

**NOTICE OF PUBLIC HEARING
Solid Waste Collection Rates**

July 30, 2019 at 6:30 p.m.

**CITY OF PERRIS
101 N. "D" STREET
PERRIS, CALIFORNIA 92570**

IN ACCORDANCE WITH SECTION 6(A) OF ARTICLE XIID OF THE CALIFORNIA CONSTITUTION (PROPOSITION 218) AND GOVERNMENT CODE SECTIONS 53755 AND 53756 NOTICE IS HEREBY GIVEN that a public hearing will be held before the CITY OF PERRIS on July 30, 2019, at 6:30 p.m., at the City Council Chambers, 101 N. "D" Street, Perris, California 92570. At the public hearing, the Council will consider the adoption of a resolution to approve the adjustment of solid waste collection and handling rates for a five-year period commencing July 1, 2019 and ending July 1, 2023 pursuant to Section 19 B and Exhibit "E" of that certain Agreement between the City of Perris and CR&R Incorporated for the Collection, Transportation, Recycling, Composting, and Disposal of Solid Waste and Construction Debris and for Providing Temporary Bin/Rolloff Services dated October 25th, 1993 as amended by those certain Amendments to the Franchise Agreement between the City of Perris and CR&R Incorporated for the Collection, Transportation, Recycling, Composting, and Disposal of Solid Waste and Construction Debris and for Providing Temporary Bin/Rolloff Services dated May 30th, 1995 and May 30, 2017 (collectively, the "Franchise Agreement").

The City has entered into the Franchise Agreement with CR&R Incorporated for the collection and handling of solid waste and other specified services within the City. The amount CR&R charges pursuant to the Franchise Agreement has been determined to be the amount necessary to provide their services. The Franchise Agreement authorizes adjustments based on cost increases associated with collection, handling and disposal of solid waste.

Proposed Rate Increases for July 1, 2019

The proposed schedule of service rates for the period of July 1, 2019 to June 30, 2020 is included in the attached schedule. This rate adjustment is in accordance with the contractually required rate adjustment as set forth in the Franchise Agreement.

Each year beginning July 1, 2020 to and including July 1, 2023 rate adjustments will be calculated pursuant to the formulas in the Franchise Agreement as more particularly described below.

Franchise Agreement Inflationary Indices Rate Adjustments

The franchise rates for solid waste services are proposed to increase pursuant to the formula in the Franchise Agreement which includes adjustments to reflect changes in: (1) the Consumer Price Index, (2) landfill tipping fees and (3) extraordinary or unexpected costs.

Pursuant to the Franchise Agreement, the rates shall be automatically adjusted to reflect changes in the consumer price index and landfill fees. The CPI adjustment shall be made annually, and such adjustments shall be effective as of the first day of July of each calendar year. The CPI adjustment shall be equal to the amount derived by multiplying (a) the previous rate by (b) the

percentage increase or decrease in the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics (BLS) within the Los Angeles-Long Beach-Anaheim Metropolitan Area during the prior calendar year. The comparison shall be made for each March 1st during the term hereof and shall be effective each July 1st. The landfill tipping fee adjustment for residential and commercial rates shall be a pro-rata pass through of any tipping fee increase and shall be effective at the start of the first full billing period after the landfill tipping fee is adjusted. The formulas for the annual CPI and Landfill Tipping Fee Adjustments are set out in the proposed schedule below and included a franchise fee gross up factor:

1. CPI Formula

(a) Residential Rate x 78% x CPI/(franchise fee factor)

(b) Commercial Rate x 71.5% x CPI/(franchise fee factor)

2. Landfill Tipping Fee Formula

(a) \$.21 per \$1.00 per ton multiplied by the landfill increase multiplied by the current residential recycling diversion rate (less green waste). This diversion portion is subtracted from the proposed landfill increase and then the appropriate franchise fee factor is applied. (Example: \$.21 X \$.92 landfill increase equals a \$.19 tipping fee adjustment multiplied by the diversion rate of .148 and subtracted from the original \$.19 tipping fee adjustment to arrive at a \$.16 cent tipping fee increase. The franchise fee factor of 18% is then applied.

(b) \$.91 per \$1.00 per ton multiplied by the landfill increase multiplied by the current nonresidential recycling diversion rate (less green waste, concrete, and asphalt). This diversion portion is subtracted from the proposed landfill increase and then the appropriate franchise fee factor is applied. (Example: \$.91 X \$.92 landfill increase equals a \$.84 tipping fee adjustment multiplied by the diversion rate of .091 and subtracted from the original \$.84 tipping fee adjustment to come up with a \$.76 cent tipping fee increase. The appropriate franchise fee factor of 15% is then applied.

3. Extraordinary or Unexpected Cost

In addition to and not in lieu of the annual CPI increase described above, CR&R may also apply for adjustments equal to CR&R's extraordinary increases in its costs. The City shall determine the application process for such extraordinary cost increases. Such adjustments shall be subject to City Council approval.

The contract formula's inflation-based increases shall be assumed for the five-year period identified above so that annual increases effective July 1, 2019 through July 1, 2023 shall be automatic upon the 30-day notice required under Government Code Section 53756(d).

This notice also intends to validate all prior fee increases and the current fees under Article XIIID of the California Constitution

The Franchise Agreement's formula for inflation-based increases described above is utilized to calculate the rates for the first year period identified above (July 1, 2019 – June 30, 2020) and those rates are included with this notice.

Effective July 1, 2020 the CPI index will change, and the following index shall be used to adjust the service component. This new index is more reflective of local economic conditions. Annual increases effective July 1, 2020 through July 1, 2023 shall be automatic upon the 30-day notice required under Government Code Section 53756(d).

The CPI adjustment shall be made annually, and such adjustments shall be effective as of the first day of July of each calendar year. The CPI adjustment shall be equal to the amount derived by multiplying (a) the previous rate by (b) the percentage increase or decrease in the Consumer Price Index for All Urban Consumers for the Riverside-San Bernardino-Ontario Area, Index number CUURS49CSA0 as published by the Bureau of Labor Statistics (BLS) during the prior calendar year. The comparison shall be made for each March 1st during the term hereof and shall be effective each July 1st. The landfill tipping fee adjustment for residential and commercial rates shall be a pro-rata pass through of any tipping fee increase and shall be effective at the start of the first full billing period after the landfill tipping fee is adjusted. The formulas for the annual CPI and Landfill Tipping Fee Adjustments are set out in the proposed schedule below and included a franchise fee gross up factor:

1. CPI Formula

(a) Residential Rate x 78% x CPI/ (franchise fee factor)

(b) Commercial Rate x 71.5% x CPI/ (franchise fee factor)

2. Landfill Tipping Fee Formula

(a) \$.21 per \$1.00 per ton multiplied by the landfill increase multiplied by the current residential recycling diversion rate (less green waste). This diversion portion is subtracted from the proposed landfill increase and then the appropriate franchise fee factor is applied.

(b) \$.91 per \$1.00 per ton multiplied by the landfill increase multiplied by the current nonresidential recycling diversion rate (less green waste, concrete, and asphalt). This diversion portion is subtracted from the proposed landfill increase and then the appropriate franchise fee factor is applied.

3. Extraordinary or Unexpected Cost

In addition to and not in lieu of the annual CPI increase described above, CR&R may also apply for adjustments equal to CR&R's extraordinary increases in its costs. The City shall determine the application process for such extraordinary cost increases. Such adjustments shall be subject to City Council approval.

This notice also intends to validate all prior fee increases and the current fees under Article XIID of the California Constitution

Proposition 218

Owners and tenants, as defined under Proposition 218, may respond to the proposed fees **in writing** prior to or during the public hearing. Consistent with the provisions of Proposition 218 and Government Code Section 53755, this notice has been mailed to the record owners of the property at the addresses as they appear on the latest equalized assessment roll. If you object to the proposed fees as described in this Notice you may file a written protest with the City at or before the time set for the public hearing. Protests can be mailed or personally delivered to:

CITY OF PERRIS CITY CLERK
101 N. "D" STREET
PERRIS, CALIFORNIA 92570

A valid protest **must** include:

1. The name of the person submitting the protest and their interest in the property (e.g. owner or tenant), and
2. Identification of the property by either assessor's parcel number or street address, and
3. A statement of protest ("I/we protest" will suffice), and
4. The original signature of the protesting owner or tenant (photocopies will not be accepted).

Please note that pursuant to Government Code section 53755 (b) only one written protest will be counted per parcel. Multiple protests returned for a single property will be disallowed and the City Clerk will only accept one protest per property.

The City Clerk will determine the validity of all protests submitted and exclude any invalid protests from the final tabulation. The City Clerk may confer with the City Attorney in determining the validity of written protests. As part of this process, the City Attorney may view contested or suspect protest forms. The City Clerk's decision shall be final and binding.

FOR MORE INFORMATION

If you have questions regarding this Notice, the Public Hearing, or the Fees/Charges, contact the City's Finance Department at 101 N D St, Perris, CA 92570. Phone: (951) 943-4610

AVISO DE AUDIENCIA PÚBLICA Tarifas de recolección de desechos sólidos

30 de Julio, 2019 a las 6:30 p.m.

**CIUDAD DE PERRIS
101 N. "D" STREET
PERRIS, CALIFORNIA 92570**

PARA MÁS INFORMACIÓN

Si tiene preguntas sobre este aviso, la audiencia pública o las tarifas/cargos, comuníquese con el Departamento de Finanzas de la ciudad en 101 N D St, Perris, CA 92570, teléfono: (951) 943-4610.

Para recibir una copia de este aviso en español por favor visite el sitio web de la ciudad en www.cityofperris.org o copias están disponibles en el lobby del Ayuntamiento.

CITY OF PERRIS

Schedule of Rates

(effective July 1, 2019)

Residential

(1) Single family residences, mobile homes, apartments, condominiums, townhomes, bungalow courts, and multiple residences per dwelling unit, using 100-gallon individual receptacles.

Monthly Rate: \$ 30.41
(includes monthly \$0.61 extraordinary recycling fee)

(1) Single family residences, mobile homes, apartments, condominiums, townhomes, bungalow courts, and multiple residences per dwelling unit, using 60-gallon individual receptacles.

Monthly Rate: \$ 24.99
(includes monthly \$0.61 extraordinary recycling fee)

(3) Additional 100-gallon individual receptacles. Monthly Rate: \$ 10.15

(4) Additional 60-gallon individual receptacles. Monthly Rate: \$ 8.78

Commercial and Industrial

Commercial, Industrial, and Multiple Residences

Commercial cart Once per week pick up: \$ 32.97

(1) Two cubic yard container

1 x week	\$ 146.41
2 x week	\$ 275.63
3 x week	\$ 404.82
4 x week	\$ 534.03
5 x week	\$ 663.27
6 x week	\$ 792.44

(2) Three cubic yard container

1 x week	\$ 168.20
2 x week	\$ 317.10
3 x week	\$ 466.03
4 x week	\$ 614.89
5 x week	\$ 763.83
6 x week	\$ 912.69

10 to 40 cubic yard roll-off container, per pull \$ 242.46

Organic AD Rates

Residential Rate per Home	\$	2.13
Rolloff processing rate	\$	78.13

Commercial, industrial, and multi-family residential non-food monthly bin rates (green waste only)

Two cubic yard container	1 x week	\$ 180.44
	2 x week	\$ 348.57
	3 x week	\$ 516.70
	4 x week	\$ 684.84
	5 x week	\$ 853.01
	6 x week	\$1,021.12

Commercial, industrial, and multi-family residential food monthly bin rates (food establishment)

Two cubic yard container	1 x week	\$ 236.15
	2 x week	\$ 460.01
	3 x week	\$ 683.86
	4 x week	\$ 907.73
	5 x week	\$1,131.58
	6 x week	\$1,355.41

Commercial, industrial, and multi-family residential non-food monthly bin rates (green waste only)

64-gallon Cart	1 x week	\$ 38.93
	2 x week	\$ 77.87
	3 x week	\$ 116.80
	4 x week	\$ 155.74
	5 x week	\$ 194.68
	6 x week	\$ 233.59

Commercial, industrial, and multi-family residential food monthly bin rates (food establishment)

64-gallon Cart	1 x week	\$ 52.21
	2 x week	\$ 104.44
	3 x week	\$ 156.66
	4 x week	\$ 208.87
	5 x week	\$ 261.10
	6 x week	\$ 313.31