

# NOTICE CONCERNING PROPOSED SOLID WASTE & RECYCLING RATE ADJUSTMENTS AND PUBLIC HEARING

**NOTICE IS HEREBY GIVEN** that on **May 14, 2024, at 6:00 p.m.**, a public hearing will be held at the Town of Paradise Town Council Chambers located at 5555 Skyway, Paradise, CA 95969 to consider proposed adjustments to the Town’s solid waste rates and charges in addition to extending the franchise agreement with Northern Recycling & Waste Services (NRWS) to July 1, 2040. If approved by the Town Council, the proposed rate adjustments will go into effect on July 1, 2024, and will be subject to annual maximum adjustments. The Town of Paradise is subject to Proposition 218 and is required by law to charge its customers no more than the cost of providing solid waste and related services. Proposition 218 also contains specific notice and protest procedures for approving any increase in solid waste service rates. You are receiving this notice pursuant to the requirements of Proposition 218.

## WHY RATE ADJUSTMENTS ARE NECESSARY

All towns and cities in the State, including Paradise, face stringent solid waste legislation under State Senate Bill 1383 (SB 1383). These regulations aim to reduce methane emissions in landfills which are the third largest source of methane in California. For Town residents and businesses to remain in compliance with this State Law, new organic waste services are necessary, none of which are funded by the State. Therefore, these services must be funded through an increase in the solid waste rates charged by the Town’s franchised waste hauler.

SB 1383 mandates that California reduce organic waste disposal in landfills by 75% by January 1, 2025. Organic waste like food scraps, yard trimmings, paper, and cardboard make up half of what Californians dump in landfills. As a result, green/yard waste and food waste will be diverted from disposal in landfills and taken to a facility that can process mixed organics and produce recovered organic waste products such as compost, mulch, and renewable energy. SB 1383 also requires that by 2025, jurisdictions recover 20% of edible food that would otherwise be sent to landfills to feed people in need.

In addition to SB 1383, the current solid waste rates are not sufficient to maintain services for the reduced post-Camp Fire population being served. Rates were originally structured in 2007 when the Town’s population was 26,160 residents. While the proposed rate increases will not make NRWS’s operations in Paradise profitable for many years, it will reduce the annual financial losses to a level that can be sustained in the short term while the customer base continues to grow.

## PROPOSED SOLID WASTE RATES

The proposed maximum rates (Rates) for solid waste collection services will be considered by the Town as part of an amendment to the franchise agreement for solid waste services between the Town of Paradise and NRWS. The amended agreement will ensure the Town will be in compliance with the State’s SB 1383 requirements to implement organic waste recycling programs that includes a residential food waste recycling program.

The Town will additionally be considering a change in rate methodology for future annual rate adjustments, moving away from CPI (Consumer Price Index) to an Operating Ratio of .905. An Operating Ratio methodology adjusts rates, upwards and downwards, as necessary to meet a minimum Revenue Requirement. The Revenue Requirement includes the actual cost of providing services plus an operating margin. The initial annual increases using the Operating Ratio could range anywhere from 28% in 2024 up to 84% in 2030 so a maximum annual rate increase is also proposed to be enacted which would be 8% per year for years 2024-2027, 5% per year for years 2028-2032, and 2.5% per year for years 2033-2040. If approved, the initial rates would go into effect July 1, 2024 and adjust annually each July 1st, but never more than the maximum annual rate increase allowed for that year.

No later than September 1, 2024, NRWS will begin the curbside collection of organic waste from residential and commercial customers at which time the rates shown in Table 1 on page 2, only shown in 4-year intervals, will be in effect. If, between July 1, 2024 and August 31, 2024, there are no organic waste collection services available yet, then the rates shown in Table 2 on page 2, only shown in 4-year intervals, will be in effect which do not include charges for organics collection. The entire proposed rate schedule, showing all annual rate adjustments, can be viewed on the Town’s website at <https://www.townofparadise.com/planning/page/solid-waste>. For more information regarding the State’s SB 1383 unfunded mandate please visit CalRecycle’s website at [https://www.calrecywcle.c](http://www.calrecycle.ca.gov/organics/slcp)a[.gov/organic](http://www.calrecycle.ca.gov/organics/slcp)s/slcp.

## Table 1. Proposed Monthly Rates with Organics Collection for 35-gal Services

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **YEAR** | **RESIDENTIAL** | **CARE-RATE** | **MULTI-FAMILY** | **COMMERCIAL** |
| 07/2024 (8%) | $37.18 | $32.57 | $41.68 | $49.55 |
| 07/2028 (5%) | $49.18 | $43.08 | $55.13 | $65.53 |
| 07/2032 (5%) | $59.78 | $52.35 | $67.01 | $79.65 |
| 07/2036 (2.5%) | $65.98 | $57.79 | $73.97 | $87.91 |
| 07/2040 (2.5%) | $72.83 | $63.79 | $81.65 | $97.04 |

**Table 2. Proposed Monthly Rates without Organics Collection for 35-gal Services**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **YEAR** | **RESIDENTIAL** | **CARE-RATE** | **MULTI-FAMILY** | **COMMERCIAL** |
| 07/2024 (8%) | $33.66 | $29.49 | $29.49 | $35.07 |
| 07/2028 (5%) | $44.53 | $39.01 | $39.01 | $46.38 |
| 07/2032 (5%) | $54.14 | $47.42 | $47.42 | $56.39 |
| 07/2036 (2.5%) | $59.76 | $52.36 | $52.36 | $65.25 |
| 07/2040 (2.5%) | $65.96 | $57.80 | $57.80 | $68.73 |

**PUBLIC HEARING AND PROTEST PROCEEDINGS**

Property owners, as defined under Proposition 218, or NRWS customers may protest the proposed rate adjustment in writing prior to or during the public hearing. Consistent with the provisions of Proposition 218 and Government Code Section 53755, this notice has been mailed to all record owners of the affected properties at the addresses as they appear on the latest equalized assessment roll, and all Paradise customers of NRWS. If you are a property owner as defined under Proposition 218, or a customer, and object to the proposed rates as described in this Notice, you may file a written protest with the Town prior to close of the public hearing. Original written protests can be mailed or personally delivered to the Town Clerk as follows:

Town Clerk, Town of Paradise

5555 Skyway Paradise, CA 95969

A valid written protest must include:

1. The name of the person or entity filing the protest; and
2. Identification of the property by either assessor’s parcel number or street address; and
3. A statement of protest (“I/we protest” will suffice); and
4. The original signature of the person or authorized representative filing the protest (photocopies, electronic mail, electronic copies, e-comments, or facsimiles will not be accepted).
5. Corporations, LLCs, Trusts, etc. should include proof of signatory authority.

Please note that only one protest per parcel will be counted as a single vote, regardless of the number of owners or customers. If there are two record owners, both must sign the written protest. If there are more than two owners, the protest must be signed by a majority of the owners. Multiple protests returned for a single property will be disallowed and the Town Clerk will only accept one protest per property. If you have any questions regarding this Notice or the proposed rate adjustments, please email Community Development Director Susan Hartman at shartman@townofparadise.com.



Town of Paradise

5555 Skyway

Paradise CA 95969