

PUBLIC HEARING

NEW COMMERCIAL AND RESIDENTIAL SOLID WASTE HAULING RATES

Erick Lee, Public Works Director
Anna Luke-Jones, Solid Waste Administrator

May 20, 2025



TONIGHT'S ACTION

CONDUCT PUBLIC HEARING
TO CONSIDER ADOPTING NEW
REFUSE RATES AND RATE
ADJUSTMENT METHODOLOGY FOR
RESIDENTIAL AND
COMMERCIAL SOLID WASTE
COLLECTION SERVICES

EFFECTIVE FOR 5 YEARS
FY 24/25 THROUGH FY 29/30



IMPORTANCE OF PROPOSITION 218

Approves solid waste rate increases for only five years



Year of Franchise Agreement	Proposition 218 Compliant	Year of Franchise Agreement	Proposition 218 Compliant
FY2020-2021	YES	FY2025-2026	NEED PROP 218
FY2021-2022	YES	FY2026-2027	NEED PROP 218
FY2022-2023	YES	FY2027-2028	NEED PROP 218
FY2023-2024	YES	FY2028-2029	NEED PROP 218
FY2024-2025	YES	FY2029-2030	NEED PROP 218



PROPOSITION 218 PROCESS

What is Proposition 218?



- Passed by CA voters in 1996.
- Proscribe (“limits”) methods local governments can create or increase taxes/fees/charges.
- Allows property owners or rate payers to protest utility rate increases.
- Mandatory 45-day protest period.
- **Public Hearing & absence of a majority protest** required prior to Council adoption of new rates.
- **Public Hearing date is May 20, 2025.**



PROPOSITION 218 PROCESS CONT'D

What Notification Is Required

- ✓ (State of CA)
The public agency must send notice and rates to each property owner and rate payer.

City of Manhattan Beach Actions

- ✓ Sent notice & rates to property owners, rate payers.
- ✓ Sent notice to tenants for outreach.
- ✓ Published Beach Reporter print ads on 3/27, 4/3, 4/10, 4/17, 4/24 and Public Hearing Notices on 5/1, 5/8 & 5/15.
- ✓ Published Beach Reporter banner ad from April 3–May 19.
- ✓ Hosted Hybrid Community Meeting on 4/3/25 in CC Chambers & on Zoom.
- ✓ Uploaded recorded meeting to Prop 218 Refuse page on City website.



OUTREACH

➤ [Short URL to webpage](http://www.manhattanbeach.gov/Refuse21)
www.manhattanbeach.gov/Refuse21

8 City of Manhattan Beach Proposition 218 Notices Solid Waste Rates

The City of Manhattan Beach is mailing a Proposition 218 notice to all property owners and solid waste rate payers in Manhattan Beach on March 28, 2025. Please take a moment to read the notice.

COMMUNITY MEETING
 A hybrid Community Meeting will be held on Thursday, April 3, 2025 at 6:00 PM. Attend **in-person** at the City Council Chambers at 1400 Highland Ave. Attend **online** using the following Zoom information:
 Direct URL: <https://citymb-info.zoom.us/j/93376200363>.
 Voice-only phone conference: Dial (669) 900-6833 and use Meeting ID: 933 7620 0363.

PUBLIC HEARING
 The Public Hearing is scheduled during City Council's regular meeting on May 20, 2025 at 6:00 PM.

➤ 5 print ads,
 ➤ 3 Public Hearing Notices



➤ **Community Meeting (in-person & Zoom, link to video on City website)**

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www.manhattanbeach.gov/Refuse218

PROPOSITION 218 REFUSE PUBLIC HEARING
 MAY 20, 2025

City Calendar - Month View

APRIL 2025

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1 New Accounting Applications, Appeals & Combinations	2 New Accounting Applications, Appeals & Combinations	3 New Accounting Applications, Appeals & Combinations	4 New Accounting Applications, Appeals & Combinations	5 New Accounting Applications, Appeals & Combinations
6 CITY COUNCIL REGULAR MEETING (6:00 PM)	7 New Accounting Applications, Appeals & Combinations	8 New Accounting Applications, Appeals & Combinations	9 New Accounting Applications, Appeals & Combinations	10 New Accounting Applications, Appeals & Combinations	11 New Accounting Applications, Appeals & Combinations	12 New Accounting Applications, Appeals & Combinations
13 CITY COUNCIL REGULAR MEETING (6:00 PM)	14 New Accounting Applications, Appeals & Combinations	15 New Accounting Applications, Appeals & Combinations	16 New Accounting Applications, Appeals & Combinations	17 New Accounting Applications, Appeals & Combinations	18 New Accounting Applications, Appeals & Combinations	19 New Accounting Applications, Appeals & Combinations
20 CITY COUNCIL REGULAR MEETING (6:00 PM)	21 New Accounting Applications, Appeals & Combinations	22 New Accounting Applications, Appeals & Combinations	23 New Accounting Applications, Appeals & Combinations	24 New Accounting Applications, Appeals & Combinations	25 New Accounting Applications, Appeals & Combinations	26 New Accounting Applications, Appeals & Combinations
27 CITY COUNCIL REGULAR MEETING (6:00 PM)	28 New Accounting Applications, Appeals & Combinations	29 New Accounting Applications, Appeals & Combinations	30 New Accounting Applications, Appeals & Combinations	1 New Accounting Applications, Appeals & Combinations	2 New Accounting Applications, Appeals & Combinations	3 New Accounting Applications, Appeals & Combinations

Refuse Services (Trash, Recycling, etc.)

Trash, Recycling, Organics, Household Hazardous Waste, Donation

TRASH/RECYCLING/SOLID WASTE BILLING, SERVICE, REPORT ISSUES

WASTE MANAGEMENT (310) 830-7100

www.manhattanbeach.gov/wm

Public Works Refuse Services addresses pollution prevention, waste and recycling. If you have questions regarding the City's Environmental Sustainability Division, please visit the Sustainable MB website.

PROF 218 PROCESS NEWSLETTERS WASTE MANAGEMENT

Proposition 218 Process: Solid Waste Rates
 Proposition 218 was approved by California voters in 1996. It requires public agencies to notify property owners and rate payers of potential utility rate increases and provide a 60-day period to protest rates. The Proposition 218 process concludes with a Public Hearing where the City Clerk announces the number of rate protests received. If the protest count is 50% + 1 of the parcels, the rate increase cannot be passed until the rate payer. If the protest count is less than 50% + 1 of the parcels, then the City Council can vote to adopt the proposed rates. The approved Proposition 218 lasts for five years. The City of Manhattan Beach is currently in year five of the five year approved (FY2021 - FY2025) and therefore must go through the Proposition 218 process in order to pass along solid waste increases to the rate payer for the next five years (FY2025 - FY2030).

Timeline Documents and Resources Community Meeting Contact

➤ **Banner on www.beachreporter.com**

62°F Wednesday, April 2nd 2025

THE BEACH REPORTER
 The Community News Source of the Beach Cities

News Sports Things to Do Opinion Open Houses e-Edition Contact Us

TRENDING: Tariffs news Utility credits coming Harbor City police shooting Man convicted of killing teen girl Trump news

City of Manhattan Beach Proposition 218 notices for refuse rates postmarked on March 28, 2025. Please check your notice. Learn more at www.manhattanbeach.gov/Refuse218



"Note: This PowerPoint presentation is intended solely as a visual aid to an oral staff presentation of an agenda report topic. In the event of any differences between the presentation and the agenda report, the information in the agenda report prevails."

RATE CHANGES UNDER CONSIDERATION

FY2026 CUSTOMER RATE =

CONTRACTOR RATE (WM)

+

ONE-TIME SPECIAL ADJUSTMENT

(WM)

(approved by CC 12/3/24)

+

CITY RECOVERY COST (CRC)

FY2026 Solid Waste Rate Adjustment

Single Family & Multi-Family Cart Customers:

- 11.91% increase (4.4% CPI + 2.51% special increase + 5% CRC)

Multi-Family Bin Customers, Commercial Customers & Extra Services:

- 14.8% increase (4.4% CPI + 2.51% special increase + 5% CRC)

Temporary Bin Rentals & Roll-Off Bin Customers:

- 4.4% increase (4.4% CPI)

Future Adjustments

FY2027

FY2028

FY2029

FY2030

**CPI,
with an
8% cap**



SINGLE-FAMILY RESIDENTIAL

SINGLE-FAMILY RESIDENTIAL RATES BASED ON LANDFILL CARTS ONLY

- No separate charge for recycling and organics*

CART TYPE	CURRENT CUSTOMER RATE (WM & CRC)	INCREASE (4.4% CPI & 2.51% SPECIAL)	CRC (5%)	FY 2026 PROPOSED CUSTOMER RATE	DIFFERENCE \$
20 & 35 gallon trash cart	\$17.76 (\$16.91 WM + \$0.85 CRC)	\$1.17	\$0.90	\$18.98	+ \$1.22
65 gallon trash cart	\$23.06 (\$21.96 WM + \$1.10 CRC)	\$1.52	\$1.17	\$24.65	+ \$1.59
95 gallon trash cart	\$28.35 (\$27 WM + \$1.35 CRC)	\$1.87	\$1.44	\$30.31	+ \$1.96



COMMERCIAL TRASH BIN PROPOSED RATES

COMM. TRASH BIN RATES BASED ON SIZE, QUANTITY AND FREQUENCY

CART TYPE	<u>CURRENT</u> CUSTOMER RATE (WM & CRC)	INCREASE* (4.4% CPI & 5.4% SPECIAL)	CRC (5%)	<u>FY 26</u> <u>PROPOSED</u> CUSTOMER RATE	DIFFERENC E \$
2 CY trash bin 1x week	\$179.89 (\$171.32 WM + \$8.57 CRC)	\$16.79	\$9.41	\$197.52	+ \$17.63
3 CY trash bin 1x week	\$231.04 (\$220.04 WM + \$11.00 CRC)	\$21.56	\$12.08	\$253.68	+ \$22.64
4 CY trash bin 1x week	\$276.77 (\$263.59 WM + \$13.18 CRC)	\$25.83	\$14.47	\$303.89	+ \$27.12



COMMERCIAL RECYCLING BIN PROPOSED RATES

COMM. RECYCLING BIN RATES BASED ON SIZE, QUANTITY & FREQUENCY

➤ Recycling is 50% of the landfill rate for the same size container

CART TYPE	<u>CURRENT</u> CUSTOMER RATE (WM & CRC)	INCREASE* (4.4% CPI & 5.4% SPECIAL)	CRC (5%)	<u>FY 26</u> <u>PROPOSED</u> CUSTOMER RATE	DIFFERENC E \$
2 CY recy. bin 1x week	\$85.67 (\$81.39 WM + \$4.28 CRC)	\$8.40	\$4.70	\$98.77	+ \$13.10
3 CY recy. bin 1x week	\$110.03 (\$104.53 WM + \$5.50 CRC)	\$10.78	\$6.04	\$126.85	+ \$16.82
4 CY recy. bin 1x week	\$131.80 (\$125.21 WM + \$6.59 CRC)	\$12.92	\$7.24	\$151.96	+ \$20.16



PROPOSITION 218 PROTEST COUNT

If more than 6500 protests are received

1. A majority protest exists, and the City Council may not adopt the resolution
2. The City must pay the difference in rates from the General Fund
3. City Council can amend its contract with Waste Management to reduce services to match FY2025 rates
4. City Council can initiate the Proposition 218 process again at any time.

If less than 6500 protests are received

1. The City may adopt the resolution, approving a new rate increase to be passed on to the ratepayer.
2. The new rates will take effect July 1, 2025.
3. Approval of the FY2026 rates and rate adjustment methodology for FY2027 – FY2030 is good for 5 years, at which time another Prop 218 will be required.

NEXT STEPS FOR COUNCIL TONIGHT

Close the Public Hearing

Direct City Clerk to announce the final protest count received by the end of the Public Hearing.

If a majority protest is not reached, Council may adopt Resolution No. 25-0050 approving the FY2025-2026 rates and rate calculation methodology for FY2027 – FY2030.



