



## Item No. 11 Town of Atherton

### **CITY COUNCIL STAFF REPORT – CONSENT AGENDA**

**TO: HONORABLE MAYOR AND CITY COUNCIL  
GEORGE RODERICKS, CITY MANAGER**

**FROM: ROBERT BARRON III, FINANCE DIRECTOR**

**DATE: OCTOBER 15, 2014**

**SUBJECT: SECOND READING AND ADOPTION OF ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON TO INCREASE COMMERCIAL REFUSE RATES IN THE TOWN OF ATHERTON**

#### **RECOMMENDATION**

Waive further reading and adopt ordinance increasing the rates for commercial refuse rates in the Town of Atherton.

#### **BACKGROUND**

The Subcommittee recommended adjusting the commercial rates by 5% and adjusting the commercial organic rates to 15% less the commercial rate. These adjustments are reflected in the ordinance.

The Town introduced the attached ordinance at a regular meeting on September 17, 2014.

#### **FISCAL IMPACT**

Of the 12 commercial accounts, 5 have organic bins. The increase of the commercial rates (non-organic) by 5% would amount to \$3,805 more per month or \$45,670 per year. The organics bin use set at 15% less the new commercial rate, would amount to \$2,667 more per month or \$32,014 per year. As waste diversion is becoming a bigger priority and the cost for diversion increases, it is important to ensure the commercial rates are set accordingly. The total increase for commercial refuse and organics is \$77,684 per year.

#### **ATTACHMENT**

Ordinance XXX  
Public Hearing Notice

## ORDINANCE XX

### AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON RESCINDING THE RATES SET FORTH IN ORDINANCE 602 AND SETTING THE RATES FOR SOLID WASTE/RECYCLING COLLECTION SERVICES

WHEREAS, the Town of Atherton ("Town") has provided a franchise to Recology San Mateo County ("Franchisee") allowing for and governing the collection of refuse, recyclable material and plant material within the Town of Atherton's limits and the Town has approved rates, on April 16, 2014 by Ordinance 602, that Franchisee may charge for these solid waste/recycling collection services; and

WHEREAS, pursuant to the Uniform Franchise Agreement for Collection Services ("Solid Waste/Recycling Collection Agreement") between Franchisee and the Town, the Town is required to adopt solid waste/recycling collection rates that produce revenues sufficient to provide payment to Franchisee in accordance with the amount due under the Solid Waste/Recycling Collection Agreement; and

WHEREAS, a the City Council directed staff to prepare an adjustment to commercial refuse and organic rates to reflect a cost model closer to full cost recovery; and

WHEREAS, the City Council has complied with the fee adjustment provisions of Proposition 218, including the mailing of notices regarding a public hearing to consider a proposed ordinance to adopt an increase in the green cart rates; and

WHEREAS, the Town has identified the parcels upon which the increased green cart collection rates will be imposed, calculated the amount of the rates, and mailed notice to the refuse service billing address for all parcels in the Town of Atherton, wherein the Town provided written notice of the proposed rates, the basis for the calculation, the reason for the rates and the date, time and location of a public hearing not less than 45 days after sending the notice; and

WHEREAS, the Town further provided published and posted notice of the foregoing; held the duly noticed public hearing and considered any and all protests; and

WHEREAS, written protests against the green cart collection rates were not presented by a majority of owners or tenants of the identified parcels within the 45 day period;

NOW, THEREFORE, THE CITY COUNCIL OF THE TOWN OF ATHERTON DOES HEREBY ORDAIN AS FOLLOWS:

**SECTION 1.** In accordance with Article XIII D, Section 6(b), of the California Constitution, the City Council makes the following findings:

A. The revenues derived from the increased solid waste/recycling commercial refuse and organic collection rates do not exceed the funds required to provide solid waste/recycling collection services pursuant to the Solid Waste/Recycling Collection Agreement.

B. The revenues derived from the increased solid waste/recycling commercial refuse and organic collection rates will not be used for any purpose other than solid waste/recycling collection services pursuant to the Solid Waste/Recycling Collection Agreement.

C. The increased solid waste/recycling commercial refuse and organic collection rates do not exceed the proportional cost of the service to each parcel.

D. The only increase is to the commercial base rates and the commercial organic rates.. The remaining rates remain the same as approved in Ordinance 602 and incorporated herein.

E. The solid waste/recycling collection services are presently available.

**SECTION 2.** Beginning on the effective date of this Ordinance, the green cart collection rates will be established as listed below. The rate schedule includes a fixed rate for each container of refuse, with no additional charge for recycled materials or green waste collection.

**Residential Rates:**

<b>Black Garbage Container</b>	<b>Rates</b>
20 gallon	\$27.00
32 gallon	\$55.00
64 gallon	\$110.00
96 gallon	\$164.00

**Commercial Rates:**

Refuse Commercial Bins	Current Rate	Proposed New Rate	Current Organic Rates	Proposed New Organic Rates
1-96 Gallon	\$185	\$194	\$120.25	\$165
1-1 Yard	\$200	\$210	\$130	\$179
1-2 Yard	\$400	\$420	\$260	\$357
1-3 Yard	\$550	\$580	\$357.50	\$493
1-4 Yard	\$462.92	\$650	\$300.90	\$553

1-6 Yard	\$694.38	\$870	\$451.34	\$740
1-8 Yard	\$925.84	\$1,160	\$601.79	\$986

## OTHER SERVICES COST SCHEDULE

<b>Backyard Collection Service Distance Costs for Single-Family Dwellings</b>				
	<b>One (1) Solid Waste Cart</b>	<b>Two (2) Solid Waste Carts</b>	<b>Three (3) Solid Waste Carts</b>	<b>Four (4) Solid Waste Carts</b>
<b>Distance from Curbside</b>	<b>Base monthly Solid Waste Rate plus</b>	<b>Base monthly Solid Waste Rate plus</b>	<b>Base monthly Solid Waste Rate plus</b>	<b>Base monthly Solid Waste Rate plus</b>
0-100 feet	\$21.00	\$31.72	\$60.44	\$89.16
101-150 feet	\$24.00	\$34.72	\$63.44	\$92.16
151 – 200 feet	\$27.00	\$37.72	\$66.44	\$95.16
201 – 250 feet	\$30.00	\$40.72	\$69.44	\$98.16
251 – 300 feet	\$33.00	\$43.72	\$72.44	\$101.16
301 feet or more	\$36.00	\$46.72	\$75.44	\$104.16

<b>Unscheduled Service Category</b>	<b>Cost</b>	<b>Description of Cost</b>
Distance Charge for Commercial Accounts	A – 10% of base monthly Rate B – 25% of base monthly Rate	A – 51 to 100 feet from access by Contractor's collection vehicle B – 101 feet or more from access by Contractor's collection vehicle
Extra Pick-up Cost for Commercial Customers	25% of the base monthly Rate for the size of Container Collected once per week	Per Collection event
Single-Family Return Trip Cost (i.e., request to provide Collection service after the regularly scheduled Collection day)	\$15.00	Per Collection event

Unscheduled Service Category	Cost	Description of Cost
Additional Targeted Recyclable Materials or Organic Materials Cart Rental or Purchase (in addition to the two Organic Material carts and one Recyclable Materials cart)	A – \$11.00 each for 1 or 2 additional cans \$18.00 each for 3 or more additional cans B - \$3.00 C – \$63.00 D – \$69.00	A – monthly rental fee (any size Cart) for Organic Materials Carts B – monthly rental fee (any size Cart) for Targeted Recyclable Materials Carts C – Customer purchase of a 64 gallon Cart D – Customer purchase of a 96 gallon Cart
Fee for Service On-Call Bulky Item Collection Service	\$81.55 per the 3 <sup>rd</sup> occurrence Residents receive first 2 for free	Per event (after the 2 <sup>nd</sup> event)
Overage Fee	100% of the base monthly Rate	Per Collection event
Overage Bags Cost	50% of the base monthly Rate or \$8.00 minimum	Per bag
Container Cleaning Fee	A – \$50.00 B – \$85.00	A – per Cart B – per Bin or Drop-Box
Dirty Cart Replacement Cost	A – \$65.00 B – \$75.00 C – \$85.00	A – per 32 gallon Cart B – per 64 gallon Cart C – per 96 gallon Cart

**SECTION 3.** The City Council hereby declares that it would have passed this Ordinance, sentence by sentence, paragraph by paragraph, and section by section, and does hereby declare that any provisions in this Ordinance are severable and, if for any reason any sentence, paragraph or section of this Ordinance shall be held invalid, such decision shall not effect the validity of the remaining parts of this Ordinance.

**SECTION 4.** This Ordinance was approved by a 2/3 vote of the City Council pursuant to Health & Safety Code section 5471.

**SECTION 5.** This Ordinance shall take effect thirty (30) days after adoption as provided by Government Code section 36937.

**SECTION 6.** This Ordinance shall be published once fifteen (15) days after its passage in a newspaper of general circulation, printed, published and circulated in the City in accordance with Government Code section 36933.

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Introduced at a regular meeting of the City Council held on September 17, 2014, and passed and adopted by the City Council of the Town of Atherton on the 15<sup>th</sup> day of October, 2014 by the following roll call vote, to wit:

AYES: 0                    COUNCIL MEMBERS:  
NOES: 0                    COUNCIL MEMBERS:  
ABSENT:                    COUNCIL MEMBERS:  
ABSTAIN:                    COUNCIL MEMBERS:

\_\_\_\_\_  
Cary Wiest, Mayor  
Town of Atherton

ATTEST:

\_\_\_\_\_  
Theresa DellaSanta  
City Clerk

APPROVED AS TO FORM:

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William B. Conners  
City Attorney