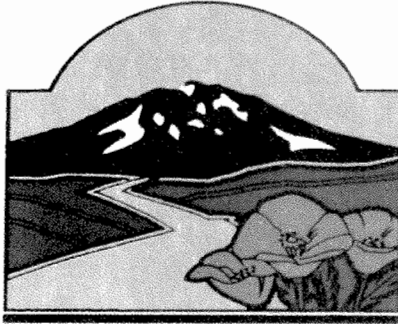


CITY OF
ANDERSON



AGENDA ITEM

November 18, 2008, City Council Meeting

Approved for Submittal By:

City Manager Scott Morgan

To Be Presented By:

Scott Morgan Scott Morgan

To: Honorable Mayor and Members of the Anderson City Council
From: Scott Morgan, City Manager
Telephone 378-6646
Date: November 18, 2008

SUBJECT

Public Hearing – Proposed July 1, 2009, Maximum Rate Schedule and Annual Rate Adjustment Provisions of a Proposed 2009-2015 Solid Waste Collection and Disposal, Recycling and Green Waste Franchise Amendment

RECOMMENDATION

The City Manager recommends that the City Council conduct a public hearing, and, subject to testimony received at the hearing, adopt a resolution to:

1. Determine a July 1, 2009, solid waste collection and disposal, recycling, and green waste services maximum rate structure, and annual rate adjustment provisions, for a proposed franchise renewal with USA Waste of California, Inc., a subsidiary of Waste Management, Inc., with a proposed extended franchise term of January 1, 2009, through June 30, 2015.
2. Authorize the City Manager to incorporate the approved maximum rate structure into a proposed franchise amendment contract with USA Waste of California, Inc.
3. Direct the City Manager to return to the City Council, within 30 days, with a proposed franchise amendment contract incorporating the adopted July 1, 2009, maximum rate structure and annual rate adjustment provision.

FISCAL IMPACT

USA Waste of California (a subsidiary of Waste Management, Inc.) customers pay for solid waste collection and disposal, recycling and greenwaste services provided in accordance with the current franchise agreement with the City of Anderson dated August 21, 2001, and as amended June 18, 2008. The current franchise runs through December 31, 2008.

The franchise amendment proposal submitted by USA Waste of California includes a requested rate adjustment that is proposed to become effective July 1, 2009, as well as certain automatic cost-of-living adjusters that would annually update rates effective on July 1, 2010, on July 1, 2011, on July 1, 2012, on July 1, 2013, and on July 1, 2014.

DISCUSSION and BACKGROUND

Background

On August 21, 2001, the City Council approved the award of a franchise agreement contract with USA Waste of California, Inc. (a subsidiary of Waste Management, Inc.) for enhanced solid waste collection and disposal, recycling and green waste services in accordance with the City's adopted Source Reduction and Recycling Element (SRRE) required by AB 939. That agreement was since amended once, on June 18, 2008. The amendment extend the term of the agreement to December 31, 2008.

On May 22, 2008, the City Manager received from Waste Management representatives a draft of a proposed long-term amendment to the franchise agreement. On May 28, 2008, the City Manager met with the City Attorney to discuss how best to meet Proposition 218 notice requirements of the proposed long-term contract extension. Subsequently, the City Manager asked, and a Waste Management representative concurred, that a City Attorney-prepared Proposition 218 notification would be sent out by Waste Management. The City Attorney provided that notice document to Waste Management, and the notification was sent out by Waste Management. A sample copy of the property owner notification that was sent out is attached to this staff report as "Attachment 1".

Tonight's Hearing

Under the provisions of Proposition 218, tonight's hearing is the opportunity for property owners and Waste Management customers to comment on proposed rate provisions. From a base of 3,193 customer accounts, as of the writing of this staff report, the City Clerk's Office had received formal protests from thirty-six properties. This count of formal protests will be updated at the point of the close of tonight's public hearing. If the protests amount to fewer than 50% of the property owners utilizing solid waste collection and disposal, recycling and green waste services, the City Council may adopt new rate provisions no greater than those requested by Waste Management.

Waste Management's July 1, 2009, Rate Proposal

Attached as "Attachment 2" is the schedule of monthly rates that are currently in effect. Attached as "Attachment 3" is a redlined schedule of maximum monthly rates proposed by Waste Management that are proposed to take effect July 1, 2009.

Waste Management's Fuel Inflation Adjustment and Special Senior Citizen Discount Proposals

Attached as "Attachment 4" are two new provisions proposed by Waste Management that would annually update rates effective each July 1, through July 1, 2014. If adopted, these proposed provisions would:

1. Supplement the existing inflation adjustment provisions contained within the current franchise agreement that have been in effect since 2001, only with respect to diesel fuel cost changes. (The current agreement provides for extraordinary fuel adjustments through a "special rate review" process.)
2. Peg the special discounted senior citizen residential rate at \$9.00 less per month than the monthly rate for 96 gallon residential cart service.

Residential Service Rate Comparison

The City's July 1, 2008, rate for 96 gallon residential cart service is \$16.85 per month. For comparison purposes, effective July 1, 2008, Shasta County's residential service, for an identical service through the same provider, Waste Management, is \$23.83 per month. Attached as "Attachment 5" is a bar chart showing current City of Anderson and Shasta County residential rates, as well as maximum Waste Management-proposed City of Anderson residential rates effective July 1, 2009.

Summary

The City Manager recommends that the City Council, after considering the public testimony at the public hearing, adopt a resolution establishing maximum July 1, 2009, rates for solid waste collection and disposal, recycling and green waste services and new senior citizen discount and diesel fuel adjustment provisions. Using the adopted maximum rates and new rate adjustment provisions, the City Manager would then return to the City Council next month with a recommended franchise amendment incorporating the adopted rate schedule and new rate adjustment provisions. Attached as "Attachment 6" is a proposed resolution for City Council consideration.

ATTACHMENTS

1. Sample Proposition 218 Notification.
2. Current Approved Rate Schedule.
3. Waste Management's Proposed Maximum July 1, 2009, Rate Schedule.
4. Waste Management's Proposed New Rate Adjustment Provisions.
5. Residential Rate Comparison Bar Chart.
6. Proposed Resolution.

Summer 2008

Dear solid waste disposal customer and/or property owner:

SUBJECT: Proposed Solid Waste Franchise Renewal with Rate Adjustments

USA Waste of California, Inc. is proposing that its current franchise with the City of Anderson be extended to June 30, 2015. In order to address projected inflationary increases in the costs of operating a system for the efficient collection and disposal of solid waste, for the collection and recycling of recyclable materials, and for green waste collection and utilization, our company is proposing that the franchise renewal retain a provision contained in the current franchise for annual cost of living rate increases indexed to inflation each July 1. These cost of living increases are limited to 4% a year, unless otherwise approved by the Anderson City Council. Proposed new franchise provisions affecting the future rate structure that fall within the overall 4% cost of living limitation are two proposed specific index components relating to future diesel fuel prices and landfill tipping fee charges.

Among proposed new franchise provisions that would affect the future rate structure, USA Waste of California is proposing that, effective July 1, 2009, the single family senior citizen 64 gallon cart rate be fixed at \$9 a month below the monthly single family 96 gallon cart rate. Presently, the single family 96 gallon cart rate is \$16.85 per month. If this provision were in the current franchise, the current single family senior citizen 64 gallon cart rate would be \$7.85 per month.

A public hearing to consider renewal of the franchise and the proposed rate increases is scheduled for 7:00 p.m. on Tuesday November 18, 2008, in the Anderson City Council Chambers, which is on the third floor of City Hall located at 1887 Howard Street in Anderson, California. If you are the owner of property receiving our services, you may protest the proposed increase in rates by filling out the form below and returning it to Deputy City Clerk Juanita Barnett at 1887 Howard Street, Anderson, California 96007 such that it is received not later than the close of the public hearing.

If you have any questions about this proposal, a representative of our company may be reached at (530) 221-4784 during normal business hours. A complete copy of the staff report to the City Council pertaining to this matter will be made available on the City's web site at www.ci.anderson.ca.us, or a copy of the staff report may be obtained in person at City Hall after it is completed, but in any event not later than Friday November 7, 2008.

Sincerely,

Matt Fryer
USA Waste of California, Inc.

I certify that I am the legal owner of the property receiving solid waste services or a tenant on such property and being billed directly by the service provider for such services within the City of Anderson. I wish to protest the proposed rate increase for the service(s) my property receives as indicated below:

_____ My property receives solid waste service, and I protest the proposed cost of living rate increase provisions.

_____ My property receives solid waste services at the discounted single family senior citizen rate, and I protest the proposed senior citizen rate increase provision.

Sign Name Here

Property Address

Assessor's Parcel No.

Print Name Here

State whether owner or tenant

ATTACHMENT 2

SCHEDULE OF APPROVED BASE RATES

Monthly Rates Effective July 1, 2008

Residential Premises Rates

| | |
|--|----------------------------|
| Senior Citizen (62 and older) Residential Service (64 gallon carts only) | \$4.61 |
| 64 Gallon Cart Residential Service | \$15.64 |
| 96 Gallon Cart Residential Service | \$16.85 |
| Additional Solid Waste Cart | 0.8 times single cart rate |
| Additional Green Waste Cart | \$5.98 |

Residential premises cart service includes biweekly curbside recyclables collection in either 64-gallon or 96-gallon cart (resident's choice) and biweekly green waste collection in either a 64-gallon cart or 96-gallon cart (resident's choice).

For City of Anderson residential customers who also maintain a City of Anderson commercial account in good standing and who use their commercial bin for disposal of their residential waste, the customer may elect to have only curbside recyclable and green waste residential service, and receive a no less than 33% discount off the 64 gallon residential service rate.

Commercial Premises Rates

| | |
|---|----------|
| 64 Gallon Cart, once a week pickup | \$23.30 |
| 96 Gallon Cart, once a week pickup | \$24.35 |
| 1 Cubic Yard Bin, once a week pickup | \$47.23 |
| 1 Cubic Yard Bin, twice a week pickup | \$90.25 |
| 1.5 Cubic Yard Bin, once a week pickup | \$67.95 |
| 1.5 Cubic Yard Bin, twice a week pickup | \$108.41 |
| 1.5 Cubic Yard Bin, three times a week pickup | \$135.48 |
| 2 Cubic Yard Bin, once a week pickup | \$85.19 |
| 2 Cubic Yard Bin, twice a week pickup | \$133.60 |
| 2 Cubic Yard Bin, three times a week pickup | \$174.06 |
| 2 Cubic Yard Bin, four times a week pickup | \$216.81 |
| 2 Cubic Yard Bin, five times a week pickup | \$255.80 |
| 2 Cubic Yard Bin, six times a week pickup | \$295.20 |
| 3 Cubic Yard Bin, once a week pickup | \$105.97 |
| 3 Cubic Yard Bin, twice a week pickup | \$156.85 |
| 3 Cubic Yard Bin, three times a week pickup | \$207.55 |
| 3 Cubic Yard Bin, four times a week pickup | \$258.27 |
| 3 Cubic Yard Bin, five times a week pickup | \$306.72 |
| 3 Cubic Yard Bin, six times a week pickup | \$355.15 |
| 4 Cubic Yard Bin, once a week pickup | \$130.24 |
| 4 Cubic Yard Bin, twice a week pickup | \$192.49 |
| 4 Cubic Yard Bin, three times a week pickup | \$257.06 |
| 4 Cubic Yard Bin, four times a week pickup | \$318.28 |
| 4 Cubic Yard Bin, five times a week pickup | \$380.54 |
| 4 Cubic Yard Bin, six times a week pickup | \$442.77 |
| 6 Cubic Yard Bin, once a week pickup | \$172.98 |
| 6 Cubic Yard Bin, twice a week pickup | \$246.79 |
| 6 Cubic Yard Bin, three times a week pickup | \$318.28 |
| 6 Cubic Yard Bin, four times a week pickup | \$392.05 |
| 6 Cubic Yard Bin, five times a week pickup | \$463.55 |
| 6 Cubic Yard Bin, six times a week pickup | \$537.36 |

Compactor and Debris Box Rates*

| | |
|--|----------|
| 3 Cubic Yard Compactor, once a week pickup | \$317.87 |
| 3 Cubic Yard Compactor, twice a week pickup | \$470.56 |
| 4 Cubic Yard Compactor, once a week pickup | \$390.71 |
| 4 Cubic Yard Compactor, twice a week pickup | \$578.23 |
| | |
| 20 Cubic Yard Debris Box, per pull | \$385.93 |
| 25 Cubic Yard Debris Box, per pull | \$403.09 |
| 30 Cubic Yard Debris Box, per pull | \$431.31 |
| 40 Cubic Yard Debris Box, per pull | \$468.09 |
| Less than 30 Cubic Yard Compactor , per pull | \$488.92 |
| 30 to 40 Cubic Yard Compactor, per pull | \$517.15 |

* Rates include dropping off box at customer location, retrieving box when requested, and hauling up to 3 tons of waste to Class III disposal. An additional charge of \$39.23 per ton will apply to disposal over 3 tons.

Special Charges

| | |
|--|-----------------------------|
| Wheel-out service for non-qualifying households | additional \$7.34 per month |
| On-call bulky waste pick up for non-qualifying residents... per event | \$104.23 per cubic yard |
| On-call bulky waste pick up freon removal charge | \$55.19 per unit |
| On-call extra solid waste collection for residential premises, 64 gallon cart..... \$7.81 per event | |
| On-call extra solid waste collection for residential premises, 96 gallon cart..... \$8.43 per event | |
| Cart exchange in addition to once annually free exchange | \$24.53 per event |
| Call back for collection as a result of set-out after collection time..... \$12.25 per event | |
| Cart replacement due to loss or damage from willful misuse | \$79.71 per cart |
| Extra Commercial pick-up: | |
| 64 gallon cart..... | \$11.65 per event |
| 96 gallon cart..... | \$12.25 per event |
| 2 cubic yard bin..... | \$42.62 per event |
| 3 cubic yard bin..... | \$52.98 per event |
| 4 cubic yard bin..... | \$65.12 per event |
| 6 cubic yard bin..... | \$86.50 per event |
| Key charge when container access requires driver to remove lock..... \$6.15 per month | |
| Distance charge when container is placed further than 10' from where collection vehicle has access..... \$14.72 per fifty feet per container per month | |

ATTACHMENT 3

SCHEDULE OF PROPOSED BASE RATES

*Monthly Rates Proposed to Become Effective July 1, 2009**

* Per Article 6.2 of the Agreement for Solid Waste, Recycling and Green Waste Program Services dated August 21, 2001, the July 1, 2009, base rates will be increased over the approved July 1, 2008, rates by the percentage change, from March 2008 to March 2009, of the CPI for All Urban Consumers, West Region, All Items, 1982-1984 = 100 found on the U.S. Department of Labor website. By agreement, this rate increase may not exceed 4.0%, even if the CPI is greater than 4.0%. The rate table below shows July 1, 2009, rates with a maximum 4.0% increase. The actual July 1, 2009, increase could well be less, as the March 2009 CPI is obviously not yet available.

Residential Premises Rates

| | | |
|---|-----------------------------------|----------------|
| Senior Citizen (62 and older) Residential Service (64 gallon carts only) | \$4.61 | \$8.52 |
| 64 Gallon Cart Residential Service | \$15.64 | \$16.27 |
| 96 Gallon Cart Residential Service | \$16.85 | \$17.52 |
| Additional Solid Waste Cart | 0.8 times single cart rate | |
| Additional Green Waste Cart | \$5.98 | \$6.22 |

Residential premises cart service includes biweekly curbside recyclables collection in either 64-gallon or 96-gallon cart (resident's choice) and biweekly green waste collection in either a 64-gallon cart or 96-gallon cart (resident's choice).

For City of Anderson residential customers who also maintain a City of Anderson commercial account in good standing and who use their commercial bin for disposal of their residential waste, the customer may elect to have only curbside recyclable and green waste residential service, and receive a no less than 33% discount off the 64 gallon residential service rate.

Commercial Premises Rates

| | | |
|---|---------------------|----------|
| 64 Gallon Cart, once a week pickup | \$23.30 | \$24.23 |
| 96 Gallon Cart, once a week pickup | \$24.35 | \$25.32 |
| 1 Cubic Yard Bin, once a week pickup | \$47.23 | \$49.12 |
| 1 Cubic Yard Bin, twice a week pickup | \$90.25 | \$93.86 |
| 1.5 Cubic Yard Bin, once a week pickup | \$67.95 | \$70.67 |
| 1.5 Cubic Yard Bin, twice a week pickup | \$108.41 | \$112.75 |
| 1.5 Cubic Yard Bin, three times a week pickup | \$135.48 | \$140.90 |
| 2 Cubic Yard Bin, once a week pickup | \$85.19 | \$88.60 |
| 2 Cubic Yard Bin, twice a week pickup | \$133.60 | \$138.94 |
| 2 Cubic Yard Bin, three times a week pickup | \$174.06 | \$181.02 |
| 2 Cubic Yard Bin, four times a week pickup | \$216.81 | \$225.48 |
| 2 Cubic Yard Bin, five times a week pickup | \$255.80 | \$266.03 |
| 2 Cubic Yard Bin, six times a week pickup | \$295.20 | \$307.01 |
| 3 Cubic Yard Bin, once a week pickup | \$105.97 | \$110.21 |
| 3 Cubic Yard Bin, twice a week pickup | \$156.85 | \$163.12 |
| 3 Cubic Yard Bin, three times a week pickup | \$207.55 | \$215.85 |
| 3 Cubic Yard Bin, four times a week pickup | \$258.27 | \$268.60 |
| 3 Cubic Yard Bin, five times a week pickup | \$306.72 | \$318.99 |
| 3 Cubic Yard Bin, six times a week pickup | \$355.15 | \$369.36 |
| 4 Cubic Yard Bin, once a week pickup | \$130.24 | \$135.45 |
| 4 Cubic Yard Bin, twice a week pickup | \$192.49 | \$200.19 |
| 4 Cubic Yard Bin, three times a week pickup | \$257.06 | \$267.34 |
| 4 Cubic Yard Bin, four times a week pickup | \$318.28 | \$331.01 |
| 4 Cubic Yard Bin, five times a week pickup | \$380.54 | \$395.76 |
| 4 Cubic Yard Bin, six times a week pickup | \$442.77 | \$460.48 |
| 6 Cubic Yard Bin, once a week pickup | \$172.98 | \$179.90 |
| 6 Cubic Yard Bin, twice a week pickup | \$246.79 | \$256.66 |
| 6 Cubic Yard Bin, three times a week pickup | \$318.28 | \$331.01 |
| 6 Cubic Yard Bin, four times a week pickup | \$392.05 | \$407.73 |
| 6 Cubic Yard Bin, five times a week pickup | \$463.55 | \$482.09 |
| 6 Cubic Yard Bin, six times a week pickup | \$537.36 | \$558.85 |

Compactor and Debris Box Rates*

| | | |
|--|---------------------|---------------------|
| 3 Cubic Yard Compactor, once a week pickup | \$317.87 | \$330.58 |
| 3 Cubic Yard Compactor, twice a week pickup | \$470.56 | \$489.38 |
| 4 Cubic Yard Compactor, once a week pickup | \$390.71 | \$406.34 |
| 4 Cubic Yard Compactor, twice a week pickup | \$578.23 | \$601.36 |
| | | |
| 20 Cubic Yard Debris Box, per pull | \$385.93 | \$401.37 |
| 25 Cubic Yard Debris Box, per pull | \$403.09 | \$419.21 |
| 30 Cubic Yard Debris Box, per pull | \$431.31 | \$448.56 |
| 40 Cubic Yard Debris Box, per pull | \$468.09 | \$486.81 |
| Less than 30 Cubic Yard Compactor , per pull | \$488.92 | \$508.48 |
| 30 to 40 Cubic Yard Compactor, per pull | \$517.15 | \$537.84 |

* Rates include dropping off box at customer location, retrieving box when requested, and hauling up to 3 tons of waste to Class III disposal. An additional charge of ~~\$39.23~~ ~~\$40.80~~ per ton will apply to disposal over 3 tons.

Special Charges

| | | |
|---|--------------------|--|
| Wheel-out service for non-qualifying households ...additional | \$7.34 | \$7.63 per month |
| On-call bulky waste pick up for non-qualifying residents..... | \$104.23 | \$108.40 per cubic yard per event |
| On-call bulky waste pick up freon removal charge | \$55.19 | \$57.40 per unit |
| On-call extra solid waste collection for residential premises, 64 gallon cart..... | \$7.81 | \$8.12 per event |
| On-call extra solid waste collection for residential premises, 96 gallon cart..... | \$8.43 | \$8.77 per event |
| Cart exchange in addition to once annually free exchange | \$24.53 | \$25.51 per event |
| Call back for collection as a result of set-out after collection time..... | \$12.25 | \$12.74 per event |
| Cart replacement due to loss or damage from willful misuse ... | \$79.71 | \$82.90 per cart |
| Extra Commercial pick-up: | | |
| 64 gallon cart..... | \$11.65 | \$12.12 per event |
| 96 gallon cart..... | \$12.25 | \$12.74 per event |
| 2 cubic yard bin..... | \$42.62 | \$44.32 per event |
| 3 cubic yard bin..... | \$52.98 | \$55.10 per event |
| 4 cubic yard bin..... | \$65.12 | \$67.72 per event |
| 6 cubic yard bin..... | \$86.50 | \$89.96 per event |
| Key charge when container access requires driver to remove lock..... | \$6.15 | \$6.40 per month |
| Distance charge when container is placed further than 10' from where collection vehicle has access..... | \$14.72 | \$15.31 per fifty feet per container per month |

A. Entitlement to Fuel Cost Adjustment. The Maximum Rates set by this Agreement are calculated to pay certain expenses and costs that are of a contingent and uncertain nature. Therefore, in addition to the CPI and other Maximum Rate adjustments provided by this Article 6, the Maximum Rates for services shall be further adjusted for changes in fuel costs associated with performance of the services hereunder in the manner provided below.

B. Procedural Requirements. Collector shall submit to City a written proposal for a fuel cost rate adjustment, including a report detailing the calculations in accordance with the formula agreed to below. Within thirty (30) days after Collector provides the City with such proposal and report, the City shall notify the Collector in writing as to whether the City accepts such information as complete or specifying any respect in which the City deems such information incomplete or deficient. City shall review such information and complete all its deliberations in connection therewith within forty-five (45) days from the date of acceptance or deemed acceptance by the City of the proposal and report. Collector and City shall determine an appropriate effective date for any such increase.

C. Formula for Fuel Cost Adjustments. The fuel cost adjustment shall be calculated by the following formula:

$$(1 + [(Fuel\ Cost\ Change - CPI\ Change) \times Fuel\ Percentage]) \times Old\ Rate = New\ Rate$$

The terms used in the preceding formula shall have the following meanings:

“Fuel Cost Change” means, for No. 2 diesel fuel, the average price for California No. 2 diesel fuel for the most recently completed calendar year divided by such average price for the calendar year preceding the most recent calendar year. The price used to compute the Fuel Cost Change shall be the price reported by the United States Department of Energy, Energy Information Administration. In the event that price is no longer reported, the parties will designate a new methodology for determining the price based on comparable data. For fuels other than No. 2 diesel, the Collector shall calculate the change in fuel cost using the same time periods and a reasonably comparable fuel price index.

“CPI Change” means the most recent percentage increase in Maximum Rates approved pursuant to Section 6.2.1 effective the preceding July 1 or [4%] if no such increase was approved.

“Fuel Percentage” means the Collector’s total cost for diesel fuel (or such other fuel as is employed by Collector) incurred during the most recent calendar year divided by Collector’s total operating revenue for such calendar year, in both cases calculated for Collector’s operations district that includes the City.

“Old Rate” means each of the Maximum Rates for services as they may have been previously adjusted or amended.

“New Rate” means the new Maximum Rate calculated pursuant to the preceding formula that will replace the Old Rate.

D. Fuel Cost Floor. This Maximum Rate adjustment for fuel costs shall be in addition to, and not in lieu of, any other Maximum Rate increase to which Collector may be entitled under this Agreement. Under no circumstances may an adjustment for fuel costs reduce a Maximum Rate below the ~~initial~~ Maximum Rates as of July 1, 2008, as increased thereafter pursuant to Article 6 (other than pursuant to this Section 6.9). Adjustments for fuel costs shall only be made to increase or reduce (but not below zero) prior adjustments for fuel costs.

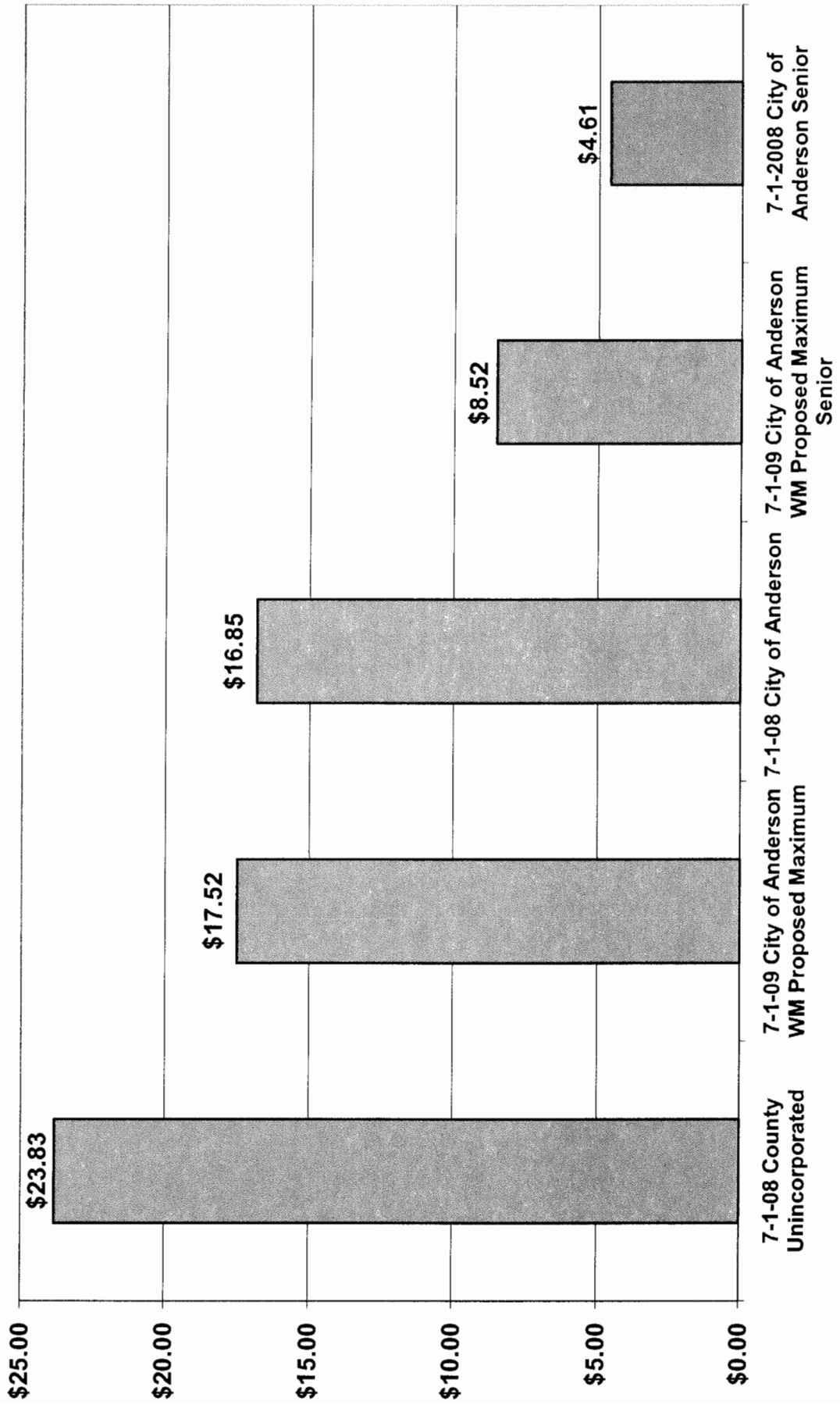
Amendment to Senior Citizen Rate. The Senior Citizen (62 and older) rate for Residential Service (64 gallon carts only) as of the date of this Amendment shall be set at \$9.00 below the 96 gallon cart rate, which is subject to future adjustments as provided in the Franchise Agreement, including without limitation Article 6 of the Franchise Agreement.

The 96 gallon cart rate

July 1, 2009

and maintained throughout the term,

Monthly Solid Waste, Recycling and Green Waste Program Residential Rate Comparisons



Resolution No. 08-__

**A Resolution of the City Council of the City of Anderson
Determining Solid Waste Collection and Disposal, Recycling, and
Green Waste Program Service Rates for July 1, 2009,
with Adjustment Provisions through June 30, 2015**

WHEREAS, having provided a minimum 45 day advance notice of proposed rate changes to property owners; and

WHEREAS, on this date, the City Council of the City of Anderson conducted a public hearing to consider protests; and

WHEREAS, after the close of the public hearing, previously presented written protests were tallied together with oral testimony protests, and protests received from property owners represented significantly less than 50% of property owners receiving the service.

NOW, THEREFORE, BE IT HEREBY RESOLVED that the City Council of the City of Anderson:

1. Adopts a maximum rate schedule for July 1, 2009, as shown on Exhibit A.
2. Directs the City Manager to complete negotiations with Waste Management, the franchise provider of the service, for a franchise extension from January 1, 2009, through June 30, 2015, including certain fuel and senior discount rate provisions, and to return to the City Council within 30 days with a proposed franchise extension agreement.

PASSED AND ADOPTED by the City Council of the City of Anderson this 18th day of November, 2008, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Butch Schaefer, Mayor

ATTEST:

Scott Morgan, City Clerk

EXHIBIT A

SCHEDULE OF MAXIMUM BASE RATES

Maximum Monthly Rates to Become Effective July 1, 2009*

* Per Article 6.2 of the Agreement for Solid Waste, Recycling and Green Waste Program Services dated August 21, 2001, the July 1, 2009, base rates will be increased over the approved July 1, 2008, rates by the percentage change, from March 2008 to March 2009, of the CPI for All Urban Consumers, West Region, All Items, 1982-1984 = 100 found on the U.S. Department of Labor website. By agreement, this rate increase may not exceed 4.0%, even if the CPI is greater than 4.0%. The rate table below shows July 1, 2009, rates with a maximum 4.0% increase. The actual July 1, 2009, increase could well be less, as the March 2009 CPI is obviously not yet available.

Residential Premises Rates

| | | |
|---|-----------------------------------|----------------|
| Senior Citizen (62 and older) Residential Service (64 gallon carts only) | \$4.61 | \$8.52 |
| 64 Gallon Cart Residential Service | \$15.64 | \$16.27 |
| 96 Gallon Cart Residential Service | \$16.85 | \$17.52 |
| Additional Solid Waste Cart | 0.8 times single cart rate | |
| Additional Green Waste Cart | \$5.98 | \$6.22 |

Residential premises cart service includes biweekly curbside recyclables collection in either 64-gallon or 96-gallon cart (resident's choice) and biweekly green waste collection in either a 64-gallon cart or 96-gallon cart (resident's choice).

For City of Anderson residential customers who also maintain a City of Anderson commercial account in good standing and who use their commercial bin for disposal of their residential waste, the customer may elect to have only curbside recyclable and green waste residential service, and receive a no less than 33% discount off the 64 gallon residential service rate.

Commercial Premises Rates

| | | |
|---|---------------------|----------|
| 64 Gallon Cart, once a week pickup | \$23.30 | \$24.23 |
| 96 Gallon Cart, once a week pickup | \$24.35 | \$25.32 |
| 1 Cubic Yard Bin, once a week pickup | \$47.23 | \$49.12 |
| 1 Cubic Yard Bin, twice a week pickup | \$90.25 | \$93.86 |
| 1.5 Cubic Yard Bin, once a week pickup | \$67.95 | \$70.67 |
| 1.5 Cubic Yard Bin, twice a week pickup | \$108.41 | \$112.75 |
| 1.5 Cubic Yard Bin, three times a week pickup | \$135.48 | \$140.90 |
| 2 Cubic Yard Bin, once a week pickup | \$85.19 | \$88.60 |
| 2 Cubic Yard Bin, twice a week pickup | \$133.60 | \$138.94 |
| 2 Cubic Yard Bin, three times a week pickup | \$174.06 | \$181.02 |
| 2 Cubic Yard Bin, four times a week pickup | \$216.81 | \$225.48 |
| 2 Cubic Yard Bin, five times a week pickup | \$255.80 | \$266.03 |
| 2 Cubic Yard Bin, six times a week pickup | \$295.20 | \$307.01 |
| 3 Cubic Yard Bin, once a week pickup | \$105.97 | \$110.21 |
| 3 Cubic Yard Bin, twice a week pickup | \$156.85 | \$163.12 |
| 3 Cubic Yard Bin, three times a week pickup | \$207.55 | \$215.85 |
| 3 Cubic Yard Bin, four times a week pickup | \$258.27 | \$268.60 |
| 3 Cubic Yard Bin, five times a week pickup | \$306.72 | \$318.99 |
| 3 Cubic Yard Bin, six times a week pickup | \$355.15 | \$369.36 |
| 4 Cubic Yard Bin, once a week pickup | \$130.24 | \$135.45 |
| 4 Cubic Yard Bin, twice a week pickup | \$192.49 | \$200.19 |
| 4 Cubic Yard Bin, three times a week pickup | \$257.06 | \$267.34 |
| 4 Cubic Yard Bin, four times a week pickup | \$318.28 | \$331.01 |
| 4 Cubic Yard Bin, five times a week pickup | \$380.54 | \$395.76 |
| 4 Cubic Yard Bin, six times a week pickup | \$442.77 | \$460.48 |
| 6 Cubic Yard Bin, once a week pickup | \$172.98 | \$179.90 |
| 6 Cubic Yard Bin, twice a week pickup | \$246.79 | \$256.66 |
| 6 Cubic Yard Bin, three times a week pickup | \$318.28 | \$331.01 |
| 6 Cubic Yard Bin, four times a week pickup | \$392.05 | \$407.73 |
| 6 Cubic Yard Bin, five times a week pickup | \$463.55 | \$482.09 |
| 6 Cubic Yard Bin, six times a week pickup | \$537.36 | \$558.85 |

Compactor and Debris Box Rates*

| | | |
|--|---------------------|---------------------|
| 3 Cubic Yard Compactor, once a week pickup | \$317.87 | \$330.58 |
| 3 Cubic Yard Compactor, twice a week pickup | \$470.56 | \$489.38 |
| 4 Cubic Yard Compactor, once a week pickup | \$390.71 | \$406.34 |
| 4 Cubic Yard Compactor, twice a week pickup | \$578.23 | \$601.36 |
| | | |
| 20 Cubic Yard Debris Box, per pull | \$385.93 | \$401.37 |
| 25 Cubic Yard Debris Box, per pull | \$403.09 | \$419.21 |
| 30 Cubic Yard Debris Box, per pull | \$431.31 | \$448.56 |
| 40 Cubic Yard Debris Box, per pull | \$468.09 | \$486.81 |
| Less than 30 Cubic Yard Compactor , per pull | \$488.92 | \$508.48 |
| 30 to 40 Cubic Yard Compactor, per pull | \$517.15 | \$537.84 |

* Rates include dropping off box at customer location, retrieving box when requested, and hauling up to 3 tons of waste to Class III disposal. An additional charge of ~~\$39.23~~ ~~\$40.80~~ per ton will apply to disposal over 3 tons.

Special Charges

Wheel-out service for non-qualifying households ...additional \$7.34 \$7.63 per month
On-call bulky waste pick up for non-qualifying residents..... \$104.23 \$108.40
per cubic yard per event
On-call bulky waste pick up freon removal charge\$55.19 \$57.40 per unit
On-call extra solid waste collection for residential premises, 64 gallon cart.....
\$7.81 \$8.12 per event
On-call extra solid waste collection for residential premises, 96 gallon cart.....
\$8.43 \$8.77 per event
Cart exchange in addition to once annually free exchange\$24.53 \$25.51 per event
Call back for collection as a result of set-out after collection time.....
\$12.25 \$12.74 per event
Cart replacement due to loss or damage from willful misuse ...\$79.71 \$82.90 per cart
Extra Commercial pick-up:
 64 gallon cart..... \$11.65 \$12.12 per event
 96 gallon cart.....\$12.25 \$12.74 per event
 2 cubic yard bin.....\$42.62 \$44.32 per event
 3 cubic yard bin.....\$52.98 \$55.10 per event
 4 cubic yard bin.....\$65.12 \$67.72 per event
 6 cubic yard bin.....\$86.50 \$89.96 per event
Key charge when container access requires driver to remove lock.....
\$6.15 \$6.40 per month
Distance charge when container is placed further than 10' from
where collection vehicle has access.....
\$14.72 \$15.31 per fifty feet per container per month