

RESOLUTION NO. 19-

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERCULES AMENDING THE PREVIOUSLY APPROVED REQUEST FROM REPUBLIC SERVICES FOR A BASE YEAR RATE ADJUSTMENT TO ADD A CONTAMINATION CHARGE TO THE SOLID WASTE FEE SCHEDULE

WHEREAS, under the terms of the 5th Amendment to the Franchise Agreement with Republic Services (“Republic”), 2019 is designated as a base year for rate review and adjustment; and

WHEREAS, as stipulated by Municipal Code Chapter 5-2A “Adjustment of Refuse Collection Rates” the Public Works Director reviewed the rate adjustment request submitted by Republic, completed the necessary studies, conducted a public hearing, and subsequently issued the recommended order to increase Republic’s rates 5.34% effective January 1, 2019; and

WHEREAS, the City Council considered the information, evidence, and public testimony presented to them and on January 8, 2019, approved a 5.34% base year rate adjustment; and

WHEREAS, it has come to the City’s attention that, in order to address contamination in recycling bins that affects Republic’s ability to process recyclable materials placed in the bins, Republic has initiated a program to audit recycling cans whereby ratepayers found to be responsible for contaminating the recycling stream are assessed a contamination fee; and

WHEREAS, the City Council has been advised that the fee is not expressly authorized pursuant to the Franchise Agreement or the City’s Municipal Code; and

WHEREAS, at the City’s request, Republic has suspended the levying of the contamination fee against Hercules ratepayers until a basis for assessing the fee can be established; and

WHEREAS, to encourage proper recycling and to avoid the contamination of recycling materials, the City of Hercules desires to amend the previously approved base year rate adjustment to expressly authorize the contamination charge so that Republic can recommence contamination audits and, in appropriate cases, assess contamination fee charges.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hercules that the City Council hereby amends Republic Services’ base year rate adjustment, authorized by Resolution No. 19- 003 as passed on January 8, 2019, to expressly authorize the collection of the aforementioned contamination fee in appropriate cases, according to the herein amended Rate Table.

Rate Tables*

	2018 Collection Rate	Base Year Rate Adj 5.41%	2019 Collection Rate	City Waste Program	2019 Post-Collec Charge	2019 Monthly TOTAL
35- gallon	25.69	1.39	27.08	2.08	9.47	38.63
65- gallon	44.31	2.40	46.71	3.79	17.61	68.11
95- gallon	63.04	3.41	66.45	5.60	26.42	98.47
20- gallon	24.78	1.34	26.12	1.40	5.40	32.92
Sr. 35- gal	23.69	1.39	25.08	2.03	9.47	36.58

***A contamination charge of up to \$27.75 may also be levied against ratepayers pursuant to periodic audits of recycling and green waste bins, subject to CPI adjustment per the Franchise Agreement.**

2019 Commercial Service Rates *					
Bin Size	Times per Week				
	1	2	3	4	5
1 Yard	280.98	492.72	704.62	916.37	1,128.27
2 Yard	466.01	852.57	1,239.11	1,625.67	2,012.07
3 Yard	639.86	1,191.01	1,741.80	2,292.57	2,843.36
4 Yard	807.78	1,518.19	2,228.46	2,938.72	3,648.95
5 Yard	972.51	1,839.99	2,707.30	3,574.77	4,442.09
6 Yard	1,135.50	2,159.05	3,182.95	4,206.66	5,230.57
7 Yard	1,297.36	2,477.51	3,657.80	4,837.93	6,018.07

***Includes \$41.95 per yard/per month/per pick-up per week (IRRF Surcharge).**

The foregoing Resolution was duly and regularly adopted at a regular meeting of the City Council of the City of Hercules held on the twenty-third day of April, 2019 by the following vote of the Council:

AYES:

NOES:

ABSENT:

Dan Romero, Mayor

ATTEST:

Lori Martin, MMC
Administrative Services Director/City Clerk