



Item No. 11 Town of Atherton

CITY COUNCIL STAFF REPORT – CONSENT CALENDAR

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

FROM: ROBERT BARRON III, FINANCE DIRECTOR

DATE: JUNE 20, 2018

SUBJECT: SECOND READING AND ADOPTION OF ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON TO INCREASE TO GREEN WASTE RATES IN THE TOWN OF ATHERTON

RECOMMENDATION

Waive further reading and adopt ordinance increasing green waste cart rates in the Town of Atherton.

BACKGROUND

The Atherton Refuse Subcommittee met to discuss the refuse rate setting process and held discussions regarding Town refuse rates. The sub-committee's recommendation suggests that all rates with the exception of the green waste rates remain the same. The sub-committee recommended that the cost-model for green cart collection be adjusted closer to true cost-recovery for carts greater than the standard refuse service.

Member agencies are obligated to set rates to generate the revenue needed to offset the contractor's (Recology) compensation, the pass-through cost components of disposal expense, and agency fees.

The Town conducted a public hearing and introduced the attached ordinance at the regular Council Meeting on May 16, 2018. The Town's rate structure allows a resident to obtain additional green carts above the standard service. Based on the present rate structure, the following is the calculation for the new Green Waste rates and are included in the ordinance:

# of Carts	Current Rate	New Rate
Carts 3 and 4	\$18 each	\$20 each
Carts 5 and above	\$22 each	\$25 each

2nd Reading and Adopt Ordinance to Increase to Green Waste Rates in the Town of Atherton

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The only residents that will be affected by Green Cart increases are those that have more than 2 Green Carts.

Attached is an Ordinance adjusting only the Green Carts collection rates above the standard refuse service.

POLICY FOCUS

The setting of refuse collection rates is a matter of policy discussion for the City Council. Establishing rates that reflect full cost recovery is consistent with Proposition 218.

FISCAL IMPACT

Assuming a static number of carts and the recommended fee change per green waste cart, total fiscal impact is an increase of \$4,097 per month. The total increase for organics is estimated at \$49,140 per year. The sub-committee believes that the cost-model for green cart collection move closer to true cost-recovery for carts greater than the standard refuse service

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting in print and electronically. Information about the project is also disseminated via the Town's electronic News Flash and Atherton Online. There are approximately 1,200 subscribers to the Town's electronic News Flash publications. Subscribers include residents as well as stakeholders – to include, but be not limited to, media outlets, school districts, Menlo Park Fire Protection District, service providers (water, power, and sewer), and regional elected officials.

COMMISSION/COMMITTEE FEEDBACK/REFERRAL

This item ___ has or X has not been before a Town Committee or Commission.

- ___ Audit/Finance Committee (meets every other month)
- ___ Bicycle/Pedestrian Committee (meets as needed)
- ___ Civic Center Advisory Committee (meets as needed)
- ___ Environmental Programs Committee (meets every other month)
- ___ Park and Recreation Committee (meets each month)
- ___ Planning Commission (meets each month)
- ___ Rail Committee (meets every other month)
- ___ Transportation Committee (meets every other month)

ATTACHMENTS

Ordinance

ORDINANCE XXX

AN ORDINANCE OF THE CITY COUNCIL OF THE TOWN OF ATHERTON AMENDING THE RATES SET FORTH IN ORDINANCE 621 TO INCREASE THE GREEN WASTE CART RATES

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

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, the Town has reviewed and approved rates on November 16, 2016 by Ordinance 621, that Franchisee may charge for these solid waste/recycling collection services; and

WHEREAS, the City Council directed staff to prepare an adjustment to green waste cart collection rates above the standard residential pick up service to reflect a cost model closer to full cost recovery; and

WHEREAS, the Town has posted a public hearing notice of the proposed rate decreases, including the date, time and location of a public hearing not less than 10 days before said public hearing; and

WHEREAS, the Town held the duly noticed public hearing and considered any and all comments;

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 increase in green waste collection rates do not exceed the funds required to provide refuse services pursuant to the Solid Waste/Recycling Collection Agreement.

B. The revenues derived from the increase in green waste collection rates will not be used for any other purpose other than pursuant to Solid Waste/Recycling Collection Agreement

C. Review of cost model fairness to move closer to full cost recovery.

D. The only adjustments are to green waste cart rates above the standard residential pick up service.

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

SECTION 2. Beginning on the effective date of this Ordinance, the green waste cart collection rates above the standard residential pick up service are amended as listed below.

Green Waste carts:

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 – \$20.00 each for 1 or 2 additional cans \$25.00 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

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 affect 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 May 16, 2018, and passed and adopted by the City Council of the Town of Atherton on the 20th day of June, 2018 by the following roll call vote, to wit:

AYES: COUNCIL MEMBERS:
 NOES: COUNCIL MEMBERS:

ABSENT:
ABSTAIN:

COUNCIL MEMBERS:
COUNCIL MEMBERS:

Cary Wiest, Mayor
Town of Atherton

ATTEST:

Theresa DellaSanta
City Clerk

APPROVED AS TO FORM:

William B. Conners
City Attorney