2) the address or Assessor's Parcel Number (APN) of the parcel or parcels which receive solid waste, recycling, and green waste services; and, 3) a signature by either the owner or the tenant-customer of the parcel or parcels. One written protest per parcel

hall be counted in calculating a majority protest to the Proposed Rate Increase subject to the requirements of Section 6 of Article XIII D of the California Constitution. Written protests will not be accepted by e-mail or by facsimile. Verbal protests will also not be counted in determining the existence of a majority protest. **To be counted, a qualified protest must be received in writing by the City Clerk before the close of the Public Hearing referenced above.**

Written protests regarding the solid waste rate increase may be mailed to or hand-delivered (during regular City business hours) to:

**City of Morro Bay
Attn: City Clerk – Proposition 218
595 Harbor Street
Morro Bay, CA 93442**

Written protests may also be personally delivered to the City Clerk’s Office located at 595 Harbor Street, Morro Bay, CA 93442.

If valid written protests are presented by a majority of owners and/or tenants-customers of parcels receiving solid waste service within the City’s limits, then the City will not adjust/increase the solid waste disposal rates. Only one protest per parcel will be counted in determining whether or not a majority protest exists.

Morro Bay Garbage				
Solid Waste Service Rates - Effective 10/15/2023				
City of Morro Bay				
Service Description	Service Frequency	Currently Monthly Rate Effective 7/1/2022	Proposed Rate Adjustment %	Proposed Monthly Rate Effective 10/15/2023
MONTHLY SINGLE-FAMILY AND MULTI-UNIT RESIDENTIAL SERVICE (4 UNITS OR LESS)				
Price per month for specified waste wheeler collected each week. Residential customers must use the waste wheelers provided by the garbage company. This solid service fee for residential trash collections (container with black or gray lid) includes once a week pick-up of one greenwaste/organics container (green lid), and one recycling container (blue lid). The fees listed below do not include the updated IWMA fee of 4.4 percent of the Garbage Company's gross receipts.				
MINI-CAN SERVICE				
One 19 gallon waste wheeler container	1	\$15.59	\$3.15	\$18.74
ECONOMY RATE				
One 32 gallon waste wheeler container	1	\$24.95	\$5.04	\$29.99
STANDARD RATE				
One 64 gallon waste wheeler container	1	\$49.90	\$10.08	\$59.98
PREMIUM RATE				
One 96 gallon waste wheeler container	1	\$74.86	\$15.12	\$89.98
SERVICE AWAY FROM THE STREET CURB (IN YARD)				
Additional per month per can or container charge		\$13.60	\$2.75	\$16.35
COMMERCIAL - OTHER CHARGES:				
Rates for all commercial customers include recycling or greenwaste/organics pickup once per week, included with the garbage service rate. Customers can choose from a 64 or 96 gallon blue commingled recycle waste wheeler or a 32 or 64 gallon organics waste wheeler included with the garbage service rate (96 gallon waste wheelers can only be used with green waste due to weight). The fees listed below do not include the updated IWMA fee of 4.4 percent of the Garbage Company's gross receipts. If you need more frequent recycling, including organics/greenwaste service, it can be provided at 50% of the garbage service rates for the specified level of service required.				
MONTHLY COMMERCIAL WASTE WHEELERS SERVICE				
One 32 Gallon Waste Wheeler	1	\$51.52	\$10.41	\$61.93
One 32 Gallon Waste Wheeler	2	\$100.57	\$20.32	\$120.89
One 32 Gallon Waste Wheeler	3	\$131.55	\$26.57	\$158.12
One 32 Gallon Waste Wheeler	4	\$162.52	\$32.83	\$195.35
One 32 Gallon Waste Wheeler	5	\$211.61	\$42.75	\$254.36

Service Description	Service Frequency	Currently Monthly Rate Effective 7/1/2022	Proposed Rate Adjustment %	Proposed Monthly Rate Effective 10/15/2023 ₉
One 32 Gallon Waste Wheeler	6	\$260.65	\$52.65	\$313.30
One 64 Gallon Waste Wheeler	1	\$74.75	\$15.10	\$89.85
One 64 Gallon Waste Wheeler	2	\$131.50	\$26.56	\$158.06
One 64 Gallon Waste Wheeler	3	\$190.86	\$38.55	\$229.41
One 64 Gallon Waste Wheeler	4	\$258.01	\$52.12	\$310.13
One 64 Gallon Waste Wheeler	5	\$322.60	\$65.17	\$387.77
One 64 Gallon Waste Wheeler	6	\$376.79	\$76.11	\$452.90
One 96 Gallon Waste Wheeler	1	\$100.55	\$20.31	\$120.86
One 96 Gallon Waste Wheeler	2	\$175.34	\$35.42	\$210.76
One 96 Gallon Waste Wheeler	3	\$257.92	\$52.10	\$310.02
One 96 Gallon Waste Wheeler	4	\$343.10	\$69.31	\$412.41
One 96 Gallon Waste Wheeler	5	\$417.95	\$84.43	\$502.38
One 96 Gallon Waste Wheeler	6	\$510.81	\$103.18	\$613.99
MONTHLY COMMERCIAL CONTAINER SERVICE - (CUBIC YARDS)				
1 Yd Container	1	\$126.87	\$25.63	\$152.50
1 Yd Container	2	\$196.55	\$39.70	\$236.25
1 Yd Container	3	\$253.34	\$51.17	\$304.51
1 Yd Container	4	\$317.86	\$64.21	\$382.07
1 Yd Container	5	\$366.95	\$74.12	\$441.07
1 Yd Container	6	\$457.29	\$92.37	\$549.66
1 Yd Container	7	\$690.84	\$139.55	\$830.39
1.5 Yd Container	1	\$155.27	\$31.36	\$186.63
1.5 Yd Container	2	\$255.97	\$51.71	\$307.68
1.5 Yd Container	3	\$343.77	\$69.44	\$413.21
1.5 Yd Container	4	\$436.66	\$88.21	\$524.87
1.5 Yd Container	5	\$524.44	\$105.94	\$630.38
1.5 Yd Container	6	\$625.13	\$126.28	\$751.41
1.5 Yd Container	7	\$917.08	\$185.25	\$1,102.33
2 Yd Container	1	\$186.27	\$37.63	\$223.90
2 Yd Container	2	\$325.63	\$65.78	\$391.41
2 Yd Container	3	\$436.66	\$88.21	\$524.87
2 Yd Container	4	\$555.44	\$112.20	\$667.64
2 Yd Container	5	\$679.36	\$137.23	\$816.59
2 Yd Container	6	\$803.25	\$162.26	\$965.51
2 Yd Container	7	\$1,153.56	\$233.02	\$1,386.58
3 Yd Container	1	\$240.51	\$48.58	\$289.09
3 Yd Container	2	\$436.66	\$88.21	\$524.87
3 Yd Container	3	\$614.83	\$124.20	\$739.03
3 Yd Container	4	\$780.00	\$157.56	\$937.56
3 Yd Container	5	\$1,009.79	\$203.98	\$1,213.77
3 Yd Container	6	\$1,164.65	\$235.26	\$1,399.91
3 Yd Container	7	\$1,573.42	\$317.83	\$1,891.25
4 Yd Container	1	\$317.86	\$64.21	\$382.07
4 Yd Container	2	\$591.56	\$119.50	\$711.06
4 Yd Container	3	\$821.28	\$165.90	\$987.18
4 Yd Container	4	\$1,097.55	\$221.71	\$1,319.26
4 Yd Container	5	\$1,373.77	\$277.50	\$1,651.27
4 Yd Container	6	\$1,554.48	\$314.00	\$1,868.48

Service Description	Service Frequency	Currently Monthly Effective Rate 7/1/2022	Proposed Rate Adjustment %	Proposed Monthly Effective Rate 10/15/2023 ₉
4 Yd Container	7	\$2,021.60	\$408.36	\$2,429.96
6 Yd Container	1	\$476.21	\$96.19	\$572.40
6 Yd Container	2	\$864.61	\$174.65	\$1,039.26
6 Yd Container	3	\$1,217.34	\$245.90	\$1,463.24
6 Yd Container	4	\$1,544.43	\$311.97	\$1,856.40
6 Yd Container	5	\$1,999.37	\$403.87	\$2,403.24
6 Yd Container	6	\$2,306.02	\$465.82	\$2,771.84
6 Yd Container	7	\$3,115.38	\$629.31	\$3,744.69
8 Yd Container	1	\$629.42	\$127.14	\$756.56
8 Yd Container	2	\$1,171.27	\$236.60	\$1,407.87
8 Yd Container	3	\$1,626.15	\$328.48	\$1,954.63
8 Yd Container	4	\$2,173.18	\$438.98	\$2,612.16
8 Yd Container	5	\$2,720.06	\$549.45	\$3,269.51
8 Yd Container	6	\$3,077.82	\$621.72	\$3,699.54
8 Yd Container	7	\$3,321.78	\$671.00	\$3,992.78
EXTRA COLLECTION SERVICE OPTIONS				
Overstacked Garbage & extra bags Minimum/unit	Per Occurrence	\$12.47	\$2.52	\$14.99
Overstacked Green waste & extra bags Minimum/unit	Per Occurrence	\$8.09	\$1.63	\$9.72
Overstacked Blue Bin & extra bags Minimum/unit	Per Occurrence	\$6.24	\$1.26	\$7.50
Monthly charge for additional 64 or 96-gallon recycle service	Each	\$4.17	\$0.84	\$5.01
Monthly charge for additional 32 or 96-gallon green waste service	Each	\$8.09	\$1.63	\$9.72
Monthly charge for additional commercial 96-gallon recycle service	Each	\$25.14	\$5.08	\$30.22
Service level changes more than once per 12 months	Per Occurrence	\$11.39	\$2.30	\$13.69
Small item pickup (TV, toilet)	Each	\$23.69	\$4.79	\$28.48
Per white good article/ appliance.	Each	\$79.33	\$16.02	\$95.35
Per mattress or box spring.	Each	\$23.70	\$4.79	\$28.49
Change waste wheeler size (once per year free)	Per Occurrence	\$11.39	\$2.30	\$13.69
Re-deliver fee-if pulled for collections	Per Occurrence	\$45.33	\$9.16	\$54.49
Install locking device on bin	Each	\$100.57	\$20.32	\$120.89
Extra bin cleaning	Each	\$79.99	\$16.16	\$96.15
Garbage extras on your scheduled pickup day	Per Yard	\$20.61	\$4.16	\$24.77
Loose Cardboard	Per Yard	\$10.34	\$2.09	\$12.43
Garbage extras - NOT ON YOUR SCHEDULED PICKUP DAY	Per Bag	\$16.97	\$3.43	\$20.40
Garbage extras - NOT ON YOUR SCHEDULED PICKUP DAY	Per Yard	\$32.71	\$6.61	\$39.32
Compactors	Per Ton	\$66.97	\$13.53	\$80.50
Bin Rental	Per Month	\$46.96	\$9.49	\$56.45
Temp Bin Rental	Per Day	\$2.61	\$0.53	\$3.14
Stand by time	Per Hour	\$90.96	\$18.37	\$109.33
Trip charge	Per Occurrence	\$11.39	\$2.30	\$13.69
Damage/Destruction of bins or waste wheelers	Each	Replacement/re pair at market price		

ADDITIONAL INFORMATION ALL CUSTOMERS:

1. Customers requesting Temporary Bins or Roll-off Box Service can call the office for current rates.
2. Polystyrene (Styrofoam, Plastic #6) is not collected for recycling and should be thrown away as trash. Please bag Styrofoam packing peanuts before placing in trash container.
3. It is encouraged to bag your trash in the garbage container but do not bag your recyclables or green waste in their respective containers and keep it loose.
4. Recycling, Greenwaste/Organic and Garbage containers should be spaced 3 feet apart away from any obstacles (i.e. mailboxes, cars, etc) before 6:00am on collection service day.
5. The fee schedule above only includes the Garbage Company rates and does not include IWMA fees, which are separately noted on the billings.
6. Cleaning fees will be billed on a time and materials basis.
7. Late Fees are imposed for residential customers over 30 days delinquent. The fee is 1.5% per month of the outstanding charge, with a minimum fee of \$5.00. No prior notice is required, as this late fee policy is stated at the bottom of every bill.
8. Customers can be responsible for contamination fees.
9. The rates effective October 15, 2023 in the above table DO NOT include the temporary retroactive rate recovery surcharge of 18.38% that will expire on July 15, 2024 or the annual Consumer Price Index adjustments that will occur January 1 of 2024, 2025, 2026, and 2027.

Any additional recycling, including greenwaste/organic services are charged out at 50% of the garbage rate.

Standard
US Postage
PAID
Santa Barbara, CA
Permit No. 800

Morro Bay Garbage
4388 Old Santa Fe Road
San Luis Obispo, CA 93401