



- SAN LUIS GARBAGE
- SOUTH COUNTY SANITARY
- MISSION COUNTRY DISPOSAL
- MORRO BAY GARBAGE
- COASTAL ROLLOFF

*Safety • Integrity • Service*

## **Property Owners and Tenants - Customers:**

This notice is intended to inform you that the City of Pismo Beach (the “City”) at their regularly scheduled City Council meeting on January 21, 2025, shall discuss an agenda item regarding rate adjustments (the “Proposed Rate Adjustments”) proposed by South County Sanitary Service (the “Garbage Company”) for properties and customers receiving solid waste, recycling, and green waste services within the City. The Proposed Rate Adjustments will be considered by the Council at the date, time, and location specified below.

## **Notice of Public Meeting for the Proposed Rate Adjustment within the City Limits**

**Date:** January 21, 2025

**Time:** 5:30 PM

**Place:** City Hall Council Chambers, 760 Mattie Road, Pismo Beach, CA 93449

If approved, the Proposed Rate Adjustment for 2025 would become effective January 1, 2025 with annual adjustments effective each January 1 of 2026, 2027, 2028 and 2029.

## **Reason For and Basis of the Proposed Rate Adjustments**

Solid waste rates are calculated based on the type of customer, the size of the container serving the parcel, the frequency of service, and the type(s) of service(s) provided to the parcel, all as provided in more detail on the attached rate tables.

The Proposed Rate Adjustment for 2025 is based on the Garbage Company’s documented cost of providing solid waste services and is a 4.82% increase above current solid waste rates. This cost-based adjustment is necessary for the Garbage Company to continue to provide safe, environmentally sound and reliable solid waste removal, transportation and disposal services to the residents and businesses of the City. The Proposed Rate Adjustments are required due to:

- Increases in organics processing costs – Third-party costs for the organic waste post-collection processing facility operated by the company formerly named Hitachi Zosen INOVA, and which are not within the Garbage Company’s control, have doubled since 2022. The change in cost is the result of changes in facility capital and operating costs.
- Increases in landfill disposal costs – Related third-party costs for landfill waste disposal at Cold Canyon have remained flat since 2016. The Proposed Rate Adjustment reflects a market adjustment to these costs, from a per ton tipping fee of \$41 per ton (in place since 2016) to a per ton tipping fee of \$70. The Garbage Company provided market comparison demonstrating the applicability of the \$70 per ton market tipping fee.

- Collection costs including labor, vehicles, operating expenses and overhead – These costs are increasing approximately 4.21% in 2025.
- Adjustments are also necessary for moving to a new billing methodology for annual rate adjustments that provides for increased rate stability, predictability, fairness, transparency, ease of administration, and cost-effectiveness. These include updated depreciation lifespans for solid waste collection vehicles, Garbage Company corporate overhead costs, and updated negotiated Garbage Company profit allowance based upon current industry standards.
- For residential service only - Addition of new services, including exchange of residential solid waste collection carts once annually, and one bulky item collection during clean-up weeks.

The residential solid waste service Proposed Rate Adjustments for 2025 are shown in the table below. Residential solid waste service is billed on a bi-monthly basis and the Proposed Rate Adjustments will be effective January 1, 2025. Please see Exhibit A at the end of this notice for a full schedule of the Proposed Rate Adjustments for 2025.

<b>Garbage Container Size</b>	<b>2024</b>	<b>2025</b>	<b>Change in Monthly Rate</b>
32-gallon	\$23.76	\$24.91	\$1.15
64-gallon	\$47.56	\$49.85	\$2.29
96-gallon	\$71.33	\$74.77	\$3.44

The non-residential solid waste service is billed on a monthly basis and the Proposed Rate Adjustments for 2025 are attached to this notice as Exhibit A.

In addition to the Proposed Rate Adjustments, the City will pass-through certain costs increases imposed by the Garbage Company to the current effective rates annually. Commencing each January 1 of 2026, 2027, 2028 and 2029 solid waste rates will be adjusted based on the following:

- Annual change in the Bureau of Labor Statistics’ Consumer Price Index (CPI) for Garbage and Trash Collection in the U.S all city average, with a minimum 2% adjustment and a maximum 5% adjustment. Amounts below the minimum or above the maximum will carry forward to the following year.
- Calculation of negotiated profit allowance starting in 2026.
- Addition of a revenue balancing mechanism starting in 2027, wherein actual revenues from solid waste rates over or under projections carry forward as additions to, or offsets against, the annual CPI adjustment.

The Proposed Rate Adjustments have been independently reviewed for consistency with the City of San Luis Obispo Rate Setting Process and Methodology Manual for Integrated Solid Waste Management dated June 1994 and in accordance with the provisions of the City’s Franchise Agreement with the Garbage Company, as amended, governing solid waste service within the boundaries of the City. The Proposed Rate Adjustments implement a new methodology for annual rate adjustments which is described in the New Solid Waste Rate Adjustment Methodology and 2025 Rates report authored by an independent rate consultant, R3 Consulting Group, Inc.

**EXHIBIT A**

**PROPOSED RATE ADJUSTMENTS EFFECTIVE JANUARY 1, 2025**

<b>SOUTH COUNTY SANITARY SERVICE</b>				
<b>RATE SCHEDULE for SOLID WASTE SERVICES, EFFECTIVE JANUARY 1, 2025</b>				
<b>CITY OF PISMO BEACH</b>				
<b>Service Description</b>	<b>Pickups Per Week</b>	<b>Monthly Rate Effective 01/01/2024</b>	<b>Proposed Rate Adjustment</b>	<b>Monthly Rate Effective 01/01/2025</b>
<b>RESIDENTIAL SINGLE FAMILY DWELLING AND MULTI-UNIT (4 UNITS OR LESS):</b>				
32 Gallon Waste Wheeler	1	\$23.76	1.15	\$24.91
64 Gallon Waste Wheeler	1	\$47.56	2.29	\$49.85
96 Gallon Waste Wheeler	1	\$71.33	3.44	\$74.77
TWO-64 Gallon Waste Wheelers	1	\$95.14	4.59	\$99.73
ONE 64 & ONE 96 Gallon	1	\$118.92	5.73	\$124.65
TWO-96 Gallon Waste Wheelers	1	\$142.73	6.88	\$149.61
Residential customers must use the waste wheelers provided by the garbage company. This solid service fee for residential trash collections (container with black or gray lid) includes once a week pick-up of one greenwaste/organics container (green lid), one recycling container (blue lid).				
<b>MULTI-FAMILY (5 or MORE)</b>				
Rates are the same as commercial dumpsters and waste wheeler rates (below).				
<b>COMMERCIAL DUMPSTERS - ALL AREAS:</b>				
1 yd dumpster	1	\$130.68	6.30	\$136.98
1 yd dumpster	2	\$190.71	9.19	\$199.90
1 yd dumpster	3	\$250.77	12.09	\$262.86
1 yd dumpster	4	\$321.39	15.49	\$336.88
1 yd dumpster	5	\$377.86	18.21	\$396.07
1 yd dumpster	6	\$448.49	21.62	\$470.11
1 yd dumpster	7	\$545.12	26.27	\$571.39
1.5 yd dumpster	1	\$148.35	7.15	\$155.50
1.5 yd dumpster	2	\$229.58	11.07	\$240.65
1.5 yd dumpster	3	\$324.94	15.66	\$340.60
1.5 yd dumpster	4	\$423.80	20.43	\$444.23
1.5 yd dumpster	5	\$515.64	24.85	\$540.49
1.5 yd dumpster	6	\$582.71	28.09	\$610.80
1.5 yd dumpster	7	\$682.31	32.89	\$715.20

2 yd dumpster	1	\$166.02	8.00	\$174.02
2 yd dumpster	2	\$277.23	13.36	\$290.59
2 yd dumpster	3	\$395.54	19.07	\$414.61
2 yd dumpster	4	\$522.68	25.19	\$547.87
2 yd dumpster	5	\$646.26	31.15	\$677.41
2 yd dumpster	6	\$724.00	34.90	\$758.90
2 yd dumpster	7	\$841.80	40.57	\$882.37
3 yd dumpster	1	\$197.78	9.53	\$207.31
3 yd dumpster	2	\$374.39	18.05	\$392.44
3 yd dumpster	3	\$522.68	25.19	\$547.87
3 yd dumpster	4	\$681.60	32.85	\$714.45
3 yd dumpster	5	\$808.71	38.98	\$847.69
3 yd dumpster	6	\$964.11	46.47	\$1,010.58
3 yd dumpster	7	\$1,231.46	59.36	\$1,290.82
4 yd dumpster	1	\$247.22	11.92	\$259.14
4 yd dumpster	2	\$437.90	21.11	\$459.01
4 yd dumpster	3	\$628.60	30.30	\$658.90
4 yd dumpster	4	\$808.71	38.98	\$847.69
4 yd dumpster	5	\$999.46	48.17	\$1,047.63
4 yd dumpster	6	\$1,186.67	57.20	\$1,243.87
4 yd dumpster	7	\$1,511.23	72.84	\$1,584.07
6 yd dumpster	1	\$370.81	17.87	\$388.68
6 yd dumpster	2	\$656.87	31.66	\$688.53
6 yd dumpster	3	\$942.90	45.45	\$988.35
6 yd dumpster	4	\$1,213.05	58.47	\$1,271.52
6 yd dumpster	5	\$1,499.21	72.26	\$1,571.47
6 yd dumpster	6	\$1,780.00	85.80	\$1,865.80
6 yd dumpster	7	\$2,266.85	109.26	\$2,376.11
8 yd dumpster	1	\$494.42	23.83	\$518.25
8 yd dumpster	2	\$875.82	42.21	\$918.03
8 yd dumpster	3	\$1,257.21	60.60	\$1,317.81
8 yd dumpster	4	\$1,617.43	77.96	\$1,695.39
8 yd dumpster	5	\$1,998.98	96.35	\$2,095.33
8 yd dumpster	6	\$2,373.35	114.40	\$2,487.75
8 yd dumpster	7	\$3,022.08	145.66	\$3,167.74

The rates shown above include the monthly container rental fee and a semi-annual dumpster cleaning.

**COMMERCIAL GARBAGE CANS - ALL AREAS:**

One 32 Gallon Waste Wheeler	1	\$31.74	1.53	\$33.27
One 32 Gallon Waste Wheeler	2	\$67.05	3.23	\$70.28
One 32 Gallon Waste Wheeler	5	\$147.68	7.12	\$154.80
One 32 Gallon Waste Wheeler	7	\$205.40	9.90	\$215.30
Two 32 Gallon Waste Wheelers	1	\$67.05	3.23	\$70.28
Two 32 Gallon Waste Wheelers	2	\$91.87	4.43	\$96.30
Two 32 Gallon Waste Wheelers	3	\$101.67	4.90	\$106.57
Two 32 Gallon Waste Wheelers	4	\$120.89	5.83	\$126.72
Two 32 Gallon Waste Wheelers	5	\$148.40	7.15	\$155.55
Two 32 Gallon Waste Wheelers	6	\$175.88	8.48	\$184.36
Two 32 Gallon Waste Wheelers	7	\$266.70	12.85	\$279.55
Three 32 Gallon Waste Wheelers	1	\$77.70	3.75	\$81.45
Three 32 Gallon Waste Wheelers	2	\$130.68	6.30	\$136.98
Three 32 Gallon Waste Wheelers	3	\$164.72	7.94	\$172.66
Three 32 Gallon Waste Wheelers	4	\$199.04	9.59	\$208.63
Three 32 Gallon Waste Wheelers	5	\$223.06	10.75	\$233.81
Three 32 Gallon Waste Wheelers	7	\$305.77	14.74	\$320.51
Four 32 Gallon Waste Wheelers	1	\$98.87	4.77	\$103.64
Four 32 Gallon Waste Wheelers	2	\$158.89	7.66	\$166.55
Four 32 Gallon Waste Wheelers	3	\$203.38	9.80	\$213.18
Four 32 Gallon Waste Wheelers	4	\$247.88	11.95	\$259.83
Four 32 Gallon Waste Wheelers	5	\$292.39	14.09	\$306.48
Four 32 Gallon Waste Wheelers	6	\$336.87	16.24	\$353.11
Four 32 Gallon Waste Wheelers	7	\$381.37	18.38	\$399.75
Five 32 Gallon Waste Wheelers	1	\$120.04	5.79	\$125.83
Five 32 Gallon Waste Wheelers	2	\$194.23	9.36	\$203.59
Five 32 Gallon Waste Wheelers	3	\$259.56	12.51	\$272.07
Five 32 Gallon Waste Wheelers	4	\$324.88	15.66	\$340.54
Five 32 Gallon Waste Wheelers	5	\$390.22	18.81	\$409.03
Five 32 Gallon Waste Wheelers	6	\$455.54	21.96	\$477.50
Five 32 Gallon Waste Wheelers	7	\$520.87	25.11	\$545.98
Six 32 Gallon Waste Wheelers	1	\$137.72	6.64	\$144.36
Six 32 Gallon Waste Wheelers	2	\$222.44	10.72	\$233.16
Six 32 Gallon Waste Wheelers	3	\$281.46	13.57	\$295.03
Six 32 Gallon Waste Wheelers	4	\$352.42	16.99	\$369.41

Six 32 Gallon Waste Wheelers	5	\$423.39	20.41	\$443.80
Six 32 Gallon Waste Wheelers	6	\$508.12	24.49	\$532.61
Six 32 Gallon Waste Wheelers	7	\$588.91	28.39	\$617.30

\* Maximum volume and weight per garbage can : 33 gallons / 80 pounds

### COMMERCIAL - OTHER CHARGES:

Rates for all commercial customers include recycling or greenwaste/organics pickup once per week, included with the garbage service rate. Customers can choose from a 64 or 96 gallon blue co-mingle recycle waste wheeler or a 32 64 gallon organics waste wheeler provided free of charge (96 gallon waste wheelers can only be used with green waste due to weight). If you need a bin for recycling there is a charge (see below).

**If you need more frequent recycling service, it can be provided at a 50% discount from the garbage service rates for the specified level of service required.**

### MISCELLANEOUS CHARGES - ALL CUSTOMERS:

Overstacked Garbage & extra bags Minimum/unit	each	\$7.56	0.36	\$7.92
Overstacked Greenwaste & extra bags Minimum/unit	each	\$3.79	0.18	\$3.97
Overstacked Blue Bin & extra bags Minimum/unit	each	\$3.79	0.18	\$3.97
In yard service (per can or commodity) IN ADDITION TO STANDARD GARBAGE RATES	per month	\$18.88	0.91	\$19.79
Monthly charge for additional 32, 64 or 96-gallon green waste/organics service	per month	\$5.23	0.25	\$5.48
Monthly charge for additional 32, 64 or 96-gallon recycle service	per month	\$2.20	0.11	\$2.31
Vacant Rate	per month	\$17.61	0.85	\$18.46
Waste wheeler cleaning	each time	\$28.17	1.36	\$29.53
Trip charge	each time	\$18.88	0.91	\$19.79
Non-payment downsize service	each time	\$18.88	0.91	\$19.79
Non-payment redeliver waste wheeler	each time	\$18.88	0.91	\$19.79
Non-payment reconnect service	each time	\$45.41	2.19	\$47.60
Small item pickup (TV, toilet)	each	\$44.31	2.14	\$46.45
Appliance pickup-residential	each	\$62.49	3.01	\$65.50
Lock Charge	per month	\$10.70	0.52	\$11.22
Garbage extras on your scheduled pickup day	per yard	\$15.94	0.77	\$16.71
Garbage extras -NOT ON YOUR SCHEDULED PICKUP DAY	per yard	\$43.99	2.12	\$46.11
Commercial Waste Wheeler rent	per month	\$5.85	0.28	\$6.13
Re-deliver bin on stopped acct	each time	\$54.19	2.61	\$56.80
Compactors	per yard	\$24.10	1.16	\$25.26
Sunday Service (in additional to garbage service level)	per month	\$94.55	4.56	\$99.11
Recycle bin rental	per month	\$74.19	3.58	\$77.77

Stand by time	per hour	<b>\$90.63</b>	<b>4.37</b>	<b>\$95.00</b>
Extra bin cleaning	each	<b>\$84.51</b>	<b>4.07</b>	<b>\$88.58</b>
City Clean Up	each	<b>\$15.47</b>	<b>0.75</b>	<b>\$16.22</b>
Larger than residential appliance or glass, glass doors, or plate glass	by quote only			
Replacement/Repair of bins or waste wheelers at market price				
<b>Short Term Dumpsters:</b>				
Delivery & Pickup-Bin		<b>\$54.19</b>	<b>2.61</b>	<b>\$56.80</b>
Delivery & Pickup-Waste Wheeler		<b>\$18.88</b>	<b>0.91</b>	<b>\$19.79</b>
Rental	Per Day	<b>\$4.01</b>	<b>0.19</b>	<b>\$4.20</b>
Empties	Per Yard	<b>\$43.99</b>	<b>2.12</b>	<b>\$46.11</b>
Mattress:				
Twin	Per	<b>\$24.58</b>	<b>1.18</b>	<b>\$25.76</b>
Double	Per	<b>\$24.58</b>	<b>1.18</b>	<b>\$25.76</b>
Queen	Per	<b>\$24.58</b>	<b>1.18</b>	<b>\$25.76</b>
King	Per	<b>\$24.58</b>	<b>1.18</b>	<b>\$25.76</b>

**ADDITIONAL INFORMATION ALL CUSTOMERS:**

1. Customers requesting Temporary Bins or Roll-off Box Service can call the office for current rates
2. Polystyrene (Styrofoam, Plastic #6) is not collected for recycling and should be thrown away as trash. Please bag Styrofoam packing peanuts before placing in trash container.
3. It is encouraged to bag your trash in the garbage container but do not bag your recyclables or green waste in their respective containers and keep it loose.
4. Recycling, Greenwaste/Organic and Garbage containers should be spaced 3 feet apart away from any obstacles (i.e. mailboxes, cars, etc) before 6:00am on collection service day.
5. The fee schedule above only includes the Garbage Company rates and does not include IWMA fees, which are separately noted on the billings.
6. Cleaning fees will be billed on a time and materials basis
7. Late Fees are imposed for residential customers over 30 days delinquent. The fee is 1.5% per month of the outstanding charge, with a minimum fee of \$5.00. No prior notice is required, as this late fee policy is stated at the bottom of every bill.
8. Customers can be responsible for contamination fees

**Any additional recycling including greenwaste/organic services are charged out at 50% of the garbage rate.**