



**Agenda Item D.2  
PUBLIC HEARING  
Meeting Date: June 18, 2008**

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**TO:** Mayor and Councilmembers  
**FROM:** Steve Wagner, Community Services Director  
**CONTACT:** Kimberly Nilsson, Community Services  
**SUBJECT:** Solid Waste Collection Rates for Fiscal Year 2008-09

**RECOMMENDATION:**

Adopt Resolution 08-\_\_\_ entitled "A Resolution of the City Council of the City of Goleta, California, Revising the Solid Waste Collection Rates for the Fiscal Year 2008-09."

**BACKGROUND:**

In June 2005 the City of Goleta assumed management of the two (2) solid waste franchise agreements that govern the refuse and recycling service for residents and commercial businesses within the City of Goleta. The area north of Hollister Avenue is serviced by Allied Waste Systems (Allied), and the area south of Hollister Avenue is serviced by MarBorg Industries, Inc. (Marborg).

In accordance with Chapter 17 of the Santa Barbara County Code and the existing solid waste franchise agreements for Allied and MarBorg, the City is required to annually establish solid waste handling/disposal and collection fees. Per the franchise agreements, the fee rate increase is based on the Consumer Price Index (CPI) for our region for the previous year.

**DISCUSSION:**

The solid waste fees are divided up into three (3) different cost categories: collection, disposal and green waste processing costs. The franchise agreement provides for an amendment allowing the City of Goleta to adjust the collection portion of the solid waste rates. Chapter 17 of the Santa Barbara County Code Section 17-56 states that the County may adjust the fees charged for use of the solid waste facilities. The disposal costs and green waste processing costs are established by the County of Santa Barbara, as the County owns the landfill, and processes the green waste. In June 2008, the County Board of Supervisors reviewed the solid waste fees for all of their facilities, and at that time, the proposed tipping fee increase from \$55.50 per ton to

\$59.50 per ton was approved for disposal costs. There were no proposed rate increases for the green waste processing fee.

The City reviews solid waste rates each year, and collection rates are established by the City Council. These rates are used by the solid waste collectors for the residential and commercial customers in the City of Goleta. The rate increase is determined by the CPI. The CPI used is the U.S. Department of Labor Los Angeles-Riverside CPI for the period of February 2007 to February 2008. The CPI increase for this period is 3.1%.

The collection rates are escalated by CPI if the hauler is in full and complete compliance with the obligations of the franchise agreements. Both Allied and MarBorg have submitted the required information and were found to be in compliance with their respective contracts.

The cost impact per residential customer for the proposed rate increase is between \$0.75 - \$1.45/month. Below is a table indicating the existing refuse rates and the proposed residential rates that are proposed for the 2008-09 year. Detailed rate spreadsheets for Allied and MarBorg are attached in the fee resolution. These spreadsheets indicate all rates that can be charged residentially and commercially.

Service Level	Monthly Maximum Solid Waste Collection Costs			
	Zone 2: Allied		Zone 3: MarBorg	
	2007-2008	2008-2009	2007-2008	2007-2008
Minimum Service *	\$ 26.71	\$ 27.70	\$ 26.71	\$ 27.63
Standard Service **	\$ 30.27	\$ 31.39	\$ 30.38	\$ 31.43
Basic Service ***	\$ 33.83	\$ 35.07	\$ 34.04	\$ 35.21
Additional Trash	\$ 5.96	\$ 6.25	\$ 6.23	\$ 6.33
Additional Greenwaste	\$ 5.53	\$ 5.63	\$ 5.21	\$ 5.28

- \* Minimum Service: 2-32 gallon trash plus 1- 65 or 90 gallon recycling & 1-90 gallon green waste container
- \*\* Standard Service: 3-32 gallon trash plus 1- 65 or 90 gallon recycling & 1- 90 gallon green waste container
- \*\*\* Basic Service: 4-32 trash plus 1- 65 or 90 gallon recycling & 1- 90 gallon green waste container

**ALTERNATIVES:**

The CPI and landfill cost increases are defined as a required aspect in both of the solid waste franchise agreements. Therefore, the establishment of the rate is required annually and no other alternative is available.

**FISCAL IMPACTS:**

The existing solid waste franchise agreements require payment of franchise fees (2% of gross revenues) and recycling program fees (8% of gross revenues) to the City. As the solid waste collection rates are increased, the revenue associated with the 2% franchise fee and the 8% program fee also increase. The total estimated increase in franchise and program fee revenue for FY 2008-09 based on the proposed collection rate

increase is approximately \$20,000 (\$4,000 in additional franchise fee revenue and \$16,000 in recycling program fee revenue).

Submitted By:

Reviewed by:

Approved By:

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Steve Wagner  
Community Services Director

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Michelle Greene  
Administrative Services  
Director

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Daniel Singer  
City Manager

**ATTACHMENTS:**

1. Resolution of the City Council of the City of Goleta, California, revising the solid waste collection rates charged by the franchisees for the fiscal year 2008-09

**RESOLUTION NO. 08-\_\_\_\_\_**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GOLETA, CALIFORNIA, REVISING THE SOLID WASTE COLLECTION RATES FOR THE FISCAL YEAR 2008-09**

**WHEREAS**, according to Chapter 17 of the Santa Barbara County Code the City Council may revise the establishes Solid Waste Collection Rates upon the recommendation of the Community Services Director; and

**WHEREAS**, the City Council finds that the revised collection rate schedules, Exhibits 1 and 2 will provide a reasonable return to the franchisees operating pursuant to exclusive franchise agreements in the City of Goleta,

**NOW, THEREFORE BE IT RESOLVED** that the City Council of the City of Goleta hereby:

**SECTION 1:**

That the City Council of the City of Goleta, pursuant to stat law and Chapter 17 of the Santa Barbara County Code, hereby, revises the Collection Rates charged by the Franchisees, as presented in the attached (Exhibit 1 and 2). Each of the rates established by the Resolution supersedes the rates established previously. Each of the rates established by this resolution will be effective July 1, 2008 and will continue in effect until revised, repealed, or otherwise amended.

**SECTION 2.**

The City Clerk shall certify to the adoption of the resolution.

**PASSED, APPROVED, AND ADOPTED this 18<sup>th</sup> day of June, 2008.**

\_\_\_\_\_  
MICHAEL T. BENNETT, MAYOR

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
DEBORAH CONSTANTINO  
CITY CLERK  
STATE OF CALIFORNIA

\_\_\_\_\_  
JULIE HAYWARD BIGGS  
CITY ATTORNEY

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COUNTY OF SANTA BARBARA )      ss.  
CITY OF GOLETA

I, DEBORAH CONSTANTINO, City Clerk of the City of Goleta, California,  
DO HEREBY CERTIFY that the foregoing City Council Resolution No. 08-\_\_\_\_  
was duly adopted by the City Council of the City of Goleta at a regular meeting  
held on the \_\_\_\_ day of \_\_\_\_\_, 2008, by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

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DEBORAH CONSTANTINO  
CITY CLERK

**ALLIED WASTE SYSTEMS - ZONE 2  
FY 2008-2009**

<b>RESIDENTIAL</b>		<b>COMMERCIAL</b>								
<b>1. All Residents</b>		<b>1. Commercial Can Service Rate</b>								
Basic Service Level	\$35.07	2 32-Gallon Cans/Week					\$31.18			
Reduced Service Level	\$31.39	4 32-Gallon Cans/Week					\$36.34			
Minimum Service Level	\$27.70						\$14.49			
Single-Can Service Level	\$24.07	1 90-Gallon Commingled RecycleCart								
Additional Trash Container	\$6.25	<b>2. Residential And Commercial Bin Service Rate</b>								
Additional Greenwaste Container	\$5.63	<u>Monthly Bin Rental Rates</u>								
<b>2. Other Charges</b>		1.5 Cubic Yards					\$22.72			
Extra Bag Tag	\$2.91	2 Cubic Yards					\$26.99			
Distance Charge*	\$5.97	3 Cubic Yards					\$29.83			
Backyard Recycling Collection	\$7.30	4 Cubic Yards					\$34.08			
Curbside Recycling Only	\$7.30	<u>Regular Commercial Trash Service Rates:</u>								
Container Exchanges In Excess Of Once Per Year	\$10.31	Size	1X/WK	2X/WK	3X/WK	4X/WK	5X/WK	6X/WK		
<p>*When cans are located over 100 feet from the traveled roadway, an additional charge for residential walk-in or drive-in service may be levied for each 100-foot multiple over 100 feet. The additional charge will be at a rate of \$3.35 per month for once a week service and \$6.69 per month for twice a week service. For drive-in service, the charge to reach the nearest customer, which reduces the distance to the further customers shall be divided equally among each customer. For purposes of this paragraph, a private road, service road or driveway on which six or more customers are located shall be considered a traveled roadway.</p>		2 C.Y.	\$105.83	\$211.66	\$317.50	\$423.33	\$529.16	\$634.99		
		3 C.Y.	\$158.75	\$317.50	\$476.24	\$634.99	\$793.74	\$952.49		
		4 C.Y.	\$211.66	\$423.33	\$634.99	\$846.66	\$1,058.32	\$1,269.98		
		<u>Commingled Recyclables Service Rates:</u>								
		Size	1X/WK	2X/WK	3X/WK	4X/WK	5X/WK	6X/WK		
		2 C.Y.	\$66.99	\$133.99	\$200.98	\$267.97	\$334.97	\$401.96		
		3 C.Y.	\$100.49	\$200.98	\$301.47	\$401.96	\$502.45	\$602.94		
		4 C.Y.	\$133.99	\$267.97	\$401.96	\$535.95	\$669.94	\$803.92		
		<u>Non-Compliance Commercial Trash Service Rates:</u>								
		Size	1X/WK	2X/WK	3X/WK	4X/WK	5X/WK	6X/WK		
		2 C.Y.	\$127.00	\$254.00	\$381.00	\$507.99	\$634.99	\$761.99		
		3 C.Y.	\$190.50	\$381.00	\$571.49	\$761.99	\$952.49	\$1142.99		
4 C.Y.	\$254.00	\$507.99	\$761.99	\$1,015.99	\$1,269.98	\$1,523.98				
<u>Other Charges</u>		Additional Delivery						\$35.97		
		Cleaning In Excess Of Once Per Year						\$29.70		
		Lock Installation						\$35.84		
		Bin Repair						\$49.11 Per Hour		
		Extra Empty						\$20.60 Per Cubic Yard		
<b>3. Roll-Off Service Rate</b>		<b>3. Roll-Off Service Rate</b>								
		<u>Roll-Off Rental Rate Per Day</u>				All Sizes		\$4.45		
		<u>Roll-Off Service Rate</u>				Per Trip		\$123.62 - \$178.57 Depending On Distance		
<b>4. Compacted Rates</b>		<b>4. Compacted Rates</b>								
		General Compacted Waste				Double The Regular Service Rate				
		Roll-Off Compactors				\$198.61 - \$232.86 Per Load				

**MARBORG INDUSTRIES - ZONE 3  
FY 2008-2009**

RESIDENTIAL		COMMERCIAL						
<b>1. Goleta</b>		<b>1. Commercial Can Service Rate</b>						
Basic Service Level	\$35.21	2 32-Gallon Cans/Week	\$28.24					
Reduced Service Level	\$31.43	4 32-Gallon Cans/Week	\$36.40					
Minimum Service Level	\$27.63	1 90-Gallon Commingled	\$14.49					
Single-Can Service Level	\$23.79	RecyclingCart						
Additional Trash Container	\$6.33	<b>2. Residential And Commercial Bin Service Rate</b>						
Additional Greenwaste Container	\$5.28	<u>Monthly Bin Rental Rates</u>						
<b>2. Other Charges</b>		1.5 Cubic Yards	\$23.35					
Extra Bag Tag	\$2.91	2 Cubic Yards	\$27.74					
Distance Charge*	\$5.95	3 Cubic Yards	\$30.66					
Backyard Recycling Collection	\$7.28	4 Cubic Yards	\$35.04					
Curbside Recycling Only	\$7.28	<u>Regular Commercial Trash Service Rates:</u>						
Container Exchange In Excess Of Once Per Year	\$9.95	Size	1X/WK	2X/WK	3X/WK	4X/WK	5X/WK	6X/WK
<p>*When cans are located over 100 feet from the traveled roadway, an additional charge for residential walk-in or drive-in service may be levied for each 100-foot multiple over 100 feet. The additional charge will be at a rate of \$3.35 per month for once a week service and \$6.69 per month for twice a week service. For drive-in service, the charge to reach the nearest customer, which reduces the distance to the further customers shall be divided equally among each customer. For purposes of this paragraph, a private road, service road or driveway on which six or more customers are located shall be considered a traveled roadway.</p>		1.5 C.Y.	\$77.94	\$155.88	\$233.81	\$311.75	\$389.69	\$467.63
		2 C.Y.	\$103.92	\$207.84	\$311.75	\$415.67	\$519.59	\$623.51
		3 C.Y.	\$155.88	\$311.75	\$467.63	\$623.51	\$779.38	\$935.26
		4 C.Y.	\$207.84	\$415.67	\$623.51	\$831.34	\$1,039.18	\$1,247.01
		<u>Regular Commingled Recycling Service Rates:</u>						
Size	1X/WK	2X/WK	3X/WK	4X/WK	5X/WK	6X/WK		
1.5 C.Y.	\$50.33	\$100.66	\$150.99	\$201.32	\$251.65	\$301.98		
2 C.Y.	\$67.11	\$134.21	\$201.32	\$268.43	\$335.53	\$402.64		
3 C.Y.	\$100.66	\$201.32	\$301.98	\$402.64	\$503.30	\$603.96		
4 C.Y.	\$134.21	\$268.43	\$402.64	\$536.85	\$671.07	\$805.28		
<u>Regular Non-Compliance Commercial Trash Service Rates: 20% surcharge</u>								
Size	1X/WK	2X/WK	3X/WK	4X/WK	5X/WK	6X/WK		
1.5 C.Y.	\$93.53	\$187.05	\$280.58	\$374.10	\$467.63	\$561.16		
2 C.Y.	\$124.70	\$249.40	\$374.10	\$498.80	\$623.51	\$748.21		
3 C.Y.	\$187.05	\$374.10	\$561.16	\$748.21	\$935.26	\$1,122.31		
4 C.Y.	\$249.40	\$498.80	\$748.21	\$997.61	\$1,247.01	\$1,496.41		
<u>Other Charges</u>		Cleaning In Excess Of Once Per Year						
			\$39.82					
		Lock Installation	\$53.09					
		Lock Replacement	\$13.27					

**MARBORG INDUSTRIES - ZONE 3 (CONTINUED)**

**RESIDENTIAL**

**COMMERCIAL**

**3. Roll-Off Service Rate**

Roll-Off Rental Rate Per Day

11, 18, 25, & 40 Cubic Yards	\$3.69
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Roll-Off Service Rate

Haul To Transfer Station Per Load

11 & 18 Cubic Yards	\$126.09
25 & 40 Cubic Yards	\$140.94

Haul To Tajiguas Per Load

11, 18, 30, & 40 Cubic Yards	\$185.43
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**4. Compacted Rates**

General Compacted Waste

Double The Regular Service Rate

Roll-Off Compactors

\$229.30 Per Load