



Proposition 218 Notification NOTICE TO PROPERTY OWNERS OF PUBLIC HEARING ON PROPOSED RATE INCREASE FOR SOLID WASTE DISPOSAL SERVICES

Hearing Date: December 6, 2021
Time: At or after 7:00 PM
Location: City of Oakdale Council Chambers
277 N. 2nd Ave, Oakdale, CA 95361

Why are you receiving this notice? This notice is being provided to you by the City of Oakdale (“City”) pursuant to the California Constitution Article XIII D (also known as “Proposition 218”). Under Proposition 218, the City is required to notify property owners of proposed changes to property-related fees such as solid waste disposal services. If the proposed rate increase is approved, the proposed rates will be effective January 1, 2022.

This letter serves as notice that the City will hold a public hearing on **December 6, 2021, at 7:00 p.m.**, or as soon thereafter as the matter may be heard, to consider changes to the current solid waste disposal rates. This notice includes information regarding the methods by which you can protest the proposed rates if you desire.

What do solid waste disposal service rates fund? The City currently receives solid waste collection and disposal services, including curbside collection of recyclables and yard waste, from Gilton Solid Waste Management, Inc., a California corporation (“Gilton”). Gilton has been providing solid waste services to residents and businesses in the City for over 40 years. Proposition 218 requires that fees for solid waste services do not exceed the proportional cost of service attributable to the property charged. Proposition 218 also requires that revenues acquired from solid waste services do not exceed the amount needed to provide the service. Further, revenues shall not be used for any other purpose other than for providing the service. The rates are designed to meet all legal requirements, and fairly and equitably recover the required revenue from those who are served by the services.

Why is the rate change required? In September 2016, Governor Brown signed into law Senate Bill (“SB”) 1383. SB 1383 is an unfunded state mandate intended to reduce the emissions of climate pollutants (greenhouse gases) by diverting organic waste from landfills, and targets a 75 percent reduction in the level of statewide disposal of organic waste from the 2014 level by 2025. In November 2020, the California Department of Resources Recycling and Recovery (“CalRecycle”) adopted the final regulations for implementation of SB 1383’s requirements and they are set to go into effect on January 1, 2022. Each city in the State of California is mandated under SB 1383 to reduce organic waste from the landfill by 50% in 2022 and by 75% in 2025. This law imposes certain obligations that will affect the City, its waste franchise agreement with Gilton, residents, and businesses. As a result of this state-imposed unfunded regulation, the City must implement universal organic waste recycling programs for all customers on or before January 1, 2022. The City requested Gilton to determine how best to meet this mandate while providing the best service to our residents and businesses. Organic waste primarily includes landscape and green waste, food scraps, non-hazardous wood waste, and food soiled paper products.

In order to assist the City in meeting SB 1383 mandates, waste material collected for the City will require increased processing to capture and divert from the landfill the highest amount of organic materials from both residential and commercial waste streams. Because of these additional waste processing and landfill diversion requirements, the City needs to adjust our service rates with Gilton to comply with SB 1383 mandates pursuant to the Review of Rates section of the franchise agreement with the City. Gilton's cost of implementing the unfunded State-mandated SB 1383 program is estimated at \$1,361,025 annually and \$113,418.79 monthly. Specifically, Gilton has requested the City make the appropriate rate adjustments over the term of seven years based on the increased processing cost to capture and divert the highest amount of organic materials from both residential and commercial waste streams as required by SB 1383.

In addition to the increase in Gilton's rates to address SB 1383 state mandates, the City is responsible for program oversight and management tasks required by State law. The cost of implementing the City's new State-mandated SB 1383 program is estimated at \$154,545.00 annually and \$12,878.00 monthly. These costs are incorporated into Gilton's rate increase request set forth below.

Given fluctuations in the economic climate and inflation, the franchise agreement will allow for the increase in rates each January 1st in proportion to increases in the Consumer Price Index for Urban Wage Earners and Clerical Workers Consumers published by the U.S. Department of Labor for San Francisco-Oakland-San Jose, not to exceed 3% per year, and for this change to be effective January 1, 2022. If approved, beginning January 1, 2022, and each January 1 thereafter through and including September 7, 2028, the rates may be automatically adjusted by an amount not to exceed 3% in the CPI as determined by the United States Department of Labor Statistics, or its successor.

The proposed rates were developed by Gilton and the City and the detailed calculations showing the basis for these fees, are available on the City of Oakdale's website at oakdalegov.com.

Impact on your bill The proposed rates are designed to produce the minimum revenue needed to cover projected operating costs, meet unfunded State mandates, and maintain recycling collection programs. Detailed descriptions of the proposed rate increases are provided below:

Monthly Refuse Service Rates
Automated Services

Basic Cart Service	Current Rates	New Rates
30 Gallon MSW Cart Rate	\$ 19.73	\$ 19.73
90 Gallon - MSW Cart Rate	\$ 24.93	\$ 23.43
90 Gallon - Organics Cart Rate	\$ -	\$ 11.72
Additional 90 Gallon Cart- (Any Type)	\$ 9.17	\$ 15.42

Additional Services

	Current Rates	New Rates
Go Back	\$ 7.50	\$15.00
Extra Dump on Cart	\$10.00	\$18.75
Wash on Cart	\$12.50	\$21.00

Monthly Refuse Service Rates
Front Loader Bins

Number of Accounts	Size of Bin	Collection Frequency	Current Rate	New Rate
3	1 Cubic Yard	1	\$67.15	\$80.63
123	2 Cubic Yard	1	\$93.95	\$120.90
13	2 Cubic Yard	2	\$169.88	\$223.79
9	2 Cubic Yard	3	\$228.09	\$308.95
73	3 Cubic Yard	1	\$125.69	\$166.12
15	3 Cubic Yard	2	\$241.50	\$322.36
7	3 Cubic Yard	3	\$346.61	\$467.90
0	3 Cubic Yard	4	\$458.30	\$620.02
1	3 Cubic Yard	5	\$536.59	\$738.74
1	3 Cubic Yard	6	\$647.58	\$890.16
105	4 Cubic Yard	1	\$167.65	\$221.56
43	4 Cubic Yard	2	\$308.51	\$416.32
30	4 Cubic Yard	3	\$451.72	\$613.44
4	4 Cubic Yard	4	\$587.97	\$803.60
3	4 Cubic Yard	5	\$706.49	\$976.02
8	4 Cubic Yard	6	\$869.67	\$1,193.11
38	6 Cubic Yard	1	\$223.63	\$304.49
9	6 Cubic Yard	2	\$427.13	\$588.85
8	6 Cubic Yard	3	\$614.90	\$857.48
2	6 Cubic Yard	4	\$813.82	\$1,137.26
9	6 Cubic Yard	5	\$1,048.62	\$1,452.92
2	6 Cubic Yard	6	\$1,095.64	\$1,580.80

\$3.11 per yard per week

Additional Charges

	Current Rates	New Rates
Go Back	\$ 15.00	\$55.00 (per event)
Extra Dump	\$20.00	\$45.00 (per event)
Lock Installation	\$30.00	\$60.00 (locking bar – one time charge)
	\$25.00	\$25.00 (master lock)
	\$35.00	\$35.00 (disk lock)

Public Hearing and Protest Proceedings

In accordance with State law any City property owner or tenant who is a solid waste disposal customer may submit a written protest to the proposed rate changes. Written protests may be submitted in person at the public hearing or mailed to the City Clerk at 280 N. 3rd Ave, Oakdale, CA 95361. Protests must be received before the close of the December 6, 2021, public hearing. Ballots received after this deadline, even if postmarked earlier, cannot be counted or accepted. Each protest must clearly identify the property or account (by assessor's parcel number or street address), reference the proposed solid waste disposal rate increases and must include the printed or typed name and signature of the property owner or tenant. Enclosed you will find a ballot, which is incorporated into this notice by reference, on which you may indicate your opposition to the proposed rate increase.

To ensure the authenticity of protests, protests cannot be accepted by telephone, e-mail, or social media sites such as Facebook or Twitter. Oral comments at the public hearing will qualify as formal protests of the proposed rate increases only if accompanied by a written protest as described above. If a majority of the affected property owners or customers submit timely written protests, the City

cannot adopt the proposed increases. The owner or tenant of any property receiving solid waste disposal service may submit a protest. However, only one protest per parcel will be counted. Written protests must be timely submitted, not withdrawn by the owner or tenant, and represent a majority (50% + 1) of the total number of parcels subject to the proposed charge, with ballots weighted according to the proportional financial obligation of the affected property, in order to reject the proposed rate increases.

If you have any questions regarding the proposed increases please contact City of Oakdale Finance Department at (209) 845-3571. If you have any questions regarding how to submit a written protest, please contact Julie Christel, Deputy City Clerk, at (209) 845-3573, or by email at JChristel@ci.oakdale.ca.us. Additional information and the proposed rate schedule is available at 280 N. 3rd Ave, Oakdale, CA 95361 or on the City's website at www.oakdalegov.com.