



**NOTICE OF PUBLIC HEARING &
YOUR RIGHT TO FILE A PROTEST REGARDING THE PROPOSED SOLID WASTE REFUSE COLLECTION RATES FOR THE 2024-25 FISCAL YEAR AND THE FORMULAS TO BE USED IN DETERMINING FUTURE SOLID WASTE REFUSE COLLECTION RATE ADJUSTMENTS FOR THE SUBSEQUENT FOUR FISCAL YEARS THROUGH THE 2028-29 FISCAL YEAR**

On Tuesday, June 18, 2024, 6:00 p.m. at a regularly scheduled meeting of the Redondo Beach City Council, the City Council will be holding a Public Hearing in the City Council Chambers located at 415 Diamond Street, Redondo Beach, CA to consider **1) Solid Waste Refuse Collection Rates (Refuse Rates) for the 2024-25 Fiscal Year and the formulas to be used for determining Refuse Rate adjustments through the 2028-29 Fiscal Year as set forth in the exclusive solid waste handling services franchise agreement between the City of Redondo Beach (City) and Athens Services approved by the City Council on January 4, 2011 (Franchise Agreement), and 2) a written report containing a description of each parcel subject to the Refuse Rates that will be levied annually on the County of Los Angeles secured property tax roll for residential parcels with less than four units, commencing the 2024-25 Fiscal Year.** Commercial parcels and multi-family residential parcels with 4 or more units will be billed directly by Athens Services. If a majority of property owners in the City file written protests with the City Clerk against the proposed Refuse Rates by the end of the Public Hearing, the proposed Refuse Rates for the 2024-25 Fiscal Year and formulas to be used for determining Refuse Rate adjustments through the 2028-29 Fiscal Year will not be adopted.

At its meeting held on Tuesday, April 23, 2024, the City Council approved mailing notices to property owners in the City regarding the proposed Refuse Rates for the 2024-25 Fiscal Year and the future rate adjustments through the 2028-29 Fiscal Year based on specific formulas set forth in the Franchise Agreement. The Franchise Agreement provides for annual rate adjustments based on a weighted cost formula that takes into account changes in labor costs per separate agreements between local haulers and Package and General Utility Drivers Local Union 396 Teamsters, changes in fuel costs based on Producer Price Index (PPI), changes in equipment costs based on PPI, changes in disposal/green waste and organics processing costs based on the Consumer Price Index (CPI) for All Urban Consumers, Los Angeles-Long Beach-Anaheim, CA or 5% whichever is lower (CPI increases over 5% roll to subsequent fiscal years), and changes in other miscellaneous items based on CPI. A description of the Refuse Rate adjustment procedure is described in further detail on the following pages of this notice. **The complete Franchise Agreement containing the full-text of all rate-adjustment formulas is available for review in the City Clerk's Office located at 415 Diamond Street, Redondo Beach, CA 90277 (Door 1).** Full procedures for submitting protests and attending the public hearing are also available in the City Clerk's office and on the City website www.redondo.org.

A fixed City Administrative fee, adopted in 2012, of \$0.86 per month is currently charged to each residential unit in the City. An increase of \$0.13 to the monthly City Administrative fee for a new fixed total of \$0.99 per month is proposed to be included in the Refuse Rates for each residential unit in the City to cover increases in personnel and other costs associated with the administration of the City's Solid Waste Refuse Collection program.

Questions or comments may be directed to the Public Works Department at (310) 697-3245 or via email: andrea.delap@redondo.org.

Refuse Rates per Unit, including City Administrative Fees, for Residential Parcels (less than 4 units)

Existing	\$29.40 per month	Proposed 2024-25 Fiscal Year	\$29.78 per month
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Existing Monthly Refuse Rates for Multi-Family Residential Parcels (four or more units)

BIN SIZE	1X WK	2X WK	3X WK	4X WK	5X WK	6X WK	7X WK	Extra
1 Cubic Yard	\$ 105.88	\$ 206.55	\$ 307.22	\$ 387.37	\$ 482.99	\$ 578.64	\$ 674.24	\$ 120.68
1.5 Cubic Yard	\$ 109.62	\$ 213.78	\$ 317.91	\$ 422.07	\$ 526.16	\$ 630.32	\$ 734.50	\$ 120.68
2 Cubic Yard	\$ 124.85	\$ 243.45	\$ 362.11	\$ 476.72	\$ 581.41	\$ 686.02	\$ 794.69	\$ 120.68
3 Cubic Yard	\$ 143.80	\$ 280.39	\$ 416.93	\$ 537.83	\$ 655.56	\$ 777.78	\$ 927.10	\$ 120.68
4 Cubic Yard	\$ 162.69	\$ 317.24	\$ 460.28	\$ 588.85	\$ 732.83	\$ 867.58	\$ 1,020.06	\$ 120.68
6 Cubic Yard	\$ 200.56	\$ 391.17	\$ 552.57	\$ 717.91	\$ 852.55	\$ 1,017.06	\$ 1,169.65	\$ 120.68
3 Cubic Yard Compactor	\$ 233.60	\$ 457.74	\$ 681.98	\$ 906.17	\$ 1,130.41	\$ 1,354.65	\$ 1,578.85	\$ 249.82
4 Cubic Yard Compactor	\$ 264.33	\$ 515.46	\$ 766.53	\$ 1,017.69	\$ 1,268.80	\$ 1,519.94	\$ 1,771.02	\$ 249.82
35 Gallon Organics Cart	\$ 38.57	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes: X means collection frequency per week, WK means week

In addition to the base rates per the table above, the following monthly charges are applied:

Recycling Service Charge: \$3.46 per unit.

City Fees: Administration \$0.86 per unit, Household Hazardous Waste \$0.91 per unit, and 4.25% of base rate for AB 939.

Proposed Monthly 2024-25 Fiscal Year Refuse Rates for Multi-Family Residential Parcels (four or more units)

BIN SIZE	1X WK	2X WK	3X WK	4X WK	5X WK	6X WK	7X WK	Extra
1 Cubic Yard	\$ 106.83	\$ 208.41	\$ 309.98	\$ 390.86	\$ 487.34	\$ 583.85	\$ 680.31	\$ 121.77
1.5 Cubic Yard	\$ 110.61	\$ 215.70	\$ 320.77	\$ 425.87	\$ 530.90	\$ 635.99	\$ 741.11	\$ 121.77
2 Cubic Yard	\$ 125.97	\$ 245.64	\$ 365.37	\$ 481.01	\$ 586.64	\$ 692.19	\$ 801.84	\$ 121.77
3 Cubic Yard	\$ 145.09	\$ 282.91	\$ 420.68	\$ 542.67	\$ 661.46	\$ 784.78	\$ 935.44	\$ 121.77
4 Cubic Yard	\$ 164.15	\$ 320.10	\$ 464.42	\$ 594.15	\$ 739.43	\$ 875.39	\$ 1,029.24	\$ 121.77
6 Cubic Yard	\$ 202.37	\$ 394.69	\$ 557.54	\$ 724.37	\$ 860.22	\$ 1,026.21	\$ 1,180.18	\$ 121.77
3 Cubic Yard Compactor	\$ 235.70	\$ 461.86	\$ 688.12	\$ 914.33	\$ 1,140.58	\$ 1,366.84	\$ 1,593.06	\$ 252.07
4 Cubic Yard Compactor	\$ 266.71	\$ 520.10	\$ 773.43	\$ 1,026.85	\$ 1,280.22	\$ 1,533.62	\$ 1,786.96	\$ 252.07
35/64/96 Gallon Organics Cart	\$ 32.07	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes: X means collection frequency per week, WK means week.

In addition to the base rates per the table above, the following monthly charges will be applied:

Recycling Service Charge: \$3.67 per unit.

City Fees: Administration \$0.99 per unit, Household Hazardous Waste \$0.91 per unit, and 4.25% of base rate for AB 939.

Existing Monthly Refuse Rates for Commercial Parcels

BIN SIZE	1X WK	2X WK	3X WK	4X WK	5X WK	6X WK	7X WK	Extra
Commercial Cart	\$ 128.51	\$ 277.04	\$ 425.74	\$ 574.31	\$ 722.94	\$ 871.52	\$ 1,020.09	\$ 164.55
1 Cubic Yard	\$ 164.59	\$ 321.02	\$ 477.53	\$ 602.18	\$ 750.80	\$ 899.43	\$ 1,048.04	\$ 164.55
1.5 Cubic Yard	\$ 170.36	\$ 332.21	\$ 494.15	\$ 656.02	\$ 817.94	\$ 979.78	\$ 1,141.70	\$ 164.55
2 Cubic Yard	\$ 194.08	\$ 378.46	\$ 562.88	\$ 741.00	\$ 903.71	\$ 1,066.38	\$ 1,235.33	\$ 164.55
3 Cubic Yard	\$ 223.49	\$ 435.81	\$ 648.12	\$ 836.03	\$ 1,018.97	\$ 1,209.03	\$ 1,441.09	\$ 164.55
4 Cubic Yard	\$ 252.93	\$ 493.18	\$ 715.50	\$ 915.37	\$ 1,139.19	\$ 1,348.56	\$ 1,585.60	\$ 164.55
6 Cubic Yard	\$ 311.81	\$ 607.98	\$ 858.97	\$ 1,118.97	\$ 1,325.26	\$ 1,580.97	\$ 1,818.13	\$ 164.55
2 Cubic Yard Compactor	\$ 212.33	\$ 416.11	\$ 619.93	\$ 823.72	\$ 1,027.59	\$ 1,231.40	\$ 1,435.22	\$ 340.63
3 Cubic Yard Compactor	\$ 318.50	\$ 624.17	\$ 929.89	\$ 1,235.58	\$ 1,541.38	\$ 1,847.10	\$ 2,152.82	\$ 340.63
4 Cubic Yard Compactor	\$ 360.43	\$ 702.84	\$ 1,045.21	\$ 1,387.64	\$ 1,730.04	\$ 2,072.48	\$ 2,414.85	\$ 340.63
35 or 64 Gallon Organics Cart	\$ 32.07	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes: X means collection frequency per week, WK means week.

In addition to the base rates per the table above, the following monthly charges are applied:

City Fees: 9.15% of base rate for Administration and 4.25% of base rate for AB 939.

Proposed Monthly 2024-25 Fiscal Year Refuse Rates for Commercial Parcels

BIN SIZE	1X WK	2X WK	3X WK	4X WK	5X WK	6X WK	7X WK	Extra
Commercial Cart	\$ 127.36	\$ 274.57	\$ 421.94	\$ 569.19	\$ 716.49	\$ 863.75	\$ 1,010.99	\$ 163.08
1 Cubic Yard	\$ 163.12	\$ 318.16	\$ 473.27	\$ 596.81	\$ 744.10	\$ 891.41	\$ 1,038.69	\$ 163.08
1.5 Cubic Yard	\$ 168.84	\$ 329.25	\$ 489.74	\$ 650.17	\$ 810.64	\$ 971.04	\$ 1,131.52	\$ 163.08
2 Cubic Yard	\$ 192.35	\$ 375.08	\$ 557.86	\$ 734.39	\$ 895.65	\$ 1,056.87	\$ 1,224.31	\$ 163.08
3 Cubic Yard	\$ 221.50	\$ 431.92	\$ 642.34	\$ 828.57	\$ 1,009.88	\$ 1,198.25	\$ 1,428.24	\$ 163.08
4 Cubic Yard	\$ 250.67	\$ 488.78	\$ 709.12	\$ 907.21	\$ 1,129.03	\$ 1,336.53	\$ 1,571.46	\$ 163.08
6 Cubic Yard	\$ 309.03	\$ 602.56	\$ 851.31	\$ 1,108.99	\$ 1,313.44	\$ 1,566.87	\$ 1,801.91	\$ 163.08
3 Cubic Yard Compactor	\$ 315.66	\$ 618.60	\$ 921.60	\$ 1,224.56	\$ 1,527.63	\$ 1,830.62	\$ 2,133.62	\$ 337.59
4 Cubic Yard Compactor	\$ 357.22	\$ 696.57	\$ 1,035.89	\$ 1,375.26	\$ 1,714.61	\$ 2,053.99	\$ 2,393.31	\$ 337.59
35 Gallon Organics Cart	\$ 46.26	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes: X means collection frequency per week, WK means week.

In addition to the base rates per the table above, the following monthly charges will be applied:

City Fees: 9.15% of base rate for Administration and 4.25% of base rate for AB 939.

Future Refuse Rate Adjustment Methodology

The base rates, excluding City fees, for the proposed 2024-25 Fiscal Year Refuse Rates consist of a weighted average of the cost component categories set forth in the table below. In the Fiscal Year starting July 1, 2025 and ending on June 30, 2026, and for all subsequent fiscal years through the 2028-2029 Fiscal Year, the annual change in the Rate Adjustment Factor for each cost component category will be calculated to determine a weighted percentage change. The total annual adjustment in the base rates, excluding City fees, will be calculated as the weighted percentage change plus one (1) percent. The cost component categories will be re-weighted for the ensuing fiscal year to account for the preceding Rate Adjustment Factors. The process for calculating the base rate adjustments of the proposed Refuse Rate through the 2028-29 Fiscal Year is further described below. The Recycling Service Charge for Multi-Family Residential Parcels (4 or more units) will be adjusted annually through the 2028-29 Fiscal Year by the change in the All Urban Consumers (CUUROOOOSAOL 1 E), U.S. City average, all items less food and energy index plus one (1) percent.

<u>Cost Component Category</u>	<u>Weightings (Cart/Bin)</u>	<u>Rate Adjustment Factor</u>
Labor	26.24%	Change in the highest-level rate for the "Driver A/8" Classification to be in effect as of the date the new rates go into effect (July 1st) under the Agreement between local haulers and Package and General Utility Drivers Local Union 396, International (1)
Fuel	7.41%	Producer Price Index WPU 0531, Fuels and related products and power, natural gas
Equipment	8.55%	Producer Price Index, PCU336120336120, Heavy duty truck manufacturing
Transformation	0%*	Waste-to-energy facility closed.
Disposal/Green Waste	54.48%	Consumer Price Index for All Urban Consumers (CUURA421 SAO), Los Angeles -Long Beach-Anaheim, CA, all items, capped at 5% (increases over 5% roll to subsequent years)
All Other	3.31%	Consumer Price Index for All Urban Consumers (CUUROOOOSAOL 1 E), U.S. City average, all items less food and energy index
Total	100%	

*Waste to Energy facility closed and not an option in FY2024-25. All Transformation is subsequently included in Disposal/Green Waste.

Step One - Calculate the percentage increase or decrease for each Rate Adjustment Factor described in the table above. The calculated annual increase or decrease for each Rate Adjustment Factor will be based on the average of the published index between the calendar year ended the October prior to the Fiscal Year anniversary date and prior calendar year. For example, the Rate Adjustment Factor for the 2025-26 Fiscal Year will be based on a comparison between the average annual index figure for November 2022 through October 2023 and the average annual index figure for November 2023 through October 2024. If a labor contract terminates and a subsequent labor contract has not been executed prior to the Refuse Rate adjustment calculation, the percentage change in the labor cost component category used in the prior year's adjustment calculation will be used. In the event that the estimated labor cost component change is different than the actual change after a new labor contract is executed, no correction to the Rate Adjustment Factor shall be made for that year.

Step Two - Multiply the Rate Adjustment Factor for each Cost Component Category by that Cost Component Category's current Weighting and add these resulting percentages together to obtain the total weighted percentage change. Calculate the total percent adjustment to the base rates for the ensuing fiscal year by adding one (1) percent to the total weighted percentage change.

Step Three - Multiply the total percent adjustment to the base rates for the ensuing fiscal year from Step Two by the base rate for the current fiscal year to calculate the increase or decrease to the base rates for the ensuing fiscal year. Add the calculated base rate increase or decrease to the base rates for the current fiscal year to determine the updated base rates for the ensuing fiscal year.

Step Four - Recalculate each Cost Component Category's weighting for the ensuing fiscal year based on Step One.