



The City of Foster City

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

610 Foster City Boulevard
Foster City, CA 94404-2222
(650) 286-3270; (650) 345-4626 (FAX)

NOTICE OF INTENT TO MAINTAIN THE CURRENT 2012 RATES FOR 2013 AND TO CONSIDER AN ADJUSTMENT TO FEES ASSOCIATED WITH THE SOLID WASTE, RECYCLABLE AND ORGANIC MATERIALS COLLECTION IN THE CITY OF FOSTER CITY

The City Council of the City of Foster City hereby gives public notice of its intent to not increase the base rates for collection services for 2013 and to consider adjustments to the Franchise Fees and to the rates for unscheduled optional services at a public hearing on December 17, 2012 at 6:30 p.m. in the Foster City Council Chambers located at 620 Foster City Boulevard.

The need for these adjustments was discussed by the City Council at the October 22, 2012 Council meeting. The staff report for this matter is available at Foster City City Hall located at 610 Foster City Boulevard or online at www.fostercity.org.

WHAT IS PROPOSED:

1. Maintaining the collection rates at 2012 levels for all Residential and Commercial customers through the calendar year 2013
2. Increasing the current franchise fee that Recology pays to the City of Foster City from 5.0% of the net revenue billed to 10.0%
3. Increasing the table of "Rates for Unscheduled Services" by 3.25%

The City of Foster City is pleased to report that for the year ending 2012 the revenues collected are anticipated to exceed estimated costs and that the revenues at the current rates are projected to cover the projected 2013 costs. As a result, no overall rate adjustment is required for 2013.

An increase in the franchise fee is proposed to offset the costs of staff time spent on contract administration, recycling programs and collection issues, and recover some of the costs associated with the impact of Recology's collection vehicles on the City's streets. The recommended adjustment in franchise fees from 5.0% to 10.0% will bring the franchise fees in line with what other agencies are collecting. It would add an additional revenue requirement of approximately \$275,000 per year to the rates. However, this would not require any additional increase to Foster City residential or commercial rates for 2013.

2013 Residential Rates would remain at the current levels as follows:

| Customer Service Level | Current & Proposed Monthly Rate | Monthly Adjustment | Current & Proposed Quarterly Rate | Quarterly Adjustment |
|------------------------|---------------------------------|--------------------|-----------------------------------|----------------------|
| 20 gallon | \$11.82 | 0% | \$35.46 | 0% |
| 32 gallon | \$18.92 | 0% | \$56.76 | 0% |
| 64 gallon | \$37.84 | 0% | \$113.52 | 0% |
| 94 gallon | \$56.76 | 0% | \$170.28 | 0% |

Commercial Rates for 2013 would similarly remain at their current levels. For a complete list of commercial rates please visit the Recycling, Compost, and Garbage page at www.fostercity.org.

Rates for Unscheduled Services

Following are rates that would be charged for unscheduled services. These are **optional services** that a customer may choose to add to their basic service. These rates would be increased by 3.25% effective January 1, 2013 as follows:

| Service Category | Rate | Description of Rate |
|--|--|---|
| Backyard Collection Service—Single Family Dwelling | For one Solid Waste Cart: \$18.89 (0-50 ft) \$22.04 (51-100ft) | Rates vary based on distance & number of carts. Contact the City for rates for distances beyond 100 feet and for more than one solid waste cart. |
| Return Trip Cost—Single Family Dwelling (Request to provide collection service after the regularly scheduled collection day) | \$15.75 | Per collection event. |
| On-Call Bulky Item Collection | \$85.61 | Per each collection event beyond first 2 per year. (Each customer receives 2 free bulky collections per year) |

| Service Category | Rate | Description of Rate |
|---|--|--|
| Distance charge—MFD and Commercial Accounts | A – 10% of base monthly rate B – 25% of base monthly rate | A – 51 to 100 feet from access by contractor's collection vehicle B – 101 feet or more from access by contractor's collection vehicle |
| Extra Pick-Up Cost—MFD and Commercial Accounts | 25% of the base monthly rate for the size of container collected once per week | Per collection event |
| Additional Targeted Recyclable Materials or Organic Materials Cart Rental or Purchase | A -- \$ 3.15 B -- \$66.13 C -- \$72.43 | A – Monthly rental fee (any size cart) B – Customer purchase of a 64 gallon cart C – Customer purchase of a 96 gallon cart |
| Collection of Contaminated Targeted Recyclable Materials or Organic Materials Container | 25% of the base monthly rate for the size of container collected once per week Plus: \$15.75 | Per collection event |
| Key Service | A -- \$8.92 per month B -- \$9.97 per month | A – Residential Customers B – Commercial Customers |
| Lock Purchase | \$17.84—one time charge | One-time charge per account. No fee for replacement locks. |
| Overage Fee | 100% of the base monthly rate | Per collection event |
| Overage Tags | 50% of the base monthly rate or \$8.39 minimum | Rate per tag |
| Container Cleaning | A -- \$52.49 B -- \$89.23 | A – per Cart B – per Bin or Drop-Box |
| Dirty Cart Replacement | A -- \$68.23 B -- \$78.73 C -- \$89.23 | A – per 32 gallon Cart B – per 64 gallon Cart C – per 96 gallon Cart |

The City Council of the City of Foster City hereby gives notice of a public hearing to be held on December 17, 2012, at 6:30 p.m. in the Foster City Council Chambers, 620 Foster City Boulevard, Foster City, CA. At this hearing, the City Council will consider public comment as well as written protests by ratepayers with respect to maintaining the current rates and the proposed franchise fee and optional services rate adjustments. If written protests are presented by a majority of the affected ratepayers prior to the close of the public hearing, the City Council will not adjust the franchise fees or the rates for unscheduled services as a matter of State law.

If you would like additional information on the proposed changes, please call the Foster City Public Works Department at 650-286-3270.

If you wish to file a written protest, please send a letter in a sealed envelope addressed to Solid Waste Rates, City Clerk, City of Foster City, 610 Foster City Boulevard, Foster City, CA 94404. Your letter must identify the real property you own or rent by street address and assessor's parcel number. Your letter must be legibly signed by any one of the current property owners or ratepayers of record.

The City of Foster City must receive your letter at City Hall by 5:00 p.m. on December 17, 2012, or it must be presented at the City Council meeting on December 17, 2012 prior to the close of the public hearing on this matter.

Any person interested, including all solid waste, recycling, and organics collection customers of the City of Foster City, may appear at the public hearing and be heard on any matter related to the proposed increase in rates.

For mail distribution by October 26, 2012, by the City of Foster City.