

Notice of Public Hearing Regarding Proposed Solid Waste Rate Adjustment

Property Owners and Tenants - Customers:

This notice is intended to inform you that the Nipomo Community Services District (the “Nipomo CSD” or “District”) will hold a public hearing regarding rate Adjustments (the “Proposed Rate Adjustment”) proposed by South County Sanitary Service (the “Garbage Company”) for properties and customers receiving solid waste, recycling, and green waste services within the Nipomo CSD’s service area. The Proposed Rate Adjustment will be considered for approval by the Nipomo CSD Board of Directors at the date, time, and location specified below. Consistent with the requirements of Proposition 218, this notice also provides you with the following information:

- The Date, Time, and Place of the Public Hearing;
- The Reason for the Proposed Rate Adjustment;
- The Effective date of the Proposed Rate Adjustment;
- The Amount of the Proposed Rate Adjustment; and
- The Majority Protest Procedures.

NOTICE OF PUBLIC HEARING

The Public Hearing for the Proposed Rate Adjustment within the Nipomo CSD service area will be held on:

Date: January 22, 2025 **Time:** 9:00 am
Place: JON S. SEITZ BOARD ROOM, 148 SOUTH WILSON STREET, NIPOMO, CA

At the Public Hearing, the Nipomo CSD will consider all public comment in support of and in opposition to the Proposed Rate Adjustment and whether or not a Majority Protest exists pursuant to the California Constitution (as described below). If approved, the Proposed 2025 Rate Adjustment would become effective on January 1, 2025 and annual adjustments would be effective each January 1 of 2026, 2027, 2028 and 2029.

Reason For and Basis of the Proposed Rate Adjustments

The Proposed Rate Adjustment for 2025 is based on the Garbage Company’s documented cost of providing solid waste services and is a 5.04% 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 CSD. The adjustments are requested 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 party costs for landfill waste disposal at Cold Canyon have remained flat since 2016. The 2025 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 necessary for moving to a new 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, removal of a limitation on corporate overhead costs for legal, tax, payroll, human resources, engineering, compliance, IT, training and recruiting programs, and updated profit allowance in-keeping with industry standards.
- Adjustments for new service enhancements, including the ability for residents to exchange a solid waste collection cart once annually at no additional cost, no charge collection for one bulky item twice annually via voucher program, and a rate assistance program as an option if the NCSD adopts a program in the future.

The Proposed Rate Adjustments for 2025 applicable to residential solid waste customers are shown in the table below.

Garbage Container Size	2024	2025	Change in Monthly Rate
32-gallon	\$27.57	\$28.96	\$1.39
64-gallon	\$39.52	\$41.51	\$1.99
96-gallon	\$51.81	\$54.42	\$2.61

In addition, 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 a 10% profit allowance starting in 2026 (estimated at additional 0.67% to 0.69% adjustment 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.
- Rate adjustments for January 1, 2026, 2027, 2028 and 2029 are not expected to exceed 7%.

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 CSD’s Franchise Agreement with the Garbage Company, as amended, governing solid waste service within the boundaries of the CSD. The Proposed Rate Adjustments contemplate implementation of a new methodology for annual rate adjustments which is described in New Solid Waste Rate Adjustment Methodology and 2025 Rates report authored by independent reviewer, R3 Consulting Group, Inc. The consultant’s report and the complete set of proposed 2025 solid waste rates is available at the Nipomo CSD office located at 148 South Wilson Street, Nipomo, CA 93444, and on the Nipomo CSD website: ncsd.ca.gov.

How Do I Protest the Proposed Rate Adjustment?

Pursuant to Section 6 of Article XIII D of the California Constitution, the following persons may submit a written protest against the Proposed Rate Adjustment to the Clerk of the Board before the close of the Public Hearing referenced above.

- An owner(s) of property (“owner of record”) within the District’s boundaries. If the person(s) signing the protest is not shown on the last equalized assessment roll as the owner of the parcel(s) then the protest must contain or be accompanied by written evidence that such person signing the protest is the owner of the parcel(s) receiving solid waste, recycling, or green waste service from the Garbage Company; OR
- “Customer of record” (tenant(s)) whose name appears on the Garbage Company’s records as the customer of record for the corresponding parcel receiving solid waste, recycling, or green waste service from the Garbage Company within the District’s boundaries.

A written protest must:

- 1) State that the identified property owner or customer of record is in opposition to the proposed solid waste, recycling, or green waste rate change;
- 2) Provide the identity of the affected parcel by assessor’s parcel number or street address;
- 3) Include the name and original signature (not a photocopy, email or fax copy) of the property owner or customer submitting the protest; **AND**
- 4) Include the date that the protest was signed.

One written protest per parcel will be counted in calculating a majority protest to the Proposed Rate Adjustment subject to the requirements of Section 6 of Article XIII D of the California Constitution. Written protests will not be accepted by e-mail or by facsimile. Verbal protests will not be counted in determining the existence of a majority protest. To be counted, a protest must be received in writing by the Clerk of the Board before the close of the Public Hearing referenced above.

Written protests may be mailed to:

**Nipomo CSD
P.O. Box 326
Nipomo, CA 93444-0326**

Written protests may be personally delivered to:

The Nipomo CSD administrative office. (“Office”) is located at 148 S. Wilson Street, Nipomo CA. Persons interested in delivering a written protest in-person can present their protest during normal business hours at the Office or place their protest in the drop box located in the parking lot of the Office. Protests will be counted so long as they are **received** prior to the conclusion of the public hearing set for January 22, 2025, beginning at 9:00 am. Post-marked mailed protests received after conclusion of the public hearing are not counted. Protests submitted via e-mail or other electronic means will not be counted; only protests with original signatures will be counted.

If valid written protests are received from a majority of owners and/or tenants – customers on parcels receiving solid waste, recycling, and green waste services within the District’s service area – then the District will not adjust/Adjustment the rates for the services. Please see the Nipomo Community Services District’s website “ncsd.ca.gov” for additional information or contact the Garbage Company @ (805) 489-4246.

SOUTH COUNTY SANITARY SERVICE
EFFECTIVE JANUARY 1, 2025
NIPOMO CSD

Service Description	Pickups Per Week	Monthly Rate Effective 01/01/2024	Proposed Rate Adjustment	Monthly Rate Effective 01/01/2025
RESIDENTIAL SINGLE FAMILY DWELLING AND MULTI-UNIT (4 UNITS OR LESS):				
32 Gallon Waste Wheeler	1	\$27.57	1.39	\$28.96
64 Gallon Waste Wheeler	1	\$39.52	1.99	\$41.51
96 Gallon Waste Wheeler	1	\$51.81	2.61	\$54.42
TWO-64 Gallon Waste Wheelers	1	\$61.67	3.11	\$64.78
ONE 64 & ONE 96 Gallon	1	\$71.53	3.61	\$75.14
TWO-96 Gallon Waste Wheelers	1	\$81.45	4.11	\$85.56
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), and one recycling container (blue lid).				
MULTI-FAMILY (5 or MORE)				
Rates are the same as commercial dumpsters and waste wheeler rates (below).				
COMMERCIAL DUMPSTERS - ALL AREAS:				
1 yd dumpster	1	\$105.76	5.33	\$111.09
1 yd dumpster	2	\$152.16	7.67	\$159.83
1 yd dumpster	3	\$201.07	10.13	\$211.20
1 yd dumpster	4	\$247.48	12.47	\$259.95
1 yd dumpster	5	\$298.99	15.07	\$314.06
1 yd dumpster	6	\$348.01	17.54	\$365.55
1 yd dumpster	7	\$463.98	23.38	\$487.36
1.5 yd dumpster	1	\$126.29	6.37	\$132.66
1.5 yd dumpster	2	\$193.22	9.74	\$202.96
1.5 yd dumpster	3	\$260.40	13.12	\$273.52
1.5 yd dumpster	4	\$363.43	18.32	\$381.75
1.5 yd dumpster	5	\$443.32	22.34	\$465.66
1.5 yd dumpster	6	\$528.44	26.63	\$555.07
1.5 yd dumpster	7	\$698.64	35.21	\$733.85
2 yd dumpster	1	\$136.62	6.89	\$143.51
2 yd dumpster	2	\$224.21	11.30	\$235.51
2 yd dumpster	3	\$319.50	16.10	\$335.60
2 yd dumpster	4	\$466.59	23.52	\$490.11
2 yd dumpster	5	\$572.35	28.85	\$601.20

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2 yd dumpster	6	\$683.08	34.43	\$717.51
2 yd dumpster	7	\$935.65	47.16	\$982.81
3 yd dumpster	1	\$162.39	8.18	\$170.57
3 yd dumpster	2	\$304.08	15.33	\$319.41
3 yd dumpster	3	\$425.29	21.43	\$446.72
3 yd dumpster	4	\$757.75	38.19	\$795.94
3 yd dumpster	5	\$899.61	45.34	\$944.95
3 yd dumpster	6	\$1,051.64	53.00	\$1,104.64
3 yd dumpster	7	\$1,448.53	73.01	\$1,521.54
4 yd dumpster	1	\$234.53	11.82	\$246.35
4 yd dumpster	2	\$353.23	17.80	\$371.03
4 yd dumpster	3	\$507.76	25.59	\$533.35
4 yd dumpster	4	\$796.54	40.15	\$836.69
4 yd dumpster	5	\$987.16	49.75	\$1,036.91
4 yd dumpster	6	\$1,121.28	56.51	\$1,177.79
4 yd dumpster	7	\$1,742.43	87.82	\$1,830.25
6 yd dumpster	1	\$351.80	17.73	\$369.53

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

COMMERCIAL GARBAGE CANS - ALL AREAS:

32 Gallon Waste Wheeler	1	\$30.50	1.54	\$32.04
32 Gallon Waste Wheeler	2	\$51.02	2.57	\$53.59
64 Gallon Waste Wheeler	1	\$60.99	3.07	\$64.06
64 Gallon Waste Wheeler	2	\$102.03	5.14	\$107.17
96 Gallon Waste Wheeler	1	\$93.50	4.71	\$98.21
96 Gallon Waste Wheeler	2	\$153.04	7.71	\$160.75

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 commingled recycle waste wheeler or a 32 or 64 gallon organics waste wheeler included with the garbage service rate (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, including organics/greenwaste 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:

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Service Description	Pickups Per Week	Monthly Rate Effective 01/01/2024	Proposed Rate Adjustment	Monthly Rate Effective 01/01/2025
Overstacked Garbage & extra bags Minimum/unit	each	\$7.45	0.38	\$7.83
Overstacked Green waste & extra bags Minimum/unit	each	\$3.73	0.19	\$3.92
Overstacked Recycle & extra bags Minimum/unit	each	\$3.73	0.19	\$3.92
In yard service (per can or commodity) IN ADDITION TO STANDARD GARBAGE RATES	per month	\$18.60	0.94	\$19.54
Vacant Rate	per month	\$17.33	0.87	\$18.20
Waste wheeler cleaning	each time	\$27.74	1.40	\$29.14
Trip charge	each time	\$18.60	0.94	\$19.54
Non-payment downsize service	each time	\$44.71	2.25	\$46.96
Non-payment redeliver waste wheeler	each time	\$18.60	0.94	\$19.54
MISCELLANEOUS CHARGES - ALL CUSTOMERS (Con't):				
Non-payment reconnect service	each time	\$44.71	2.25	\$46.96
Small item pickup (TV, toilet)	each	\$43.63	2.20	\$45.83
Appliance pickup-residential	each	\$61.51	3.10	\$64.61
Larger than residential appliance or glass, glass doors, or plate glass	by quote only			
Garbage extras on your scheduled pickup day	per yard	\$15.70	0.79	\$16.49
Garbage extras -NOT ON YOUR SCHEDULED PICKUP DAY	per yard	\$43.33	2.18	\$45.51
Commercial Waste Wheeler rent	per month	\$3.93	0.20	\$4.13
Re-deliver bin on stopped acct	each time	\$53.35	2.69	\$56.04
Compactor	per yard	\$69.17	3.49	\$72.66
Sunday Service (in additional to garbage service level)	per month	\$93.12	4.69	\$97.81
Tax Lien Cert. Mail Fee		\$6.21	0.31	\$6.52
Recycle bin rental	per month	\$63.13	3.18	\$66.31
Stand by time	per hour	\$94.02	4.74	\$98.76
Extra bin cleaning		\$83.23	4.19	\$87.42
Replacement/Repair of bins or waste wheelers	at market price			

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Service Description	Pickups Per Week	Monthly Rate Effective 01/01/2024	Proposed Rate Adjustment	Monthly Rate Effective 01/01/2025
Lock Charge	per month	\$10.33	0.52	\$10.85
City Clean Up	per item	\$17.06	0.86	\$17.92
Extra 32, 64, 96 Gal Waste Wheeler - Recycle	per month	\$3.86	0.19	\$4.05
Extra 32, 64, 96 Gal Waste Wheeler - Green Waste	per month	\$5.16	0.26	\$5.42
Short Term Dumpsters:				
Delivery & Pickup-Bin		\$53.35	2.69	\$56.04
Delivery & Pickup-Waste Wheeler		\$18.60	0.94	\$19.54
Rental	Per Day	\$3.93	0.20	\$4.13
Empties	Per Yard	\$43.33	2.18	\$45.51
Mattress:				
Twin	Each	\$24.72	1.25	\$25.97
Double	Each	\$24.72	1.25	\$25.97
Queen	Each	\$24.72	1.25	\$25.97
King	Each	\$24.72	1.25	\$25.97

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/Organics and Garbage containers should 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 charged for contamination fees in the trash, recycling and/or the greenwaste/organics containers.

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