



STAFF REPORT
6/28/2023

TO: Honorable Mayor and City Council Members

FROM: Maritza Martinez, Public Works Director

SUBJECT: Public hearing and adoption of resolution affirming the solid waste rates for Fiscal Year 2023/2024 and authorizing the collection of residential solid waste service charges for Fiscal Year 2023/2024 on the County of Riverside's property tax roll.

STAFF RECOMMENDATION:

1. Conduct a public hearing to receive public comment related to the collection of solid waste service charges for residences for Fiscal Year (FY) 2023/2024 on the County of Riverside's property tax roll.
2. Adopt resolution affirming the fiscal year 2023/2024 solid waste rates, adopting the report proposing to collect residential solid waste service charges on the tax roll for Fiscal Year 2023/2024 and direct the City Clerk to file said report with the Riverside County Auditor Controller to place said charges on the tax roll..

BACKGROUND:

The City of Coachella entered into a franchise agreement with Burrtec Waste and Recycling Services (Burrtec) on May 30, 2006. Since 2006, Burrtec has been the provider for all solid waste disposal services for Coachella residents and businesses. The City Council approved a first amendment to this agreement on May 27, 2009, which required the City to collect solid waste service charges for residential customers through the county tax roll. Commercial customers continue to be billed directly by Burrtec. The City Council approved a second amendment on June 19, 2013 extending the term of the agreement through May 30, 2023. The City Council approved a third amendment on January 17, 2018 to include street sweeping services. The City Council approved a fourth amendment on July 27, 2022 to include organic waste collection services as required by the SB 1383 regulations.

DISCUSSION/ANALYSIS:

The franchise agreement allows for annual rate adjustments based on two components of the rate 1) service component and 2) disposal component.

1. The service component may be increased annually based upon the change in the Consumer Price Index (CPI) for All Urban Consumers Series Title: All items in Riverside-San

Bernardino-Ontario, CA., from January to January published by the U.S. Bureau of Labor Statistics, and is capped at 5%.

2. The disposal component is a pass through of the tipping fee adjustments at the landfill.

The current monthly residential rate is \$29.94. The annual adjustment to the FY 2023/24 residential rate total \$2.03; the new adjusted residential rate for FY 2023/2024 is \$31.97. As approved by voters on June 8, 2010, this rate is subject to a 5% Utilities Users Tax, which will bring the monthly charged rate to \$33.57.

The most common commercial service is a three-yard cubic bin, with one pick up per week. Currently, the commercial rate for this service is \$171.38. Based on the same factors noted above, the adjustment for fiscal year 2023/2024 totals \$9.20; the new adjusted rate for fiscal year 2023/2024 is \$180.58. As noted above, a 5% Utility Users Tax will be applied to this monthly service, which will bring the rate for a standard three cubic yard bin, with one pickup per week, to \$189.61.

The Proposition 218 proceeding that approved the annual adjustments to the solid waste service rates through July 1, 2026, was held on July 27, 2022. Notice of the annual adjustments to the solid waste service rates, effective July 1, 2023, were mailed out to all residential customers June 2023. Staff is recommending approval of the attached resolution adopting the report proposing to collect residential solid waste service charges on the tax roll for Fiscal Year 2023/2024.

FISCAL IMPACT:

The recommended action will not have a fiscal impact to the general fund.

Attachment:

Resolution

Exhibit A – Report

Exhibit B - FY 2023/2024 Solid Waste Fees