

INDIAN WELLS CITY COUNCIL

June 20, 2024



To: City Council
From: Finance Department
Prepared by: Kevin McCarthy, City Finance Director
Subject: **Residential and Commercial Rates for Refuse Collection and Recycling Services and Annual Levy of Residential Parcels**

RECOMMENDED ACTIONS:

Council **OPENS** the public hearing, takes any public testimony, **CLOSES** the public hearing; and

APPROVES the annual levy of residential parcels for refuse collection and recycling services; and

ADOPTS Resolution ordering the levy and collection of fees for refuse collection and recycling services from residential and commercial properties within the City consistent with Indian Wells Municipal Code section 8.04.190; and

FINDS the action exempt from CEQA review under CEQA Guidelines section 15061(b)(3).

SUMMARY:

Annually, as mandated by law, the City Council of Indian Wells is required to convene a Public Hearing and pass a Resolution approving the annual Residential and Commercial Rate for Refuse Collection and Recycling Services within the city. Additionally, the City Council must endorse the annual levy of residential parcels for refuse collection and recycling services, with the approved levy being incorporated into the Riverside County tax roll for collection.

To adhere to the requirements outlined in Proposition 218, a Public Hearing was duly noticed for the City Council meeting scheduled on June 20, 2024. This notice permits public testimony concerning the proposed residential rate.

The levy for refuse collection and recycling services encompasses three primary components: service cost, disposal, and recycling. Service and recycling costs are fixed by the franchise agreement and can only be adjusted within the parameters outlined in

said agreement. The disposal fee is directly passed on to customers and is determined based on the tipping fee imposed by the County of Riverside at the landfill.

Indian Wells maintains an efficient city-wide recycling program, supported by AB 939 recycling fees established in 1991. These fees cover the expenses associated with implementing a source reduction and recycling program, ensuring the city's compliance with State-mandated diversion goals.

Rubbish Services are offered to Indian Wells Residents.

Residential Services

Indian Wells provides backyard service to all residential households. In addition, Burrtec provides color-coded bins for rubbish disposal, including regular household waste, recycling, and green and food waste.

Additional Services

The following services are free for residents; however, pick-up of these items is optional. To schedule a pickup, residents can call Burrtec at (760) 340-2113.

Bulky Items

Residents can contact Burrtec to schedule a Bulky Item Pickup to dispose of large, bulky items that do not fit in the regular trash container. Residents may place up to four items weekly at the curb by 7:00 a.m. on their regular trash day.

Electronic Waste (E-Waste)

TVs, computers, phones, thermostats, and other gadgets are dangerous to our environment if not managed properly. Burrtec will collect these items for recycling at no charge through their bulky item pick-up process.

Household Hazardous Waste (HHW)

Residents may call Burrtec for free at-home collection of Household Hazardous Waste. The material should be placed near waste cans for collection.

Sharps Disposal

To safely dispose of needles and other medical "sharps," residents can collect the used instruments in a puncture-resistant container with a secure cap. Mark the container "Sharps." Once the container is full, contact Burrtec, and they will arrange to collect the material.

Motor Oil

Residents may contact Burrtec at least 48 hours in advance of their regular service day to schedule a free pick-up of up to five gallons of used motor oil.

Christmas Trees

From December 26th through the second week of January, Burrtec will collect Christmas trees on the resident's regular trash collection day.

Document Shred Events

The City of Indian Wells offers two document shred events each year. These allow residents to securely dispose of financial records, medical papers, and other sensitive documents. A mobile shredding unit on-site destroys these items. Events are held on the last Saturday of January and the last Saturday of April at Burrtec's office at 41575 Eclectic Street, Palm Desert. Shredding starts at 7:00 a.m. and ends at 11:00 a.m.

Commercial Recycling Programs

Burrtec coordinates primary residential, commercial, and organic recycling efforts for the City of Indian Wells. According to the latest diversion statistics, Cal-Recycle determined waste generation (to the County landfill) must come in at 21.5 pounds per Indian Wells residence per day or lower.

Thanks to significant recycling efforts, Indian Wells generates only 8.2 pounds per Indian Wells residence daily. This is an improvement on last year when residents generated 9.0 pounds daily.

FISCAL IMPACT:

Under the terms of the agreement, service rates adjust annually based on the Producer Price Index (PPI), with adjustments limited to a maximum cap of 5% per adjustment year for both residential and commercial services.

SB 1383 Implementation Costs on Indian Wells Rubbish Rates

In September 2016, Governor Edmund Brown Jr. established methane emissions reduction targets for California (SB 1383 Lara, Chapter 395, Statutes of 2016) as part of a statewide effort to reduce emissions of short-lived climate pollutants (SLCP). These statutory requirements include reducing organic waste disposal by 75 percent by 2025, with regulations mandating the recovery of not less than 20 percent of edible food currently disposed of for human consumption by 2025. SB 1383 regulations necessitate jurisdictions to conduct education and outreach on organics recycling to residents, businesses, haulers, solid waste facilities, and local food recovery organizations. Indian Wells has initiated an SB 1383 recycling education campaign, which has been positively received by residents, and ongoing education efforts are anticipated.

As stipulated during the implementation phase, SB 1383 implementation costs are integrated into the 2024-25 rubbish levy fiscal year, amounting to \$8.61 per month or \$103.32 annually.

Residential Rates

The annual levy for refuse collection and recycling services on residential parcels is \$424.68 per parcel, reflecting an increase of \$63.84 compared to the previous year. This new levy is effective from July 1, 2024, through June 30, 2025, governed by the terms of the franchise agreement. The proposed residential levy is detailed as follows:

Residential Services								
Tax Roll	Fy 2024/25	Fy 2023/24	Increase	Direct Bill	Fy 2024/25	Fy 2023/24	Increase	
	Proposed	Current			Proposed	Current		
	Levy	Levy	Levy		Levy	Levy	Levy	
Service Fee	13.78	13.43	0.35	Service Fee	15.05	14.67	0.38	
SB 1383 Rate	8.61	4.25	4.36	SB 1383 Rate	8.61	4.25	4.36	
Dump Fee	4.76	4.35	0.41	Dump Fee	4.76	4.35	0.41	
AB 939 Assessment	0.53	0.53	-	AB 939 Assessment	0.53	0.53	-	
Recycling Fee	6.10	5.94	0.16	Recycling Fee	6.10	5.94	0.16	
Home Hazardous Waste	1.61	1.57	0.04	Home Hazardous Waste	1.61	1.57	0.04	
Total Monthly Fee	35.39	30.07	5.32	Total Monthly Fee	36.66	31.31	5.35	
Total Annual Fee	424.68	360.84	63.84	Total Annual Fee	439.92	375.72	64.20	

Commercial Rates

Commercial rates consist of three components: the service rate, tipping fees, and AB 939 recycling fees, and are adjusted by the franchise agreement. Burrtec’s commercial rate schedule is attached to this staff report.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA):

The action is not a project within the meaning of Section 15378 of the State of California Environmental Quality Act (“CEQA”) Guidelines, because it has no potential for resulting in physical change in the environment, directly or indirectly; and that the action is nonetheless exempt from the requirements of CEQA in that the activity is covered by the general rule that CEQA applies only to projects that have the potential for causing a significant effect on the environment. (15061(b)(3).)

ATTACHMENTS:

1. Resolution