

**COUNTY OF SAN LUIS OBISPO
NOTICE OF PUBLIC HEARING REGARDING
PROPOSED SOLID WASTE RATE INCREASE
WITHIN THE LOS OSOS COMMUNITY SERVICES DISTRICT**

Dear Property Owners and Tenant-Customers:

This notice is intended to inform you that the County of San Luis Obispo (“County”) Board of Supervisors, in coordination with and support of the Los Osos Community Services District (“District”), will hold a public hearing regarding the solid waste rate increases (“Proposed Rate Increase”) proposed by Mission Country Disposal, Inc. (“Mission Country Disposal”) for properties and customers receiving solid waste services within the boundaries of the District. The Proposed Rate Increase will be considered by the Board of Supervisors at the date, time and location specified below. Consistent with the requirements of Proposition 218, this notice also provides you with the following information:

- The Date, Time, and Place of the Public Hearing; and
- The Majority Protest Procedures; and
- The Basis of and Reason for the Proposed Rate Increase; and
- The Proposed Rate Increase Amounts.

NOTICE OF PUBLIC HEARING

A Public Hearing on the Proposed Rate Increase within the District’s boundary will be held on:

Date: March 21, 2023
Time: 9:00 a.m. or as soon thereafter as the matter may be heard
Place: County of San Luis Obispo, Board of Supervisors Chambers
1055 Monterey Street, San Luis Obispo, CA

At the Public Hearing, the Board of Supervisors will consider all public comment in support of and in opposition to the Proposed Rate Increase and whether or not a Majority Protest exists pursuant to the California Constitution and the Proposition 218 Omnibus Implementation Act (below). If approved, the Proposed Rate Increase would become effective April 1, 2023.

BASIS FOR THE PROPOSED RATE INCREASE

The Proposed Rate Increase of 97.61% is based on the following cost increases incurred by Mission Country Disposal. The 2022 Base Year Rate increase of 41.87% includes each category of service for:

1. 6.48% of the Proposed Rate Increase is based on increased depreciation due to significant replacement of vehicles to meet California Air Resources Board standards; and
2. 6.13% of the Proposed Rate Increase is based on increases in organics recycling costs via the anaerobic digestion facility; and
3. 6.17% of the Proposed Rate Increase is based on increases in direct labor costs impacted by labor market challenges to attract and retain qualified positions; and
4. 2.74% of the Proposed Rate Increase is based on increases in insurance costs; and
5. 2.52% of the Proposed Rate Increase is based on increases in diesel and compressed natural gas costs; and
6. 1.59% of the Proposed Rate Increase is based on other increases including ongoing repairs, recycling facility costs, and landfill disposal costs; and
7. 9.24% of the Proposed Rate Increase is based on increases required to recover revenue due to operating ratios of negative 8.8% in 2020 and negative 24.3% in 2021; and
8. 7.00% of the Proposed Rate Increase is based on increases required to achieve the allowed operating profit provided in the Franchise Agreement.

A temporary short-term rate increase due to the delayed rate implementation will be added to the Proposed Rate Increase. The temporary short-term rate increase is based on cost recovery for the period from July 1, 2022 through March 31, 2023 and will be applied from the effective date of April 1, 2023 through the expiration date of December 31, 2023.

In addition, commencing on April 1, 2023 and January 1, 2024, all the rates may be increased based on the following:

1. Increase, *if any*, in the Consumer Price Index (CPI) for Bureau of Labor Statistics' Consumer Price Index for Urban Consumers based on the average of the San Francisco-Oakland-Hayward and the Los Angeles-Long Beach-Anaheim regions, Bureau of Labor Statistics for the prior 12 months ending June 30, 2022 for April 1, 2023 and June 30, 2023 for January 1, 2024.

A copy of the 2022 Base Year Rate Adjustment Application, which provides additional information on the Proposed Rate Increase, is available at the County Public Works' office located at 976 Osos Street, Room 206, San Luis Obispo, CA 93408.

REASON FOR THE PROPOSED RATE INCREASE

The Proposed Rate Increase (2022 Base Year Rate Increase of 41.87%, 2023 CPI Increase of 7.7%, and the temporary short-term rate increase due to the delayed rate implementation) is necessary for Mission Country Disposal to continue to provide safe, environmentally sound and reliable solid waste removal, transportation and disposal services to the citizens of the District. The increases requested are due to increasing operational costs. Several factors have contributed to these increased costs, including, but not limited to: the rising costs associated with the operation of a garbage company, rising costs associated with capital, operation, maintenance and fuel for vehicles, increased labor and insurance costs, and increased costs for processing organic waste as required by State law (e.g., Senate Bill 1383). Organic waste is food waste, green waste, landscape and pruning waste, nonhazardous food waste, and food-soiled paper waste that is mixed in with food waste.

INDEPENDENT RATE REVIEW CONDUCTED

The Proposed Rate Increase has been independently reviewed for consistency with the *City of San Luis Obispo Rate Setting Process and Methodology Manual for Integrated Solid Waste Management* dated June 1994 and in accordance with the provisions of the Franchise Agreement, as amended, governing solid waste service within the boundaries of the District. The report is available at the County Public Works' office located at 976 Osos Street, Room 206, San Luis Obispo, CA 93408.

MAJORITY PROTEST

Pursuant to Section 6 of Article XIII D of the California Constitution and Government Code Section 53755, the following persons may submit a written protest against the Proposed Rate Increase to the County Clerk of the Board before the close of the Public Hearing referenced above.

- An owner(s) of property (parcel(s)) receiving solid waste service within the District's boundary. If the person(s) signing the protest, as an owner, is not shown on the last equalized assessment roll as the owner of the parcel(s), then the protest must contain or be accompanied by written evidence that such person(s) signing the protest is the owner of the parcel(s) receiving the solid waste services; and
- A tenant(s) whose name appears on Mission Country's records as the customer of record for the corresponding parcel receiving solid waste service within the District's boundary (tenant-customer).

A valid written protest must contain; a statement that you protest the increase in solid waste rates, the address and the Assessor's Parcel Number (APN) of the parcel or parcels which receive solid waste service and must be signed by either the owner or the tenant-customer of the parcel or parcels. One written protest per parcel shall be counted in calculating a majority protest to the Proposed Rate Increase subject to the requirements of Section 6 of Article XIII D of the California Constitution and Government Code Section 53755. Written protests will not be accepted by e-mail or facsimile. Verbal protests will not be counted in determining the existence of a majority protest. To be counted, a protest must be received in writing by the County Clerk of the Board before the close of the Public Hearing referenced above.

Written protests regarding the Proposed Rate Increase may be mailed or personally delivered to:

County of San Luis Obispo Administrative Office
Attn: Clerk of the Board
1055 Monterey St. Suite D430
San Luis Obispo, CA 93408

If valid written protests are presented by a majority of owners and/or tenant-customers of parcels receiving solid waste services within the District's boundaries, then the County will not adjust/increase the solid waste rates. Only one protest per parcel will be counted in determining whether or not a majority protest exists.

**MISSION COUNTRY DISPOSAL - RECOMMENDED BASE YEAR RATE INCREASE
LOS OSOS CSD AREA**

EFFECTIVE DATE: APRIL 1, 2023

SERVICE DESCRIPTION	PICKUPS PER WEEK	CURRENT RATES	APPROVED RATES 1/1/2020	BASE YEAR RATE AND 2023 CPI ADJUSTMENT %	PROPOSED RATES EFFECTIVE 4/1/2023
RESIDENTIAL:					
Low Income - 32 Gallon only	1	\$13.17	\$13.08	Deleted	\$0.00
Half Can - 19 Gallon only	1	\$17.80	\$17.68	97.61%	\$34.94
32 Gallon Cart	1	\$25.32	\$25.14	97.61%	\$49.68
64 Gallon Cart	1	\$38.86	\$38.60	97.61%	\$76.28
96 Gallon Cart	1	\$41.70	\$41.40	97.61%	\$81.81
Garbage extras (per bag)		\$8.43	\$8.37	97.61%	\$16.54
Recycling extras (per bag)		\$2.01	\$1.99	97.61%	\$3.93
Service away from the curb	each can	\$11.73	\$11.66	97.61%	\$23.04
Switch Cart less than 12 months		\$39.10	\$38.87	97.61%	\$76.81
Residential customers must use carts provided by the garbage company.					
APARTMENTS, TRIPLEX, DUPLEX					
Rates are the same as commercial rates (below)					
URBAN COMMERCIAL:					
1 Yard Dumpster	1	\$103.95	\$103.23	97.61%	\$203.99
1 Yard Dumpster	2	\$154.35	\$153.29	97.61%	\$302.92
1 Yard Dumpster	3	\$214.61	\$213.11	97.61%	\$421.13
1 Yard Dumpster	4	\$269.98	\$268.10	97.61%	\$529.79
1 Yard Dumpster	5	\$330.34	\$328.05	97.61%	\$648.26
1 Yard Dumpster	6	\$388.10	\$385.41	97.61%	\$761.61
1 Yard Dumpster	7	\$468.16	\$464.91	97.61%	\$918.71
1.5 Yard Dumpster	1	\$121.67	\$120.82	97.61%	\$238.75
1.5 Yard Dumpster	2	\$191.94	\$190.61	97.61%	\$376.66
1.5 Yard Dumpster	3	\$269.98	\$268.10	97.61%	\$529.79
1.5 Yard Dumpster	4	\$355.40	\$352.93	97.61%	\$697.43
1.5 Yard Dumpster	5	\$441.04	\$437.97	97.61%	\$865.47
1.5 Yard Dumpster	6	\$523.93	\$520.29	97.61%	\$1,028.15
1.5 Yard Dumpster	7	\$637.12	\$632.70	97.61%	\$1,250.28
2 Yard Dumpster	1	\$146.78	\$145.75	97.61%	\$288.02
2 Yard Dumpster	2	\$222.25	\$220.70	97.61%	\$436.13
2 Yard Dumpster	3	\$327.77	\$325.49	97.61%	\$643.20
2 Yard Dumpster	4	\$435.87	\$432.85	97.61%	\$855.36
2 Yard Dumpster	5	\$544.01	\$540.24	97.61%	\$1,067.57
2 Yard Dumpster	6	\$652.61	\$648.08	97.61%	\$1,280.67
2 Yard Dumpster	7	\$798.50	\$792.95	97.61%	\$1,566.95
3 Yard Dumpster	1	\$187.01	\$185.70	97.61%	\$366.96
3 Yard Dumpster	2	\$302.69	\$300.58	97.61%	\$593.98
3 Yard Dumpster	3	\$425.92	\$422.96	97.61%	\$835.81
3 Yard Dumpster	4	\$571.66	\$567.69	97.61%	\$1,121.81
3 Yard Dumpster	5	\$687.34	\$682.57	97.61%	\$1,348.83
3 Yard Dumpster	6	\$828.28	\$822.53	97.61%	\$1,625.40
3 Yard Dumpster	7	\$1,066.13	\$1,058.72	97.61%	\$2,092.14

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SERVICE DESCRIPTION	PICKUPS PER WEEK	CURRENT RATES	APPROVED RATES 1/1/2020	BASE YEAR RATE AND 2023 CPI ADJUSTMENT %	PROPOSED RATES EFFECTIVE 4/1/2023
URBAN COMMERCIAL Continued					
4 Yard Dumpster	1	\$257.47	\$255.68	97.61%	\$505.25
4 Yard Dumpster	2	\$380.53	\$377.89	97.61%	\$746.75
4 Yard Dumpster	3	\$556.74	\$552.88	97.61%	\$1,092.55
4 Yard Dumpster	4	\$740.29	\$735.15	97.61%	\$1,452.73
4 Yard Dumpster	5	\$936.31	\$929.81	97.61%	\$1,837.40
4 Yard Dumpster	6	\$1,104.69	\$1,097.01	97.61%	\$2,167.80
4 Yard Dumpster	7	\$1,400.37	\$1,390.65	97.61%	\$2,748.06
Loose yards		\$20.10	\$19.96	97.61%	\$39.44
Sunday Service		\$90.27	\$89.72	97.61%	\$177.30
The rates shown above include the monthly container rental fee and a semi-annual dumpster cleaning.					
COMMERCIAL GARBAGE CANS - ALL AREA:					
1 Can*	1	\$33.58	\$33.34	97.61%	\$65.88
1 Can*	2	\$57.91	\$57.50	97.61%	\$113.63
1 Can*	3	\$82.23	\$81.65	97.61%	\$161.35
2 Cans*	1	\$42.08	\$41.79	97.61%	\$82.58
2 Cans*	2	\$66.41	\$65.95	97.61%	\$130.32
3 Cans*	1	\$50.58	\$50.23	97.61%	\$99.26
3 Cans*	2	\$74.88	\$74.36	97.61%	\$146.94
4 Cans*	1	\$61.01	\$60.59	97.61%	\$119.73
4 Cans*	2	\$85.34	\$84.74	97.61%	\$167.45
* Maximum volume and weight per garbage can : 33 gallons / 80 pounds					
COMMERCIAL - OTHER CHARGES:					
Recycle Cart Rental	each per month	\$2.00	\$1.99	97.61%	\$3.93
Recycle Bin Rental	each per month	\$9.80	\$9.73	97.61%	\$19.23
Rates for all "Waste Wheeler Container Service" customers include recycling and greenwaste/organics pickup once per-week. Customers can choose from a 64 or 96 gallon blue waste wheeler once per week for commingled recycling or 32 or 64 gallon organics green lid waste wheeler once per week for organics collections. More frequent than once-per-week pickup or additional containers can be provided at 50% of the garbage service rate for the specified level of service required. Due to potential weight issues, organics (food waste) is only collected in 32 or 64 gallon green lid waste wheelers.					
MISCELLANEOUS CHARGES (See Note 8)					
Short Term Containers:					
Container Delivery (includes removal)		\$50.27	\$49.92	97.61%	\$98.65
Container Rental	per day	\$1.42	\$1.41	97.61%	\$2.79
Emptying Container:					
1 Yard (minimum charge)	each	\$27.64	\$27.45	97.61%	\$54.24
1.5 Yard	each	\$40.22	\$39.94	97.61%	\$78.93

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MISCELLANEOUS CHARGES (continued)					
2 Yard	each	\$45.19	\$44.87	97.61%	\$88.67
3 Yard	each	\$62.88	\$62.44	97.61%	\$123.39
4 Yard	each	\$78.02	\$77.47	97.61%	\$153.09
Trip Charge (See Note 6)	each	\$9.80	\$39.88	97.61%	\$78.81
Extra Dumpster Cleaning	each	\$72.70	\$72.41	97.61%	\$143.09
Extra Dumpster Delivery	each	\$50.27	\$50.04	97.61%	\$98.88
White Goods	each	\$68.52	\$68.04	97.61%	\$134.45
Small Extra	each	\$19.60	\$19.46	97.61%	\$38.45
Installing Lock on Dumpster	each	\$85.39	\$84.80	97.61%	\$167.57
Optional Cart Rental, 32 or 64 gallon sizes (see note 5)	per month & per container	\$2.00	\$1.99	97.61%	\$3.93
Xtra Greenwaste 32 gal cart	per month	\$4.22	\$4.19	97.61%	\$8.28
Xtra Greenwaste 96 gal cart	per month	\$4.22	\$4.19	97.61%	\$8.28
Additional collection charge per 32 gallon can or equivalent volume.	per collection	\$8.43	\$8.37	97.61%	\$16.54
Mileage Charge (See Note 3)	per mile & per trip	\$0.72	\$0.72	97.61%	\$1.42
USED OIL COLLECTION					
Call for details and pick up schedule.	no charge	\$0.00	\$0.00		\$0.00
Late Fee (See Note 7)	per month	\$5.00	\$5.00		\$5.00
Stop/Restart/Change residential service, within 90 days.	per occurrence	\$46.42	\$46.10	97.61%	\$91.10
ADDITIONAL INFORMATION					
1) One standard trash can is the equivalent unit volume to a 32 Gallon Waste Wheeler.					
2) Low income customers enrolled in PG&E's or the Gas Company's low income programs are eligible for a reduced one can rate. Please contact the garbage company for details.					
3) Mileage charge: A charge applied to the customer's bill for additional mileage beyond 1/2 mile from the urban reserve line. The mileage charge is added for each round trip.					
4) Service away from the curb: A monthly charge that is assessed to the residential customer's bill when service inside the property line is requested. Location and distance from curb is subject to approval to ensure safe service. This charge is not applicable to disabled customers without the means of setting the containers in the public right of way for collection.					
5) Optional Cart Charge: A charge for using more than one garbage cart at a given service level. For example, a customer who has subscribed to a 64 gallon monthly garbage service level may choose two 32 gallon garbage waste wheelers instead of one 64 gallon garbage waste wheeler, for this additional charge.					
6) Trip Charge: A charge to service a residential customer on a non-route day or after the area's collection has occurred. Additional fees may be incurred according to volume of waste collected and any applicable mileage charges (see note 3).					

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ADDITIONAL (Continued)					
7) Late Fees: These are imposed for all customers over 30 days delinquent delinquent. The fee is 1.5% per month of the outstanding charge, with a minimum fee of \$5.00. No prior notice is required, as this late fee policy is stated at the bottom of every bill.					
8) Miscellaneous Charges: are increased by one rate for all three unincorporated areas receiving garbage hauling services provided by Mission Country Disposal.					
9) CPI Increases: On January 1, 2023 and January 1, 2024 all of the above effective rates may be increased based on any increase in the consumer price index (CPI) for Bureau of Labor Statistics' Consumer Price Index for Urban Consumers based on All U.S. City Average, Bureau of Labor Statistics for June 2022 and June 2023 respectively (so that a June 2022 CPI increase would be effective January 1, 2023 and a June 2023 CPI increase would be effective January 1, 2024).					
Effective date for rates shown in current rate column:			January 1, 2020		
This increase is approximately:		<u><u>97.61%</u></u>		Effective Date: April 1, 2023	