

STAFF REPORT

DATE: February 5, 2019

TO: City Council

FROM: Robert A. Clarke, Director of Public Works
Stan Gryczko, Assistant Public Works Director
Richard Tsai, Environmental Resources Manager
Adrienne Heinig, Management Analyst

SUBJECT: Solid Waste Rate Proposition 218 Public Hearing and Rate Recommendations

Recommendation

1. Conduct the Public Hearing; and
2. Conduct final count of written protests, including any written protests submitted prior to the close of the public hearing, and determine if there is a majority protest; and
3. If no majority protest exists, approve the Resolution (Attachment 1) establishing the maximum City of Davis customer rates for Solid Waste services, consistent with the maximum rates published in the Proposition 218 Notices of Public Hearing for Single-Family Residential and Commercial/Multifamily Customers (Attachments 2 and 3) with the first increase to be effective beginning March 1, 2019; and
4. Direct staff to return to Council before each subsequent rate adjustment within the Proposition 218 period, with a report on the fiscal health of the solid waste fund, and a recommendation for the next year's rate adjustment, as adopted by this Proposition 218 process.

Fiscal Impact

The Solid Waste Fund (Fund 520) continues to see expenditures exceed revenues on average of \$90,000 per month. The proposed adjustments to rates will generate adequate revenue to maintain a positive fund balance and provide solid waste services to ratepayers for the next 5 years.

Council Goals

This effort is consistent with the Council Goal to Ensure Fiscal Resilience.

Background

On December 4, 2018, the City Council approved a Proposition 218 Notice, containing proposed Solid Waste Rate maximum rate adjustments for the next five years, with the first adjustment to be effective March 1, 2019. They then directed staff to return at the February 5 protest hearing with further rate recommendations based on cost savings suggestions offered by the Councilmembers during the discussion.

The City's Solid Waste program is supported entirely by Solid Waste Rate revenue within Fund 520. A solid waste rate study conducted in 2013 established rates through December 1, 2018. While acknowledging the possibility of annual increases beyond the anticipated 3% based on future program changes, the 2013 rate study did not include any type of reserve fund in the revenue requirements. Changes to expenditures in the solid waste program, including costs associated with a hybrid organics collection (containerized in addition to weekly and monthly yard material pile collection) and increases in landfill tipping fees beyond what was anticipated in the 2013 rate study exceeded the amount of

revenue generated to provide Council approved solid waste services. Additionally, this rate study was delayed approximately one year due to the proposed sale of Davis Waste Removal (DWR) to Recology. While the sale had no impact on overall costs (the purchase of DWR is not allowed to be recovered by Recology in customer rates), the delay did lengthen the time solid waste expenditures exceeded revenues, necessitating an inter-fund loan from the Wastewater Fund. The purpose of the current solid waste rate study is to recover revenue shortfalls from the 2013 study and establish fiscal sustainability for the fund moving forward, including establishment of a reserve.

Analysis

Based on the direction received from Council, staff worked with the solid waste fund model to determine the impacts of shifting the second year rate increase and reviewed the fiscal impact of extending payment terms for the current loan from the Wastewater fund.

Shifting Second Year Increase

As a method of minimizing the rate increase impact to customers, staff adjusted the solid waste model developed by the city's consultant during the cost of service study to initiate the second year rate increase of 10% in June 2020, six months after the current proposed effective date. With modifications to the current financial plan, this shift is feasible with the following adjustments:

1. Modeling a 15-year loan repayment on the loan from the city's Wastewater Fund, rather than the current 10-year repayment agreement, and;
2. Paying interest-only on the loan for the first year (fiscal year 2018/19), rather than paying interest *and* principal, and;
3. Delaying the request for funding of the additional "other resources" cost components, including the old landfill mitigation and the increased environmental mitigation until fiscal year 2020/2021.

These adjustments to the model do come with impacts to the Solid Waste Fund.

1. Adjusting the amortization of the Sewer Fund loan from 10 years to 15 years, and paying interest only for the first year, decreases the annual principal payment by approximately \$100,500 per year. However, the payments are extended a further five years at \$233,477 per year (combined principal and interest payments), during which the City incurs additional interest. This scenario is a modeling projection. If the solid waste fund balance is healthy in future years, staff may recommend an early payoff of the loan to save on interest payments.
2. Delays in the proposed expenditures of the "other resources" costs, which are new to this Proposition 218 cycle and solid waste model (old landfill mitigation costs of \$150,000 per year, and increased environmental mitigation cost of \$220,000), will essentially push the work associated with those items out to future years. Landfill mitigation funding to assess the necessary steps to repurpose the site for other uses. Staff feels delaying this assessment by one fiscal year is appropriate as no pressing need has been identified for the site. The increased environmental cost mitigation would primarily be added to street pavement funding and represents a minimal (less than 5%) increase to that funding.

Cost Impacts from Yard Material Collection Schedule Modifications

As Council has not yet determined the future yard material collection schedule, staff does not have an estimate of what cost savings might result from the schedule change, and if that savings could further mitigate rate increases. However, as stated in the staff report presented to Council on December 4, 2018, the first two years of the proposed rate structure focus primarily on allowing the fund to recover from the current structural deficit. Staff does not recommend any immediate reduction in the proposed rate structure based on possible yard material collection changes. The current cost of service study is

based on the current level of solid waste services provided. Determinations of service options resulting in lower costs could give Council the ability to adopt rate increases lower than the maximum allowed under this Proposition 218 process in future years. If Council approves a higher level of solid waste services it would, without a new Proposition 218 process, reduce the level of funds in reserve.

Rate Recommendations within the Proposition 218 Maximum Increases

The rate adjustments within the Proposition 218 notices are the *maximum* amount for rate increases. Determinations of service options, or funding levels for cost components included in the rates resulting in lower costs could give Council the ability to adopt rate increases lower than the maximum allowed under this Proposition 218 process in future years. Staff recommends the rate structure introduced on October 30, 2018, however Council directed staff to present options with adjustments to the initial increase and space out the first and second year planned increases. These options are detailed in the charts below:

Proposition 218-Noticed Rates

Rate Implementation Month/Year	2018	March 2019	January 2020	January 2021	January 2022	January 2023
Per Month Charge for Sample Single-Family Customer	\$34.32	\$38.95	\$42.85	\$46.28	\$48.59	\$51.02
\$ Increase from Previous Year	N/A	+ \$4.63	+ \$3.89	+ \$3.42	+ \$2.31	+ \$2.43
% Increase In Base Service Charges	Current	13.5%	10%	8%	5%	5%
Anticipated End of Fiscal Year Fund Balance	N/A	\$938,265	\$692,165	\$628,565	\$812,065	\$1,045,365

Alternative Option A - With Offset in 2020

Rate Implementation Month/Year	2018	March 2019	June 2020	January 2021	January 2022	January 2023
Per Month Charge for Sample Single-Family Customer	\$34.32	\$38.95	\$42.85	\$46.28	\$48.59	\$51.02
\$ Increase from Previous Year	N/A	+ \$4.63	+ \$3.89	+ \$3.42	+ \$2.31	+ \$2.43
% Increase In Base Service Charges	Current	13.5%	10%	8%	5%	5%
Anticipated End of Fiscal Year Fund Balance	N/A	\$1,212,265	\$459,665	\$366,565	\$514,465	\$706,265

Alternative Option B - With Offset in 2020

Rate Implementation Month/Year	2018	March 2019	June 2020	January 2021	January 2022	January 2023
Per Month Charge for Sample Single-Family Customer	\$34.32	\$38.61	\$42.47	\$45.87	\$48.16	\$50.57
\$ Increase from Previous Year	N/A	+ \$4.29	+ \$3.86	+ \$3.39	+ \$2.29	+ \$2.40
% Increase In Base Service Charges	Current	12.5%	10%	8%	5%	5%
Anticipated End of Fiscal Year Fund Balance	N/A	\$1,193,265	\$326,665	\$233,565	\$381,465	\$573,265

Each alternative assumes rate increase implementation in March 2019, with proposed expenditures of "other resources" beginning in fiscal year 2020/2021. Proposition 218 Notice table reflects loan payoff in 10 years, and the second year increase in January 2020, Alternative Options reflect loan payoff in 15 years, and the second year increase in June 2020.

Deficit Recovery before Programmatic Changes

As discussed previously, the speed at which the utility recovers is closely linked to the funding choices Council makes for other resources (landfill mitigation, environmental mitigation) and solid waste service levels. The utility will continue to show a decline in fund balance for the next two years, based on the current deficit and the measured increases proposed by the Utility Rate Advisory Commission (URAC) and staff, to reduce the impact of the recovery on the City's customers. Depending on the initial rate increase, that drop can bring the utility's reserve to less than \$250,000. Part of this is related to the expenditure of the \$3M loan from the wastewater fund. As operating costs currently continue to exceed revenue, the loan allows for the solid waste fund to generate sufficient revenue to cover planned expenditures over the next two years, through fiscal year 20/21, instead of requiring one large increase. This demonstrates the need for recovery in this fund before any rate adjustments that are less than proposed are made for major programmatic changes. Keeping the costs associated with the rate increases as-is (13.5% in first year) provides flexibility to the utility. That flexibility allows the fund to absorb service level changes (to LITS or other services), or modifications to the costs (tipping fees), or fund studies related to the city's solid waste services (relocation of the material recovery facility, organics processing, landfill mitigation), without running into another deficit or necessitating the need for an additional Proposition 218 notice to increase rates.

In keeping with the practice for all utility funds moving forward, staff will update the financial plan and revisit all associated costs of the utility on an annual basis. The attached resolution adopts the first year rate increase, and sets the maximum increases for the following four years, with staff returning each year with a rate recommendation within the maximum.

Protests

As of January 31, 2019, the City Clerk has received 162 unvalidated protests to the proposed solid waste rate increase as published in the single-family residential and commercial/multifamily residential Proposition 218 notices. A final protest count will be conducted at the February 5, 2019 City Council meeting and include any written protest submitted prior to the close of the public hearing.

Timeline for Proposition 218 Notice and Rate Implementation

Date	Action
October 4, 2018	Utility Rate Advisory Commission approval of recommendation on solid waste rates
December 4, 2018	City Council approval of Prop 218 Notice
December 12, 2018	Notices sent to property owners (Postmarked by)
February 5, 2019	Public hearing/protest hearing at City Council meeting and adoption of rates
March 2019	Utility bill message on new rates
March 1, 2019	Rates become effective

Attachments

1. Resolution
2. Single Family Residential Proposition 218 Notice
3. Commercial/Multifamily Residential Proposition 218 Notice

RESOLUTION NO. 19-XXX, SERIES 2019

**CITY OF DAVIS CUSTOMER RATES FOR SOLID WASTE SERVICE FEES
EFFECTIVE MARCH 1, 2019**

WHEREAS, Article 32.01.120 of the Davis Municipal Code authorizes the City Council to periodically amend, by resolution, fees for solid waste management services; and

WHEREAS, the City of Davis conducted a solid waste rate study, completed in October 2018 to review and recommend any necessary modifications to the City solid waste rates; and

WHEREAS, the study recommended modifications to the solid waste rates to respond to the increased cost of providing such services, and to resolve a fund deficit; and

WHEREAS, the City Council held a duly noticed public protest hearing on February 5, 2019 to receive comments and protests on the proposed solid waste rates; and

WHEREAS, at the conclusion of the public hearing, the City Clerk tabulated the number of written protests received and reported that there was not a majority protest by property owners or customers of record of the identified and affected properties.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Davis that the maximum solid waste service fees shown on the attached Exhibit 1 are incorporated herein by reference, and shall become effective March 1, 2019 with maximum authorized annual increases thereafter through January 1, 2023; and

BE IT FURTHER RESOLVED, that each year of the Proposition 218 noticed period, prior to the approval of solid waste rates for each year, staff will return to Council with a report on the state of the solid waste fund and recommendation for the rate setting for that year and whether to impose the maximum rates set forth in Exhibit 1 of this Resolution; and

BE IT FURTHER RESOLVED that the Davis City Council hereby finds that the fees established by this resolution are for the purpose of maintaining and continuing the provision of the City's solid waste services, including the following:

- 1) Projected increases in the costs of operations provided by Recology for solid waste collection, disposal, and processing services; and
- 2) Current budget deficits in the City's Solid Waste Fund; and
- 3) Loan and capital debt service payments owed to the City's Wastewater Division; and
- 4) Environmental mitigation costs for road repair due to wear-and-tear associated with solid waste collection services; and
- 5) Establishing minimal emergency reserves in the City's Solid Waste Fund; and
- 6) Administrative and regulatory costs of providing these services, including billing and collection of the service fees.

PASSED AND ADOPTED by the Davis City Council this 5th day of February, 2019, by the following vote:

AYES:

NOES:

ABSENT:

Brett Lee
Mayor

ATTEST:

Zoe S. Mirabile, CMC
City Clerk

Exhibit A

SINGLE-FAMILY RATES

Single-Family Monthly Service Charges by Year (Based on Garbage Container Size)

Container Size	Rate 3/1/2019	Rate 1/1/2020	Rate 1/1/2021	Rate 1/1/2022	Rate 1/1/2023
35-Gallon	\$35.19	\$38.70	\$41.80	\$43.89	\$46.08
65-Gallon	\$38.95	\$42.85	\$46.28	\$48.59	\$51.02
95-Gallon	\$46.47	\$51.11	\$55.20	\$57.96	\$60.86

Monthly Organics Cart Service Charge by Year

Level of Service	3-1-2019	1-1-2020	1-1-2021	1-1-2022	1-1-2023
1 Cart	Included	Included	Included	Included	Included
Additional Cart	\$5.98	\$6.58	\$7.11	\$7.46	\$7.83

Monthly "No Trash Service" Fee Service Charge by Year

Rate 3/1/2019	Rate 1/1/2020	Rate 1/1/2021	Rate 1/1/2022	Rate 1/1/2023
\$24.50	\$26.96	\$29.11	\$30.57	\$32.10

COMMERCIAL/MULTI-FAMILY RATES

Monthly Drop Box Service Charge by Year

Level of Service	Rate 3/1/2019	Rate 1/1/2020	Rate 1/1/2021	Rate 1/1/2022	Rate 1/1/2023
10 Yards	\$202.51	\$222.76	\$240.58	\$252.61	\$265.24
20 Yards	\$202.51	\$222.76	\$240.58	\$252.61	\$265.24
30 Yards	\$246.81	\$271.49	\$293.21	\$307.87	\$323.26
40 Yards	\$323.06	\$355.36	\$383.79	\$402.98	\$423.13
50 Yards	\$427.70	\$470.47	\$508.11	\$533.52	\$560.19
Customer Owned Compactor	\$278.04	\$305.85	\$330.31	\$346.83	\$364.17

Monthly No Garbage Service Charge by Year

Rate 3/1/2019	Rate 1/1/2020	Rate 1/1/2021	Rate 1/1/2022	Rate 1/1/2023
\$24.50	\$26.96	\$29.11	\$30.57	\$32.10

COMMERCIAL/MULTI-FAMILY RATES

Monthly Organics Cart Service Charge by Year

Level of Service	Rate 3/1/2019	Rate 1/1/2020	Rate 1/1/2021	Rate 1/1/2022	Rate 1/1/2023
1 Cart	Included	Included	Included	Included	Included
Each Additional Cart	\$5.98	\$6.58	\$7.11	\$7.46	\$7.83

Monthly Food Scrap Cart Service Charge by Year

Level of Service	1x per Week	2x per week	3x Per Week	4x Per Week	5x Per Week
3-1-2019					
1 Cart	Included	Included	\$67.69	\$117.82	\$175.53
Each Additional Cart	\$30.50	\$61.01	\$91.50	\$122.00	\$152.50
1-1-2020					
1 Cart	Included	Included	\$74.46	\$129.61	\$193.08
Each Additional Cart	\$33.55	\$67.11	\$100.65	\$134.20	\$167.75
12-1-2021					
1 Cart	Included	Included	\$80.42	\$139.98	\$208.53
Each Additional Cart	\$36.23	\$72.48	\$108.71	\$144.94	\$181.17
12-1-2022					
1 Cart	Included	Included	\$84.44	\$146.97	\$218.95
Each Additional Cart	\$38.04	\$76.10	\$114.14	\$152.18	\$190.23
12-1-2023					
1 Cart	Included	Included	\$88.66	\$154.32	\$229.90
Each Additional Cart	\$39.94	\$79.90	\$119.85	\$159.79	\$199.74

Exhibit I

COMMERCIAL/MULTI-FAMILY RATES

Commercial and Multi-Family Monthly Service Charges by Year

Level of Service	1x per week		2x per week		3x per week		4x per week		5x per week		6x per week	
	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat
	3-1-2019											
1 Cart	\$75.63	\$80.72	\$136.85	\$144.53	\$205.68	\$213.40	\$277.16	\$287.34	\$348.62	\$366.73	\$393.30	
2 Carts	\$134.29	\$141.98	\$256.71	\$266.92	\$386.85	\$397.06	\$522.63	\$532.30	\$644.49	\$659.82	\$792.50	
3 Carts	\$185.28	\$200.60	\$358.75	\$386.86	\$544.96	\$567.93	\$728.62	\$751.62	\$909.75	\$935.26	\$1,106.14	
Each Additional Cart	\$50.72	\$58.38	\$101.79	\$119.67	\$157.87	\$170.65	\$205.71	\$219.09	\$264.97	\$275.18	\$313.43	
1 Yard	\$118.43	\$136.38	\$225.07	\$242.96	\$339.41	\$357.29	\$455.43	\$474.37	\$575.67	\$590.95	\$705.30	
1.5 Yards	\$161.58	\$182.47	\$301.10	\$318.96	\$468.72	\$489.14	\$628.67	\$646.54	\$780.93	\$798.79	\$966.42	
2 Yards	\$196.98	\$227.66	\$384.75	\$412.80	\$575.03	\$605.68	\$770.37	\$798.48	\$965.78	\$996.45	\$1,186.85	
2.5 Yards	\$245.23	\$273.30	\$468.40	\$499.09	\$711.99	\$742.63	\$953.00	\$983.66	\$1,196.78	\$1,227.39	\$1,465.92	
3 Yards	\$293.42	\$324.09	\$557.16	\$587.78	\$846.43	\$882.11	\$1,140.92	\$1,171.58	\$1,427.59	\$1,460.81	\$1,750.05	
4 Yards	\$384.75	\$425.60	\$732.12	\$778.09	\$1,112.77	\$1,158.79	\$1,488.28	\$1,531.63	\$1,863.74	\$1,909.66	\$2,371.99	
5 Yards	\$470.92	\$527.13	\$912.17	\$965.78	\$1,381.64	\$1,437.81	\$1,848.35	\$1,904.59	\$2,310.02	\$2,363.69	\$2,914.75	
6 Yards	\$562.23	\$628.67	\$1,089.80	\$1,148.57	\$1,650.46	\$1,711.74	\$2,203.44	\$2,267.25	\$2,756.13	\$2,820.24	\$3,460.18	
Each Additional Yard	\$84.56	\$92.21	\$167.42	\$175.31	\$255.51	\$263.14	\$338.40	\$351.18	\$418.77	\$434.09	\$517.03	
Each Compacted Yard	\$90.64	\$98.31	\$179.74	\$189.93	\$269.55	\$279.02	\$362.93	\$373.20	\$452.01	\$464.75	\$551.73	

Exhibit I

COMMERCIAL/MULTI-FAMILY RATES

Commercial and Multi-Family Monthly Service Charges by Year

Level of Service	1x per week		2x per week		3x per week		4x per week		5x per week		6x per week	
	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat
	1-1-2020											
1 Cart	\$83.19	\$88.79	\$150.53	\$158.98	\$226.25	\$234.74	\$304.87	\$316.07	\$383.48	\$403.40	\$432.63	
2 Carts	\$147.72	\$156.17	\$282.39	\$293.61	\$425.54	\$436.76	\$574.90	\$585.53	\$708.94	\$725.80	\$871.75	
3 Carts	\$203.81	\$220.66	\$394.63	\$425.55	\$599.45	\$624.72	\$801.49	\$826.78	\$1,000.72	\$1,028.79	\$1,216.75	
Each Additional Cart	\$55.80	\$64.22	\$111.97	\$131.64	\$173.65	\$187.71	\$226.28	\$241.00	\$291.46	\$302.70	\$344.77	
1 Yard	\$130.27	\$150.02	\$247.58	\$267.25	\$373.35	\$393.02	\$500.97	\$521.81	\$633.24	\$650.04	\$775.83	
1.5 Yards	\$177.74	\$200.72	\$331.21	\$350.85	\$515.59	\$538.05	\$691.53	\$711.20	\$859.02	\$878.67	\$1,063.06	
2 Yards	\$216.68	\$250.42	\$423.23	\$454.08	\$632.53	\$666.25	\$847.41	\$878.33	\$1,062.36	\$1,096.10	\$1,305.53	
2.5 Yards	\$269.75	\$300.63	\$515.24	\$549.00	\$783.18	\$816.89	\$1,048.30	\$1,082.03	\$1,316.46	\$1,350.13	\$1,612.51	
3 Yards	\$322.76	\$356.50	\$612.88	\$646.56	\$931.07	\$970.32	\$1,255.02	\$1,288.74	\$1,570.35	\$1,606.89	\$1,925.05	
4 Yards	\$423.23	\$468.16	\$805.33	\$855.90	\$1,224.04	\$1,274.67	\$1,637.11	\$1,684.79	\$2,050.11	\$2,100.63	\$2,609.19	
5 Yards	\$518.02	\$579.84	\$1,003.38	\$1,062.36	\$1,519.80	\$1,581.59	\$2,033.18	\$2,095.05	\$2,541.02	\$2,600.06	\$3,206.22	
6 Yards	\$618.46	\$691.53	\$1,198.78	\$1,263.43	\$1,815.51	\$1,882.91	\$2,423.79	\$2,493.98	\$3,031.75	\$3,102.26	\$3,806.20	
Each Additional Yard	\$93.01	\$101.43	\$184.17	\$192.84	\$281.06	\$289.45	\$372.24	\$386.30	\$460.65	\$477.50	\$568.73	
Each Compacted Yard	\$99.71	\$108.15	\$197.71	\$208.92	\$296.51	\$306.92	\$399.22	\$410.52	\$497.22	\$511.22	\$606.91	

Exhibit I

COMMERCIAL/MULTI-FAMILY RATES

Commercial and Multi-Family Monthly Service Charges by Year

Level of Service	1x per week		2x per week		3x per week		4x per week		5x per week		6x per week	
	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat
	1-1-2021											
1 Cart	\$89.84	\$95.90	\$162.57	\$171.70	\$244.35	\$253.52	\$329.26	\$341.36	\$414.15	\$435.68	\$467.24	
2 Carts	\$159.54	\$168.67	\$304.98	\$317.10	\$459.58	\$471.70	\$620.89	\$632.38	\$765.65	\$783.87	\$941.49	
3 Carts	\$220.11	\$238.31	\$426.20	\$459.60	\$647.41	\$674.70	\$865.61	\$892.92	\$1,080.78	\$1,111.09	\$1,314.09	
Each Additional Cart	\$60.26	\$69.36	\$120.92	\$142.17	\$187.55	\$202.73	\$244.38	\$260.28	\$314.78	\$326.91	\$372.36	
1 Yard	\$140.69	\$162.02	\$267.38	\$288.63	\$403.22	\$424.46	\$541.05	\$563.56	\$683.90	\$702.05	\$837.90	
1.5 Yards	\$191.96	\$216.78	\$357.71	\$378.92	\$556.84	\$581.10	\$746.85	\$768.09	\$927.74	\$948.96	\$1,148.11	
2 Yards	\$234.01	\$270.46	\$457.09	\$490.41	\$683.13	\$719.55	\$915.20	\$948.60	\$1,147.35	\$1,183.78	\$1,409.97	
2.5 Yards	\$291.33	\$324.68	\$556.46	\$592.92	\$845.84	\$882.25	\$1,132.17	\$1,168.59	\$1,421.77	\$1,458.14	\$1,741.51	
3 Yards	\$348.58	\$385.02	\$661.91	\$698.29	\$1,005.55	\$1,047.95	\$1,355.42	\$1,391.84	\$1,695.98	\$1,735.45	\$2,079.05	
4 Yards	\$457.09	\$505.62	\$869.76	\$924.37	\$1,321.97	\$1,376.64	\$1,768.08	\$1,819.57	\$2,214.12	\$2,268.68	\$2,817.93	
5 Yards	\$559.46	\$626.23	\$1,083.65	\$1,147.35	\$1,641.38	\$1,708.11	\$2,195.84	\$2,262.65	\$2,744.30	\$2,808.07	\$3,462.72	
6 Yards	\$667.93	\$746.85	\$1,294.69	\$1,364.51	\$1,960.75	\$2,033.55	\$2,617.69	\$2,693.50	\$3,274.28	\$3,350.44	\$4,110.70	
Each Additional Yard	\$100.45	\$109.54	\$198.90	\$208.27	\$303.55	\$312.61	\$402.02	\$417.20	\$497.50	\$515.70	\$614.23	
Each Compacted Yard	\$107.68	\$116.80	\$213.53	\$225.64	\$320.23	\$331.47	\$431.16	\$443.36	\$536.99	\$552.12	\$655.46	

Exhibit I

COMMERCIAL/MULTI-FAMILY RATES

Commercial and Multi-Family Monthly Service Charges by Year

Level of Service	1x per week		2x per week		3x per week		4x per week		5x per week		6x per week	
	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat
	1-1-2022											
1 Cart	\$94.33	\$100.69	\$170.70	\$180.29	\$256.57	\$266.20	\$345.72	\$358.42	\$434.86	\$457.46	\$490.60	
2 Carts	\$167.52	\$177.10	\$320.23	\$332.95	\$482.56	\$495.29	\$651.93	\$664.00	\$803.93	\$823.06	\$988.57	
3 Carts	\$231.12	\$250.23	\$447.51	\$482.58	\$679.78	\$708.44	\$908.89	\$937.57	\$1,134.82	\$1,166.65	\$1,379.80	
Each Additional Cart	\$63.27	\$72.83	\$126.97	\$149.28	\$196.92	\$212.87	\$256.60	\$273.29	\$330.52	\$343.26	\$390.97	
1 Yard	\$147.72	\$170.12	\$280.75	\$303.07	\$423.38	\$445.68	\$568.10	\$591.73	\$718.09	\$737.15	\$879.79	
1.5 Yards	\$201.55	\$227.62	\$375.60	\$397.87	\$584.68	\$610.15	\$784.20	\$806.50	\$974.13	\$996.41	\$1,205.51	
2 Yards	\$245.71	\$283.98	\$479.94	\$514.93	\$717.29	\$755.53	\$960.96	\$996.03	\$1,204.72	\$1,242.97	\$1,480.47	
2.5 Yards	\$305.90	\$340.91	\$584.29	\$622.57	\$888.13	\$926.36	\$1,188.78	\$1,227.02	\$1,492.86	\$1,531.05	\$1,828.59	
3 Yards	\$366.01	\$404.27	\$695.00	\$733.20	\$1,055.83	\$1,100.34	\$1,423.19	\$1,461.43	\$1,780.78	\$1,822.22	\$2,183.01	
4 Yards	\$479.94	\$530.90	\$913.25	\$970.59	\$1,388.06	\$1,445.47	\$1,856.48	\$1,910.55	\$2,324.83	\$2,382.11	\$2,958.82	
5 Yards	\$587.43	\$657.54	\$1,137.84	\$1,204.72	\$1,723.45	\$1,793.52	\$2,305.63	\$2,375.78	\$2,881.52	\$2,948.47	\$3,635.86	
6 Yards	\$701.33	\$784.20	\$1,359.42	\$1,432.73	\$2,058.78	\$2,135.22	\$2,748.58	\$2,828.17	\$3,438.00	\$3,517.96	\$4,316.23	
Each Additional Yard	\$105.48	\$115.02	\$208.84	\$218.68	\$318.72	\$328.24	\$422.12	\$438.06	\$522.37	\$541.49	\$644.94	
Each Compacted Yard	\$113.07	\$122.64	\$224.21	\$236.92	\$336.24	\$348.05	\$452.72	\$465.53	\$563.84	\$579.73	\$688.23	

COMMERCIAL/MULTI-FAMILY RATES

Commercial and Multi-Family Monthly Service Charges by Year

Level of Service	1x per week		2x per week		3x per week		4x per week		5x per week		6x per week	
	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat
	1-1-2023											
1 Cart	\$99.05	\$105.73	\$179.24	\$189.30	\$269.40	\$279.51	\$363.01	\$376.34	\$456.61	\$480.33	\$515.13	
2 Carts	\$175.89	\$185.96	\$336.24	\$349.60	\$506.69	\$520.05	\$684.53	\$697.20	\$844.13	\$864.21	\$1,038.00	
3 Carts	\$242.67	\$262.74	\$469.88	\$506.70	\$713.77	\$743.86	\$954.33	\$984.45	\$1,191.56	\$1,224.98	\$1,448.78	
Each Additional Cart	\$66.44	\$76.47	\$133.32	\$156.75	\$206.77	\$223.51	\$269.43	\$286.96	\$347.04	\$360.42	\$410.52	
1 Yard	\$155.11	\$178.63	\$294.79	\$318.22	\$444.55	\$467.96	\$596.51	\$621.32	\$754.00	\$774.01	\$923.78	
1.5 Yards	\$211.63	\$239.00	\$394.38	\$417.76	\$613.92	\$640.66	\$823.41	\$846.82	\$1,022.83	\$1,046.23	\$1,265.79	
2 Yards	\$258.00	\$298.18	\$503.94	\$540.67	\$753.15	\$793.30	\$1,009.01	\$1,045.83	\$1,264.95	\$1,305.12	\$1,554.50	
2.5 Yards	\$321.19	\$357.96	\$613.50	\$653.70	\$932.54	\$972.68	\$1,248.21	\$1,288.37	\$1,567.50	\$1,607.60	\$1,920.02	
3 Yards	\$384.31	\$424.48	\$729.75	\$769.86	\$1,108.62	\$1,155.36	\$1,494.35	\$1,534.50	\$1,869.82	\$1,913.33	\$2,292.16	
4 Yards	\$503.94	\$557.44	\$958.91	\$1,019.12	\$1,457.47	\$1,517.75	\$1,949.30	\$2,006.08	\$2,441.07	\$2,501.22	\$3,106.76	
5 Yards	\$616.80	\$690.42	\$1,194.73	\$1,264.95	\$1,809.62	\$1,883.20	\$2,420.91	\$2,494.57	\$3,025.60	\$3,095.90	\$3,817.65	
6 Yards	\$736.40	\$823.41	\$1,427.39	\$1,504.37	\$2,161.72	\$2,241.98	\$2,886.00	\$2,969.58	\$3,609.90	\$3,693.86	\$4,532.04	
Each Additional Yard	\$110.75	\$120.77	\$219.29	\$229.62	\$334.66	\$344.65	\$443.23	\$459.97	\$548.49	\$568.56	\$677.19	
Each Compacted Yard	\$118.72	\$128.77	\$235.42	\$248.77	\$353.05	\$365.45	\$475.35	\$488.81	\$592.03	\$608.71	\$722.65	

**Attend the Public Hearing
Tuesday, February 5, 2019
Meeting begins at 6:30 p.m.**

City of Davis Community Chambers
23 Russell Boulevard

The meeting agenda will be available no
later than January 31 at CityofDavis.org

NOTICE OF PUBLIC HEARING SINGLE-FAMILY RESIDENTIAL SOLID WASTE SERVICE FEES

CITY OF DAVIS NOTICE OF PUBLIC HEARING PROPOSED INCREASES TO SOLID WASTE SERVICE CHARGES

The City of Davis will hold a Public Hearing on February 5, 2019 at 6:30 p.m., in the City of Davis Community Chambers, 23 Russell Blvd., Davis, CA, to consider adopting increases to the City's solid waste service charges.

REASON FOR THE PROPOSED SOLID WASTE SERVICE RATE INCREASES & BASIS UPON WHICH THE PROPOSED SOLID WASTE RATE INCREASES WERE CALCULATED

The City of Davis (the "City") has an exclusive franchise agreement with Recology Davis ("Recology") for the collection and handling of solid waste, including garbage, yard materials, recycling, organics, and street sweeping within the City (collectively, "solid waste services"). All properties within the City are required to subscribe to the weekly solid waste services provided by Recology. Pursuant to the franchise agreement, the City collects solid waste service fees from customers who receive solid waste services from Recology and those who do not put their waste out for collection by Recology. The City uses the revenues from the fees to pay Recology for the solid waste services provided under the franchise agreement, and to recover its operational and administrative costs of providing these services, including billing and collection of the service fees. The City continues to look at cost reduction measures to mitigate impacts to rate customers.

The City is proposing to increase solid waste services due to increased costs of providing such services. Outside of routine increases, the City's solid waste service charges have remained the same since 2013 despite the addition of organics collection services and several escalations in the price of landfill disposal and organics processing.

Due to these factors, revenue from solid waste service charges is not sufficient to meet projected expenses, and the proposed increases to service charges have been established to cover expenses. The proposed service charges will provide revenue to cover the costs of providing solid waste services, including the following:

- 1) Projected increases in the costs of operations provided by Recology for solid waste collection, disposal, and processing services;
- 2) Current budget deficits in the City's Solid Waste Fund;
- 3) Loan and capital debt service payments owed to the City's Wastewater Division;
- 4) Environmental mitigation costs for road repair due to wear-and-tear associated with solid waste collection services;
- 5) Establishing minimal emergency reserves in the City's Solid Waste Fund; and
- 6) Administrative and regulatory costs of providing these services, including billing and collection of the service fees.

The proposed maximum solid waste service charges would go into effect on March 1, 2019 (13.5%), and January 1 of 2020 (10%), January 1 of 2021 (8%), January 1 of 2022 (5%), and January 1 of 2023 (5%), with all solid waste service charges being increased by the same percentage. This would be an average increase of \$4.78 in March 2019, \$4.02 in January 2020, \$3.54 in January 2021, \$2.39 in January 2022, and \$2.51 in January 2023.

PROPOSED SOLID WASTE SERVICE CHARGES

The City provides solid waste collection, disposal, and materials processing services to all residents and businesses within the City.

Revenues from solid waste service charges pay for the operations and maintenance of materials collection vehicles, disposal sites, and processing facilities, as well as the administrative and regulatory costs that enable the City to manage its solid waste. In addition, solid waste service charges support infrastructure investments, such as necessary system improvements to meet new regulations, capital improvements, debt payments, and prudent reserves for the solid waste system. The solid waste service charges to customers are divided into two categories: Single-Family Residential, and Commercial/Multi-Family Residential, with further classification within each category based on cart/bin volumes and pickup frequency. These categories are intended to group service recipients based on common cost characteristics and logistics management, accounting for collection routing efficiency, container type, and frequency of service. Commercial and multi-family residential customers will receive a separate notice.

The table below shows the maximum monthly solid waste service charges to be considered for single-family residential customers for each year by cart size. The base monthly solid waste service charges include the following solid waste services, with monthly service charges based on garbage container size:

- 1) Weekly pick-up of garbage.
- 2) Weekly pick-up of dual stream recycling using a cart to recycle glass, metal cans, aluminum, non-food soiled paper and cardboard, and plastics.
- 3) Weekly pick-up of organics using the brown-lidded organics cart for items such as meat, cheese, fruits and vegetables, food soiled paper products (such as pizza boxes, paper drink cups, paper plates, and paper napkins), and yard materials (such as grass clippings, leaves, and yard trimmings).

- 4) Loose-in-the-street collection of yard materials and street sweeping.
- 5) Bulky Items Drop-Off event in the spring.
- 6) Residential hazardous waste disposal programs.
- 7) Various other waste reduction and recycling outreach and programs.

Single-Family Monthly Service Charges by Year (Based on Garbage Container Size)

Container Size	Current	Proposed 3/1/2019		Proposed 1/1/2020		Proposed 1/1/2021		Proposed 1/1/2022		Proposed 1/1/2023	
		Increase	Rate	Increase	Rate	Increase	Rate	Increase	Rate	Increase	Rate
35-Gallon	\$31.00	+\$4.19	\$35.19	+\$3.52	\$38.70	+\$3.10	\$41.80	+\$2.09	\$43.89	+\$2.19	\$46.08
65-Gallon	\$34.32	+\$4.63	\$38.95	+\$3.90	\$42.85	+\$3.43	\$46.28	+\$2.31	\$48.59	+\$2.43	\$51.02
95-Gallon	\$40.94	+\$5.53	\$46.47	+\$4.65	\$51.11	+\$4.09	\$55.20	+\$2.76	\$57.96	+\$2.90	\$60.86

Single-family residents receive an organics cart (for the collection of yard materials, food scraps and food-soiled paper) that is picked-up once per week as part of regular garbage service. Recology brings the organics to a local facility for composting. Residents can request additional organics carts for a fee - see the chart below.

Monthly Organics Cart Service Charge by Year

Level of Service	Current	Proposed 2-1-2019	Proposed 1-1-2020	Proposed 1-1-2021	Proposed 1-1-2022	Proposed 1-1-2023
1 Cart	Included	Included	Included	Included	Included	Included
Additional Cart	\$5.27	\$5.98	\$6.58	\$7.11	\$7.46	\$7.83

In some instances, a customer may choose not to put his or her trash out for collection by Recology. In such an instance, the City continues to incur costs to ensure that solid waste services are ready and available to such customers. The City imposes a fixed monthly solid waste service fee on these customers in order to recover its ongoing fixed costs of ensuring that the services are ready and available in the event that the customer elects to have his or her waste collected. The customer is also paying for street sweeping, recycling, and organics service. The proposed rate for the fixed monthly solid waste service fee for such customers is currently \$21.59 and is proposed to increase each year as show in the table below.

Monthly "No Trash Service" Fee Service Charge by Year

Current	Proposed 3/1/2019		Proposed 1/1/2020		Proposed 1/1/2021		Proposed 1/1/2022		Proposed 1/1/2023	
	Increase	Rate	Increase	Rate	Increase	Rate	Increase	Rate	Increase	Rate
\$21.59	+\$2.91	\$24.50	+\$2.46	\$26.96	+\$2.15	\$29.11	+\$1.46	\$30.57	+\$1.53	\$32.10

PUBLIC HEARING AND PROTESTS

The City of Davis will hold a Public Hearing on February 5, at 6:30 p.m., in the City of Davis Community Chambers, 23 Russell Blvd., Davis, CA, to consider adopting the proposed solid waste service charges, resulting from changes to the cost for its solid waste services.

Any property owner whose property will be subject to the imposition of the proposed solid waste service fees and any tenant directly responsible for the payment of such fees (i.e., a customer of record) may submit a written protest to the proposed changes; provided, however, that only one protest will be counted per identified parcel.

Written protests may be submitted by mail or in person to the City Clerk at 23 Russell Blvd. Suite 1, Davis, CA, California, 95616-3896 or at the Public Hearing (date and time noted above), provided they are received prior to the conclusion of the public comment portion of the Public Hearing. Please identify on the front of the envelope for any protest, whether mailed or submitted in person to the City Clerk, Attn: Public Hearing on Solid Waste Rates.

Any protest submitted via e-mail or other electronic means will not be accepted.

Any written protest must: (1) state that the identified property owner is in opposition to the proposed solid waste service charges; (2) provide the location of the identified parcel (by assessor's parcel number, street address, or customer account); (3) provide written evidence (example: current copy of City Services Bill) that the person is the property owner, if the person was not shown on Yolo County's last equalized assessment roll as the property owner; and (4) include the name and signature of the property owner submitting the protest.

The City Council meeting agenda and staff report for the Public Hearing should be available by 6:30 p.m. on January 31 at <https://cityofdavis.org/city-hall/city-council/city-council-meetings/agendas>. At the Public Hearing, the City Council will hear and consider all written and oral protests to the proposed solid waste service charges. **Oral comments at the Public Hearing, however, will not qualify as formal protests unless accompanied by a written protest.**

At the conclusion of the Public Hearing, the City Council will consider approval of the resolution authorizing the proposed solid waste service fees as described herein.

If written protests against the proposed rate increases are not presented by a majority of the property owners of the identified parcels upon which the rates are proposed to be imposed and tenants directly responsible for the payment of the solid waste service fees, the City Council will be authorized to impose the rate increases as outlined above. **If adopted, the proposed solid waste service charges will take effect beginning March 1, 2019.**

If you have questions regarding this notice or how it may impact your property, contact the Public Works Department (530) 757-5686 Monday through Friday from 8 a.m. to 5 p.m., email PWWeb@CityofDavis.org, or visit CityofDavis.org for answers to frequently asked questions.

CITY OF DAVIS NOTICE OF PUBLIC HEARING PROPOSED INCREASES TO SOLID WASTE SERVICE CHARGES

The City of Davis will hold a Public Hearing on February 5, 2019 at 6:30 p.m., in the City of Davis Community Chambers, 23 Russell Blvd., Davis, CA, to consider adopting increases to the City's solid waste service charges.

The City of Davis (the "City") has an exclusive franchise agreement with Recology Davis ("Recology") for the collection and handling of solid waste, including garbage, yard materials, recycling, organics, and street sweeping within the City (collectively, "solid waste services"). All properties within the City are required to subscribe to the weekly solid waste services provided by Recology. Pursuant to the franchise agreement, the City collects solid waste service fees from customers who receive solid waste services from Recology and those who do not put their waste out for collection by Recology. The City uses the revenues from the fees to pay Recology for the solid waste services provided under the franchise agreement, and to recover its operational and administrative costs of providing these services, including billing and collection of the service fees. The City continues to look at cost reduction measures to mitigate impacts to rate customers.

The City is proposing to increase solid waste services due to increased costs of providing such services. Outside of routine increases, the City's solid waste service charges have remained the same since 2013 despite the addition of organics collection services and several escalations in the price of landfill disposal and organics processing.

Due to these factors, revenue from solid waste service charges is not sufficient to meet projected expenses, and the proposed increases to service charges have been established to cover expenses. The proposed service charges will provide revenue to cover the costs of providing solid waste services, including the following:

- 1) Projected increases in the costs of operations provided by Recology for solid waste collection, disposal, and processing services;
- 2) Current budget deficits in the City's Solid Waste Fund;
- 3) Loan and capital debt service payments owed to the City's Wastewater Division;
- 4) Environmental mitigation costs for road repair due to wear-and-tear associated with solid waste collection services;
- 5) Establishing minimal emergency reserves in the City's Solid Waste Fund; and
- 6) Administrative and regulatory costs of providing these services, including billing and collection of the service fees.

The proposed maximum solid waste service charges would go into effect on March 1, 2019 (13.5%), and January 1 of 2020 (10%), January 1 of 2021 (8%), January 1 of 2022 (5%), and January 1 of 2023 (5%), with all solid waste service charges being increased by the same percentage.

PROPOSED SOLID WASTE SERVICE CHARGES

The City provides solid waste collection, disposal, and materials processing services to all residents and businesses within the City.

Revenues from solid waste service charges pay for the operations and maintenance of materials collection vehicles, disposal sites, and processing facilities, as well as the administrative and regulatory costs that enable the City to manage its solid waste. In addition, solid waste service charges support infrastructure investments, such as necessary system improvements to meet new regulations, capital improvements, debt payments, and prudent reserves for the solid waste system. The solid waste service charges to customers are divided into two categories: Single-Family Residential, and Commercial/Multi-Family Residential, with further classification within each category based on cart/bin volumes and pickup frequency. These categories are intended to group service recipients based on common cost characteristics and logistics management, accounting for collection routing efficiency, container type, and frequency of service. Commercial and multi-family residential customers will receive a separate notice.

The tables below show the maximum monthly solid waste service charges to be considered for commercial and multi-family residential customers for each year by garbage container size and pick-up frequency. These monthly solid waste service charges also include the following solid waste services:

- 1) Weekly pick-up of garbage, recycling, and organic material.
 - Dual stream recycling using a green cart to recycle glass, metal cans, aluminum, plastic and a separate green cart to recycle non-food soiled paper and cardboard.
 - Organics collection using a brown-lidded organics cart for items such as meat, cheese, fruits and vegetables, and food soiled paper products (such as pizza boxes, paper drink cups, paper plates, and paper napkins) and yard materials (such as grass clippings, leaves, and yard trimmings). A 95-gallon cart filled with food scraps is too heavy for Recology trucks to service, therefore, restaurants, grocery stores and other high-volume food scrap generating businesses receive food scrap cart service—one 65-gallon food scrap cart that is serviced twice per week. All other businesses receive an organics cart—a 95-gallon cart that is serviced one per week.
- 2) Loose-in-the-street collection of yard materials and street sweeping.

Commercial and Multi-Family Monthly Service Charges by Year

Level of Service	1x per week		2x per week		3x per week		4x per week		5x per week		6x per week	
	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat
	Current											
1 Cart	\$66.63	\$71.12	\$120.57	\$127.34	\$181.22	\$188.02	\$244.19	\$253.16	\$307.15	\$323.11	\$346.52	
2 Carts	\$118.32	\$125.09	\$226.18	\$235.17	\$340.84	\$349.83	\$460.47	\$468.99	\$567.83	\$581.34	\$698.24	
3 Carts	\$163.24	\$176.74	\$316.08	\$340.85	\$480.14	\$500.38	\$641.96	\$662.22	\$801.54	\$824.02	\$974.57	
Each Additional Cart	\$44.69	\$51.44	\$89.68	\$105.44	\$139.09	\$150.35	\$181.24	\$193.03	\$233.45	\$242.45	\$276.15	
1 Yard	\$104.34	\$120.16	\$198.30	\$214.06	\$299.04	\$314.79	\$401.26	\$417.95	\$507.20	\$520.66	\$621.41	
1.5 Yards	\$142.36	\$160.77	\$265.29	\$281.02	\$412.97	\$430.96	\$553.89	\$569.64	\$688.04	\$703.78	\$851.47	
2 Yards	\$173.55	\$200.58	\$338.99	\$363.70	\$506.63	\$533.64	\$678.74	\$703.51	\$850.91	\$877.93	\$1,045.68	
2.5 Yards	\$216.06	\$240.79	\$412.69	\$439.73	\$627.30	\$654.30	\$839.65	\$866.66	\$1,054.43	\$1,081.40	\$1,291.56	
3 Yards	\$258.52	\$285.54	\$490.89	\$517.87	\$745.75	\$777.19	\$1,005.22	\$1,032.23	\$1,257.79	\$1,287.06	\$1,541.89	
4 Yards	\$338.99	\$374.98	\$645.04	\$685.54	\$980.41	\$1,020.96	\$1,311.26	\$1,349.45	\$1,642.06	\$1,682.52	\$2,089.86	
5 Yards	\$414.91	\$464.43	\$803.67	\$850.91	\$1,217.30	\$1,266.79	\$1,628.50	\$1,678.05	\$2,035.26	\$2,082.55	\$2,568.06	
6 Yards	\$495.36	\$553.89	\$960.18	\$1,011.96	\$1,454.15	\$1,508.14	\$1,941.36	\$1,997.58	\$2,428.31	\$2,484.79	\$3,048.62	
Each Additional Yard	\$74.50	\$81.24	\$147.51	\$154.46	\$225.12	\$231.84	\$298.15	\$309.41	\$368.96	\$382.46	\$455.53	
Each Compacted Yard	\$79.86	\$86.62	\$158.36	\$167.34	\$237.49	\$245.83	\$319.76	\$328.81	\$398.25	\$409.47	\$486.11	
Proposed 3-1-2019												
1 Cart	\$75.63	\$80.72	\$136.85	\$144.53	\$205.68	\$213.40	\$277.16	\$287.34	\$348.62	\$366.73	\$393.30	
2 Carts	\$134.29	\$141.98	\$256.71	\$266.92	\$386.85	\$397.06	\$522.63	\$532.30	\$644.49	\$659.82	\$792.50	
3 Carts	\$185.28	\$200.60	\$358.75	\$386.86	\$544.96	\$567.93	\$728.62	\$751.62	\$909.75	\$935.26	\$1,106.14	
Each Additional Cart	\$50.72	\$58.38	\$101.79	\$119.67	\$157.87	\$170.65	\$205.71	\$219.09	\$264.97	\$275.18	\$313.43	
1 Yard	\$118.43	\$136.38	\$225.07	\$242.96	\$339.41	\$357.29	\$455.43	\$474.37	\$575.67	\$590.95	\$705.30	
1.5 Yards	\$161.58	\$182.47	\$301.10	\$318.96	\$468.72	\$489.14	\$628.67	\$646.54	\$780.93	\$798.79	\$966.42	
2 Yards	\$196.98	\$227.66	\$384.75	\$412.80	\$575.03	\$605.68	\$770.37	\$798.48	\$965.78	\$996.45	\$1,186.85	
2.5 Yards	\$245.23	\$273.30	\$468.40	\$499.09	\$711.99	\$742.63	\$953.00	\$983.66	\$1,196.78	\$1,227.39	\$1,465.92	
3 Yards	\$293.42	\$324.09	\$557.16	\$587.78	\$846.43	\$882.11	\$1,140.92	\$1,171.58	\$1,427.59	\$1,460.81	\$1,750.05	
4 Yards	\$384.75	\$425.60	\$732.12	\$778.09	\$1,112.77	\$1,158.79	\$1,488.28	\$1,531.63	\$1,863.74	\$1,909.66	\$2,371.99	
5 Yards	\$470.92	\$527.13	\$912.17	\$965.78	\$1,381.64	\$1,437.81	\$1,848.35	\$1,904.59	\$2,310.02	\$2,363.69	\$2,914.75	
6 Yards	\$562.23	\$628.67	\$1,089.80	\$1,148.57	\$1,650.46	\$1,711.74	\$2,203.44	\$2,267.25	\$2,756.13	\$2,820.24	\$3,460.18	
Each Additional Yard	\$84.56	\$92.21	\$167.42	\$175.31	\$255.51	\$263.14	\$338.40	\$351.18	\$418.77	\$434.09	\$517.03	
Each Compacted Yard	\$90.64	\$98.31	\$179.74	\$189.93	\$269.55	\$279.02	\$362.93	\$373.20	\$452.01	\$464.75	\$551.73	

Level of Service	1x per week			2x per week			3x per week			4x per week			5x per week			6x per week			
	Mid-week	Sat		Mid-week	Sat		Mid-week	Sat		Mid-week	Sat		Mid-week	Sat		Mid-week	Sat		
	Proposed 1-1-2020																		
1 Cart	\$83.19	\$88.79	\$158.98	\$226.25	\$234.74	\$304.87	\$316.07	\$383.48	\$403.40	\$432.63									
2 Carts	\$147.72	\$156.17	\$293.61	\$425.54	\$436.76	\$574.90	\$585.53	\$708.94	\$725.80	\$871.75									
3 Carts	\$203.81	\$220.66	\$425.55	\$599.45	\$624.72	\$801.49	\$826.78	\$1,000.72	\$1,028.79	\$1,216.75									
Each Additional Cart	\$55.80	\$64.22	\$131.64	\$173.65	\$187.71	\$226.28	\$241.00	\$291.46	\$302.70	\$344.77									
1 Yard	\$130.27	\$150.02	\$267.25	\$373.35	\$393.02	\$500.97	\$521.81	\$633.24	\$650.04	\$775.83									
1.5 Yards	\$177.74	\$200.72	\$350.85	\$515.59	\$538.05	\$691.53	\$711.20	\$859.02	\$878.67	\$1,063.06									
2 Yards	\$216.68	\$250.42	\$454.08	\$632.53	\$666.25	\$847.41	\$878.33	\$1,062.36	\$1,096.10	\$1,305.53									
2.5 Yards	\$269.75	\$300.63	\$549.00	\$783.18	\$816.89	\$1,048.30	\$1,082.03	\$1,316.46	\$1,350.13	\$1,612.51									
3 Yards	\$322.76	\$356.50	\$646.56	\$931.07	\$970.32	\$1,255.02	\$1,288.74	\$1,570.35	\$1,606.89	\$1,925.05									
4 Yards	\$423.23	\$468.16	\$805.33	\$1,224.04	\$1,274.67	\$1,637.11	\$1,684.79	\$2,050.11	\$2,100.63	\$2,609.19									
5 Yards	\$518.02	\$579.84	\$1,003.38	\$1,519.80	\$1,581.59	\$2,033.18	\$2,095.05	\$2,541.02	\$2,600.06	\$3,206.22									
6 Yards	\$618.46	\$691.53	\$1,198.78	\$1,815.51	\$1,882.91	\$2,423.79	\$2,493.98	\$3,031.75	\$3,102.26	\$3,806.20									
Each Additional Yard	\$93.01	\$101.43	\$192.84	\$281.06	\$289.45	\$372.24	\$386.30	\$460.65	\$477.50	\$568.73									
Each Compacted Yard	\$99.71	\$108.15	\$208.92	\$296.51	\$306.92	\$399.22	\$410.52	\$497.22	\$511.22	\$606.91									
Proposed 1-1-2021																			
1 Cart	\$89.84	\$95.90	\$171.70	\$244.35	\$253.52	\$329.26	\$341.36	\$414.15	\$435.68	\$467.24									
2 Carts	\$159.54	\$168.67	\$317.10	\$459.58	\$471.70	\$620.89	\$632.38	\$765.65	\$783.87	\$941.49									
3 Carts	\$220.11	\$238.31	\$459.60	\$647.41	\$674.70	\$865.61	\$892.92	\$1,080.78	\$1,111.09	\$1,314.09									
Each Additional Cart	\$60.26	\$69.36	\$142.17	\$187.55	\$202.73	\$244.38	\$260.28	\$314.78	\$326.91	\$372.36									
1 Yard	\$140.69	\$162.02	\$288.63	\$403.22	\$424.46	\$541.05	\$563.56	\$683.90	\$702.05	\$837.90									
1.5 Yards	\$191.96	\$216.78	\$378.92	\$556.84	\$581.10	\$746.85	\$768.09	\$927.74	\$948.96	\$1,148.11									
2 Yards	\$234.01	\$270.46	\$490.41	\$683.13	\$719.55	\$915.20	\$948.60	\$1,147.35	\$1,183.78	\$1,409.97									
2.5 Yards	\$291.33	\$324.68	\$592.92	\$845.84	\$882.25	\$1,132.17	\$1,168.59	\$1,421.77	\$1,458.14	\$1,741.51									
3 Yards	\$348.58	\$385.02	\$698.29	\$1,005.55	\$1,047.95	\$1,355.42	\$1,391.84	\$1,695.98	\$1,735.45	\$2,079.05									
4 Yards	\$457.09	\$505.62	\$924.37	\$1,321.97	\$1,376.64	\$1,768.08	\$1,819.57	\$2,214.12	\$2,268.68	\$2,817.93									
5 Yards	\$559.46	\$626.23	\$1,147.35	\$1,641.38	\$1,708.11	\$2,195.84	\$2,262.65	\$2,744.30	\$2,808.07	\$3,462.72									
6 Yards	\$667.93	\$746.85	\$1,294.69	\$1,960.75	\$2,033.55	\$2,617.69	\$2,693.50	\$3,274.28	\$3,350.44	\$4,110.70									
Each Additional Yard	\$100.45	\$109.54	\$208.27	\$303.55	\$312.61	\$402.02	\$417.20	\$497.50	\$515.70	\$614.23									
Each Compacted Yard	\$107.68	\$116.80	\$225.64	\$320.23	\$331.47	\$431.16	\$443.36	\$536.99	\$552.12	\$655.46									

Level of Service	1x per week		2x per week		3x per week		4x per week		5x per week		6x per week	
	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat	Mid-week	Sat
	Proposed 1-1-2022											
1 Cart	\$94.33	\$100.69	\$170.70	\$180.29	\$256.57	\$266.20	\$345.72	\$358.42	\$434.86	\$457.46	\$490.60	
2 Carts	\$167.52	\$177.10	\$320.23	\$332.95	\$482.56	\$495.29	\$651.93	\$664.00	\$803.93	\$823.06	\$988.57	
3 Carts	\$231.12	\$250.23	\$447.51	\$482.58	\$679.78	\$708.44	\$908.89	\$937.57	\$1,134.82	\$1,166.65	\$1,379.80	
Each Additional Cart	\$63.27	\$72.83	\$126.97	\$149.28	\$196.92	\$212.87	\$256.60	\$273.29	\$330.52	\$343.26	\$390.97	
1 Yard	\$147.72	\$170.12	\$280.75	\$303.07	\$423.38	\$445.68	\$568.10	\$591.73	\$718.09	\$737.15	\$879.79	
1.5 Yards	\$201.55	\$227.62	\$375.60	\$397.87	\$584.68	\$610.15	\$784.20	\$806.50	\$974.13	\$996.41	\$1,205.51	
2 Yards	\$245.71	\$283.98	\$479.94	\$514.93	\$717.29	\$755.53	\$960.96	\$996.03	\$1,204.72	\$1,242.97	\$1,480.47	
2.5 Yards	\$305.90	\$340.91	\$584.29	\$622.57	\$888.13	\$926.36	\$1,188.78	\$1,227.02	\$1,492.86	\$1,531.05	\$1,828.59	
3 Yards	\$366.01	\$404.27	\$695.00	\$733.20	\$1,055.83	\$1,100.34	\$1,423.19	\$1,461.43	\$1,780.78	\$1,822.22	\$2,183.01	
4 Yards	\$479.94	\$530.90	\$913.25	\$970.59	\$1,388.06	\$1,445.47	\$1,856.48	\$1,910.55	\$2,324.83	\$2,382.11	\$2,958.82	
5 Yards	\$587.43	\$657.54	\$1,137.84	\$1,204.72	\$1,723.45	\$1,793.52	\$2,305.63	\$2,375.78	\$2,881.52	\$2,948.47	\$3,635.86	
6 Yards	\$701.33	\$784.20	\$1,359.42	\$1,432.73	\$2,058.78	\$2,135.22	\$2,748.58	\$2,828.17	\$3,438.00	\$3,517.96	\$4,316.23	
Each Additional Yard	\$105.48	\$115.02	\$208.84	\$218.68	\$318.72	\$328.24	\$422.12	\$438.06	\$522.37	\$541.49	\$644.94	
Each Compacted Yard	\$113.07	\$122.64	\$224.21	\$236.92	\$336.24	\$348.05	\$452.72	\$465.53	\$563.84	\$579.73	\$688.23	
Proposed 1-1-2023												
1 Cart	\$99.05	\$105.73	\$179.24	\$189.30	\$269.40	\$279.51	\$363.01	\$376.34	\$456.61	\$480.33	\$515.13	
2 Carts	\$175.89	\$185.96	\$336.24	\$349.60	\$506.69	\$520.05	\$684.53	\$697.20	\$844.13	\$864.21	\$1,038.00	
3 Carts	\$242.67	\$262.74	\$469.88	\$506.70	\$713.77	\$743.86	\$954.33	\$984.45	\$1,191.56	\$1,224.98	\$1,448.78	
Each Additional Cart	\$66.44	\$76.47	\$133.32	\$156.75	\$206.77	\$223.51	\$269.43	\$286.96	\$347.04	\$360.42	\$410.52	
1 Yard	\$155.11	\$178.63	\$294.79	\$318.22	\$444.55	\$467.96	\$596.51	\$621.32	\$754.00	\$774.01	\$923.78	
1.5 Yards	\$211.63	\$239.00	\$394.38	\$417.76	\$613.92	\$640.66	\$823.41	\$846.82	\$1,022.83	\$1,046.23	\$1,265.79	
2 Yards	\$258.00	\$298.18	\$503.94	\$540.67	\$753.15	\$793.30	\$1,009.01	\$1,045.83	\$1,264.95	\$1,305.12	\$1,554.50	
2.5 Yards	\$321.19	\$357.96	\$613.50	\$653.70	\$932.54	\$972.68	\$1,248.21	\$1,288.37	\$1,567.50	\$1,607.60	\$1,920.02	
3 Yards	\$384.31	\$424.48	\$729.75	\$769.86	\$1,108.62	\$1,155.36	\$1,494.35	\$1,534.50	\$1,869.82	\$1,913.33	\$2,292.16	
4 Yards	\$503.94	\$557.44	\$958.91	\$1,019.12	\$1,457.47	\$1,517.75	\$1,949.30	\$2,006.08	\$2,441.07	\$2,501.22	\$3,106.76	
5 Yards	\$616.80	\$690.42	\$1,194.73	\$1,264.95	\$1,809.62	\$1,883.20	\$2,420.91	\$2,494.57	\$3,025.60	\$3,095.90	\$3,817.65	
6 Yards	\$736.40	\$823.41	\$1,427.39	\$1,504.37	\$2,161.72	\$2,241.98	\$2,886.00	\$2,969.58	\$3,609.90	\$3,693.86	\$4,532.04	
Each Additional Yard	\$110.75	\$120.77	\$219.29	\$229.62	\$334.66	\$344.65	\$443.23	\$459.97	\$548.49	\$568.56	\$677.19	
Each Compacted Yard	\$118.72	\$128.77	\$235.42	\$248.77	\$353.05	\$365.45	\$475.35	\$488.81	\$592.03	\$608.71	\$722.65	

In some instances, a customer may choose not to put his or her waste out for collection by Recology. In such an instance, the City continues to incur costs to ensure that solid waste services are ready and available to such customers. The City imposes a fixed monthly solid waste service fee on these customers in order to recover its ongoing fixed costs of ensuring that the services are ready and available in the event that the customer elects to have his or her waste collected. The customer is also paying for street sweeping, recycling and organics service. The proposed rate for the fixed monthly solid waste service fee for such customers is currently \$21.59 and is proposed to increase each year as show in the table below.

Monthly No Garbage Service Charge by Year

Current	Proposed 3-1-2019	Proposed 1-1-2020	Proposed 1-1-2021	Proposed 1-1-2022	Proposed 1-1-2023
\$21.59	\$24.50	\$26.96	\$29.11	\$30.57	\$32.10

Commercial and multi-family customers also have the option of choosing drop-box service, a monthly service charge for a 10 yard or more garbage bin. These rates are only for using and servicing the bin and do not include the landfill fees. Customers with this service will pay the no garbage service fee (see above) to the City and will receive an additional bill from Recology every month that includes the monthly drop box service charge and landfill tipping fees for their waste. For details, please contact Recology Davis at 530-756-4646.

Monthly Drop Box Service Charge by Year

Level of Service	Current	Proposed 3-1-2019	Proposed 1-1-2020	Proposed 1-1-2021	Proposed 1-1-2022	Proposed 1-1-2023
10 Yards	\$178.42	\$202.51	\$222.76	\$240.58	\$252.61	\$265.24
20 Yards	\$178.42	\$202.51	\$222.76	\$240.58	\$252.61	\$265.24
30 Yards	\$217.45	\$246.81	\$271.49	\$293.21	\$307.87	\$323.26
40 Yards	\$284.63	\$323.06	\$355.36	\$383.79	\$402.98	\$423.13
50 Yards	\$376.83	\$427.70	\$470.47	\$508.11	\$533.52	\$560.19
Customer Owned Compactor	\$244.97	\$278.04	\$305.85	\$330.31	\$346.83	\$364.17

*These numbers do not include landfill fees

Restaurants, grocery stores and other high-volume food scrap generating businesses receive food scrap cart service—one 65-gallon food scrap cart that is serviced twice per week. Additional food scrap carts and more frequent service is available for a fee—see the chart below.

Monthly Food Scrap Cart Service Charge by Year

Level of Service	1x per Week	2x per week	3x Per Week	4x Per Week	5x Per Week
Current					
1 Cart	Included	Included	\$59.64	\$103.81	\$154.65
Each Additional Cart	\$26.87	\$53.75	\$80.62	\$107.49	\$134.36
Proposed 3-1-2019					
1 Cart	Included	Included	\$67.69	\$117.82	\$175.53
Each Additional Cart	\$30.50	\$61.01	\$91.50	\$122.00	\$152.50
Proposed 1-1-2020					
1 Cart	Included	Included	\$74.46	\$129.61	\$193.08
Each Additional Cart	\$33.55	\$67.11	\$100.65	\$134.20	\$167.75
Proposed 12-1-2021					
1 Cart	Included	Included	\$80.42	\$139.98	\$208.53
Each Additional Cart	\$36.23	\$72.48	\$108.71	\$144.94	\$181.17
Proposed 12-1-2022					
1 Cart	Included	Included	\$84.44	\$146.97	\$218.95
Each Additional Cart	\$38.04	\$76.10	\$114.14	\$152.18	\$190.23
Proposed 12-1-2023					
1 Cart	Included	Included	\$88.66	\$154.32	\$229.90
Each Additional Cart	\$39.94	\$79.90	\$119.85	\$159.79	\$199.74

All commercial and multi-family customers that do not generate high volumes of food scraps receive an organics cart (for the collection of yard materials, food scraps and food-soiled paper) that is picked-up once per week as part of regular garbage service. Additional organics carts are available for a fee - see the chart below.

Monthly Organics Cart Service Charge by Year

Level of Service	Current	Proposed 2-1-2019	Proposed 1-1-2020	Proposed 1-1-2021	Proposed 1-1-2022	Proposed 1-1-2023
1 Cart	Included	Included	Included	Included	Included	Included
Each Additional Cart	\$5.27	\$5.98	\$6.58	\$7.11	\$7.46	\$7.83

PUBLIC HEARING AND PROTESTS

The City of Davis will hold a Public Hearing on February 5, 2019, at 6:30 p.m., in the City of Davis Community Chambers, 23 Russell Blvd., Davis, CA, to consider adopting the proposed solid waste service charges, resulting from changes to the cost for its solid waste services.

Any property owner whose property will be subject to the imposition of the proposed solid waste service fees and any tenant directly responsible for the payment of such fees (i.e., a customer of record) may submit a written protest to the proposed changes; provided, however, that only one protest will be counted per identified parcel.

Written protests may be submitted by mail or in person to the City Clerk at 23 Russell Blvd. Suite 1, Davis, CA, California, 95616-3896 or at the Public Hearing (date and time noted above), provided they are received prior to the conclusion of the public comment portion of the Public Hearing. Please identify on the front of the envelope for any protest, whether mailed or submitted in person to the City Clerk, Attn: Public Hearing on Solid Waste Rates.

Any protest submitted via e-mail or other electronic means will not be accepted.

Any written protest must: (1) state that the identified property owner is in opposition to the proposed solid waste service charges; (2) provide the location of the identified parcel (by assessor's parcel number, street address, or customer account); (3) provide written evidence (example: current copy of City Services Bill) that the person is the property owner, if the person was not shown on Yolo County's last equalized assessment roll as the property owner; and (4) include the name and signature of the property owner submitting the protest.

The City Council meeting agenda and staff report for the Public Hearing should be available by 6:30 p.m. on January 31 at <https://cityofdavis.org/city-hall/city-council/city-council-meetings/agendas>. At the Public Hearing, the City Council will hear and consider all written and oral protests to the proposed solid waste service charges. **Oral comments at the Public Hearing, however, will not qualify as formal protests unless accompanied by a written protest.**

At the conclusion of the Public Hearing, the City Council will consider approval of the resolution authorizing the proposed solid waste service fees as described herein.

If written protests against the proposed rate increases are not presented by a majority of the property owners of the identified parcels upon which the rates are proposed to be imposed and tenants directly responsible for the payment of the solid waste service fees, the City Council will be authorized to impose the rate increases as outlined above. **If adopted, the proposed solid waste service charges will take effect beginning March 1, 2019.**

If you have questions regarding this notice or how it may impact your property, contact the Public Works Department (530) 757-5686 Monday through Friday from 8 a.m. to 5 p.m., email PWWeb@CityofDavis.org, or visit CityofDavis.org for answers to frequently asked questions.