

Republic Services Proposed Rate Increase Hearing

Chula Vista City Council Meeting

September 24, 2019



- Republic Services Franchise Agreement
 - Approved in 2014
 - Term: 10 years; option to extend to 2031
 - Collect all trash and recycling
 - 20% franchise fee
 - 5% AB939 fee for recycling and waste reduction
 - Annual bonuses to the City

Republic Services Franchise Agreement

No Cost Services

- Bulky item collection
- Landfill passes
- Missed collection
- Special senior rate
- Container replacement
- City waste collection services
- Public works projects
- Two large venue events

Rates for Service - Section 7

- 7.2 Variable Rate
- 7.3 Initial Collection Rates
- **7.4 Annual Increase**
- 7.6 Most favored nation rate
- **7.7 Increase based on Extraordinary Circumstances**

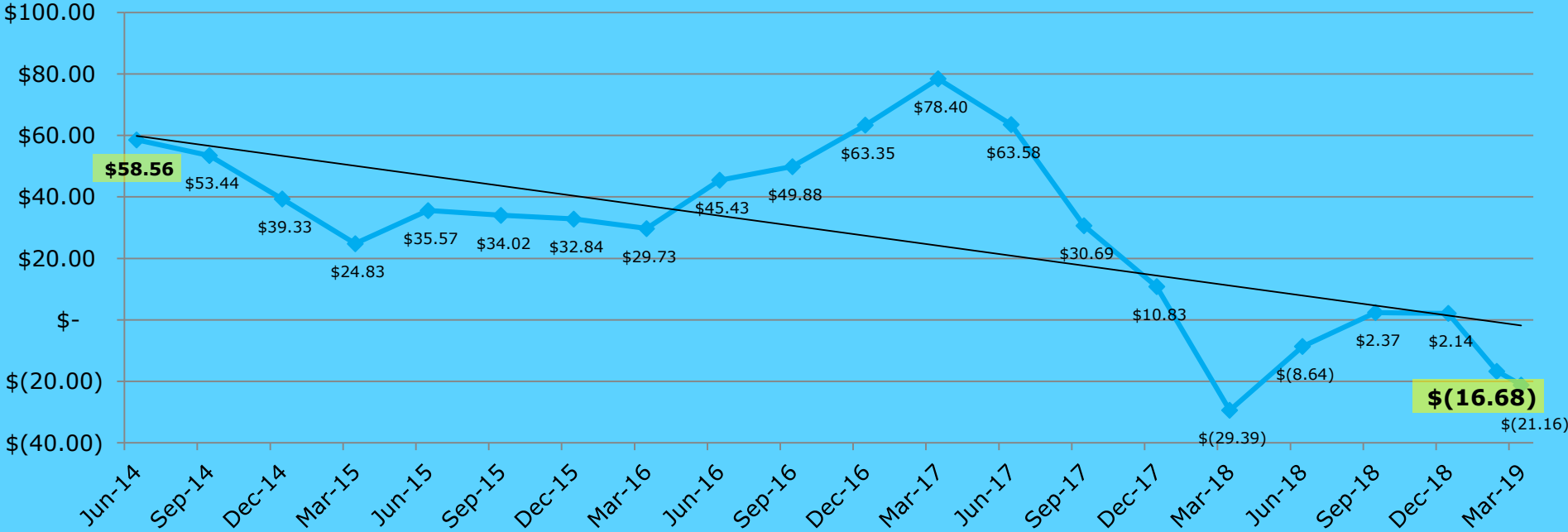
Recycling Markets

Since 1990's China was the world's leading importer of recycled material.



Commodity Price Decline's Steadily Beginning in 2017

Combined - Net Sale of Material (SOM)



June 2014 Republic was receiving an average of \$58 per ton. Fast forward to March of 2019 and Republic is now paying \$16 per ton to recycle

Financial Review

- Analysis regional markets
- Verified with EDCO
- Reviewed other programs
- Audit deployed



Residential Increase

Residential trash container	Current monthly rate	Rate after 7.6% increase	Monthly increase amount	Total yearly cost
32-gal	\$16.82	\$18.10	\$1.28	\$15.36
64-gal	\$21.78	\$23.44	\$1.66	\$19.92
96-gal	\$25.65	\$27.60	\$1.95	\$23.40

Commercial Increase

Commercial trash container size	Current monthly rate	Rate after 7.6% increase	Monthly increase amount	Total yearly cost of increase
3-yard trash 1/wk	\$123.78	\$133.19	\$9.41	\$112.92
4-yard trash 1/wk	\$197.13	\$212.11	\$14.98	\$179.76
5-yard trash 1/wk	\$246.35	\$265.07	\$18.72	\$224.64



- **The increase can be negotiated down**
- **Processing costs to be evaluated quarterly**

What are we doing to help?



RECYCLING: Easy as 1-2-3

YES: Bottles, Cartons, Cans, Paper & Cardboard ✓

1

Botellas de Plástico y Vidrio Cartones Botes de Aluminio y Acero Papel y Cartón

NO: Plastic Bags, Plastic Film, Wrappers or Foam ✗

2

Keep it LOOSE. Don't bag recyclables. Material reciclable suelto, no dentro de bolsas

REUSE plastic bags and TRASH plastic packaging. No bolsas de basura. Reutilice bolsas, las envolturas no son reciclables.

NO foam products. Avoid using them. El poliestireno no es reciclable, procure no usarlo.

3

Scrape it Out, Pour it Out, Keep it Clean

Scrape out food and pour out liquids. Vacie comida y líquidos

RECYCLE the clean portion. Recicla la parte limpia.

Still wondering what to do?
Para más información visita nuestra página de Internet, comunícate y síguenos
chulavistaca.gov/clean • 619-691-5122 • environmental.services@chulavistaca.gov

Follow us @chulavistaclean

CITY OF CHULAVISTA
Office of Sustainability

ATTENTION:
These item(s) were incorrectly placed in your cart(s):

RECYCLING

1. Your blue recycle cart was contaminated with wood, clothing, plastic bags/packaging or: _____

YARD WASTE

2. Your green yard waste cart was contaminated with: _____

3. Container was too heavy!
- 40-gallon container can weigh 60 lbs.
- 64-gallon (overlaid) container can weigh 120 lbs.
- 96-gallon (overlaid) container can weigh 150 lbs.

4. Improper or damaged containers. _____

5. Yard waste was not banded OR bundles were more than 4 feet long, 45 lbs. and 18 inches in diameter.

TRASH

6. Your black trash cart contained yard waste or recyclables such as mixed paper, aluminum/tin/cans, cardboard, glass/plastic bottles/jars, or: _____

Schedule a BULKY ITEM PICK-UP

7. Call Republic Services at 619-421-9400 at least 24 hours before your collection day to schedule a bulky item pick-up.

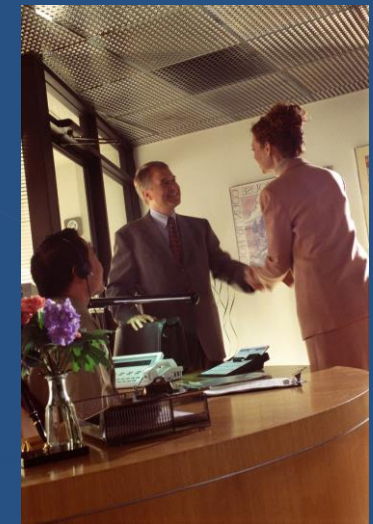
HOUSEHOLD HAZARDOUS WASTE Found

8. Household hazardous waste (HHW) was found in your cart. Please call Chula Vista Environmental Services at 619-691-5122 or visit chulavistaca.gov/clean to find out how to properly dispose of HHW. Examples include fluorescent tubes, auto liquids, paint, solvents, batteries, electronics, etc.

Address: _____ Date: _____

Route: Residential M/F Commercial

Circle the violation number(s) checked above. 1 2 3 4 5 6 7 8



Council approved the proposed 7.6% increase on June 18 contingent on the results on a public hearing



NOTICE OF PUBLIC HEARING

ON PROPOSED INCREASE IN SOLID WASTE AND
RECYCLING COLLECTION SERVICE RATES

September 24, 2019 • 5 p.m.

Council Chambers

Chula Vista City Hall • 276 Fourth Avenue, Chula Vista, CA 91910

- Conducted Public Hearing pursuant to Proposition 218
- Notices to all property owners & Republic Services customers
- 101,221 affected parties notified



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Public Hearing Process

- 45-day public comment period
- City Clerk report to Council on the number of protests received



Manuel Medrano,
Economic Development Department