RESOLUTION NO. 22--

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WEST HOLLYWOOD, CALIFORNIA, ADOPTING RATES FOR SOLID WASTE COLLECTION SERVICES

WHEREAS, as a result of regulations implementing Senate Bill (SB) 1383 Senate Bill 1383 (Short-lived Climate Pollutants (SLCP): Organic Waste Methane Emissions Reductions) that took effect January 1, 2022, organic waste can no longer be able to be disposed of in the landfill and organic waste collection services must be provided to all residents and businesses; and; and

- **WHEREAS**, to comply with these the SB 1383 requirements, the City of West Hollywood (the "City") is currently negotiating with its waste hauler, Athens Services, to provide the necessary services; and
- **WHEREAS**, the City is currently in the process of amending its franchise agreement with Athens Services for solid waste handling services (the "Agreement") to implement additional solid waste diversion programs; and
- **WHEREAS**, the rate structure for the monthly solid waste service fees has three customer classes: ((i) single family; (ii) multi-family; and (iii) commercial; and
- **WHEREAS**, the rate structure for refuse, recycling and organics collection is based on the container size, type of service, and frequency of collection; and
- **WHEREAS,** the City has determined that it is necessary to impose new, increased or modified rates for its solid waste service charges (collectively herein, the "Charges"); and
- **WHEREAS**, the revenues derived from the Charges will not exceed the funds required to provide the solid waste services and shall be used exclusively for the provision of solid waste collection services; and
- **WHEREAS**, the amount of the Charges will not exceed the proportional cost of the service attributable to each parcel upon which they are proposed for imposition; and
- **WHEREAS**, the Charges will not be imposed on a parcel unless the solid waste services are actually used by, or immediately available to, the owner of the parcel; and
- WHEREAS, California Constitution article XIII D, section 6 ("Article XIII D") requires that prior to imposing any increase to the Charges, the City shall provide written notice (the "Notice") by mail of the proposed increases to the rates for the Charges to the record owner of each parcel upon which the rate increases to the Charges are proposed for imposition and any tenant directly liable for payment of such Charges (collectively herein referred to as "customers"), the amount of the rates for the Charges proposed to be imposed on each parcel, the basis upon which the rates for the Charges were calculated, the reason for the rate increases to the Charges, and the date time and

location of a public hearing (the "Hearing") on the proposed rate increases to the Charges; and

WHEREAS, pursuant to Article XIII D such Notice is required to be provided to the affected customers not less than 45 days prior to the Hearing on the proposed rate increases;

WHEREAS, the City mailed the Notice in accordance with Article XIII D and the Hearing was held on this day, June 27, 2022; and

WHEREAS, at the Hearing the City Council heard all oral testimony, and considered all written materials and written protests concerning the establishment and imposition of the proposed rate increases to the Charges, and at the close of the Hearing the City did not receive written protests against the establishment and imposition of the proposed rate increases to the Charges from a majority of the record owners or property upon which the Charges are proposed for imposition or any tenants directly liable for the payment of the Charges (i.e., a customer of record who is not a property owner); and

WHEREAS, the City Council now desires to establish and impose the proposed Charges; and

NOW, THEREFORE, the City Council of the City of West Hollywood does hereby resolve, determine, and order as follows:

SECTION 1. The above recitals are all true and correct and are incorporated herein.

SECTION 2. The City Council hereby adopts the Charges for solid waste collection services at the maximum rates, and on the effective dates, as set forth in Exhibit A, attached hereto and incorporated herein by this reference.

SECTION 3. The annual rate adjustment effective July 1, 2022 shall consist of a Consumer Price Index (CPI) adjustment, supplemental adjustment, and City Administrative Fee. For the fiscal year beginning July 1, 2023, and annually thereafter on July 1 through and including July 1, 2026, the rates in Exhibit A shall be adjusted by a CPI adjustment, supplemental adjustment, and City Administrative Fee, as described below.

CPI Adjustment. For the fiscal year beginning July 1, 2023, and annually thereafter on July 1 through and including July 1, 2026, the maximum rates provided in Exhibit A shall be automatically adjusted annually based upon the annual percentage change March to March in the CPI for Trash and Garbage Collection (CUUR0000SEHG02), United States City Average (not seasonally adjusted), as determined by the United States Department of Labor Statistics, plus 1%.

Supplemental Adjustment. In addition to the CPI adjustment, a supplemental adjustment shall be applied, for the fiscal year beginning July 1, 2023, and annually thereafter on July 1 through and including July 1, 2026, as follows:

Period Beginning	Supplemental Adjustment
<u>July 1, 2023</u>	<u>+ 10.4%</u>
July 1, 2024	+ 7.5%
July 1, 2025	+ 5.3%
July 1, 2026	+ 3.6%

Except for the City Administrative Fee, the maximum total annual adjustment of rates shall be the percentage of the annual CPI adjustment plus the annual supplemental adjustment. In other words, CPI adjustment + supplemental adjustment = maximum total annual adjustment. The maximum rates in Exhibit A, except for the City Administrative Fee, shall be adjusted each July 1 by multiplying the rates by the maximum total annual adjustment (as a percentage).

City Administrative Fee Adjustment. For the fiscal year beginning July 1, 2023, and annually thereafter on July 1 through and including July 1, 2026, the maximum rate of the "City Administrative Fee" in Exhibit A shall be automatically adjusted based upon the annual percentage change January to January in the CPI, All Urban Consumers for the Los Angeles-Long Beach-Anaheim, CA Metropolitan Area (not seasonally adjusted), as determined by the United States Department of Labor Statistics. However, the City Administrative Fee shall not be increased by more than 10% in any fiscal year.

SECTION 3. SECTION 4. To the extent any Charges established by this Resolution are inconsistent with any Charges previously adopted by the City Council, it is the explicit intention of the City Council that the Charges adopted pursuant to this Resolution shall prevail.

SECTION 4. SECTION 5. The City Council hereby finds that the administration, operation, maintenance, and improvements of the solid waste collection system, which are to be funded by the Charges, are necessary to maintain solid waste services within the City's existing service area. The City Council further finds that such Charges are necessary and reasonable to fund the administration, operation, maintenance, and improvements of the solid waste collection system. Based on these findings, the City Council hereby determines that this Resolution is statutorily exempt from the requirements of CEQA pursuant to California Public Resources Code section 21080(b)(8) and State CEQA Guidelines section 15273(a). The documents and materials that constitute the record of proceedings on which these findings have been based are located at 8300 Santa Monica Blvd, West Hollywood, CA 90069. The custodian for these records is the City Clerk of the City.

SECTION 5. SECTION 6. If any section, subsection, subdivision, sentence, clause, or phrase in this Resolution or any part thereof is for any reason held to be unconstitutional or invalid, ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Resolution or any part thereof. The City Council hereby declares that it would have adopted each section irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective.

<u>SECTION 6.SECTION 7.</u> This Resolution take effective immediately upon adoption and will remain effective unless repealed or superseded.

SECTION 7. SECTION 8. The City Manager or his or her designee is hereby authorized to take all actions necessary to implement this Resolution.

PASSED, APPROVED AND ADOPTED by the City Council of the City of West Hollywood at a regular meeting held this 27th day of June, 2022 by the following vote:

AYES: NOES: ABSENT: ABSTAIN:	Councilmember - Councilmember - Councilmember - Councilmember -	
ATTEST:		Lauren Meister, Mayor
Melissa Cro	wder, City Clerk	

EXHIBIT A MAXIMUM SOLID WASTE RATES