

**City of Culver City, California
Agenda Item Report**

Meeting Date: 04/13/2015		Item Number: <u>C-12</u>	
CITY COUNCIL AGENDA ITEM: Adoption of a Resolution Initiating Proceedings for the Levy and Collection of Assessments for the Refuse and Recycling User's Service Charge and Ordering the Preparation of the Engineer's Report			
Contact Person/Dept.: Damian Skinner		Phone Number: 310-253-6421	
Fiscal Impact: Yes ☐ No ☒		General Fund: Yes ☐ No ☒	
Public Hearing: ☐		Action Item: ☐ Attachments: ☒	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (E-Mail) Agenda and Meetings – City Council (04/08/15);			
Department Approval: Charles D. Herbertson (04/01/15)		City Attorney Approval: Carol Schwab (by H. Baker) (04/06/15)	
Chief Financial Officer Approval: Jeff Muir (by M. Noller) (04/07/15)		City Manager Approval: John M. Nachbar (04/08/15)	

RECOMMENDATION:

Staff recommends the City Council adopt a resolution initiating proceedings for the levy and collection of assessments for the Refuse and Recycling User's Service Charge and ordering the preparation of the Engineer's Report.

BACKGROUND:

The City operates an exclusive residential and commercial refuse collection and disposal service as a municipal enterprise. The Refuse and Recycling Division (R&R) of the Public Works Department operates solely on revenues generated from charges for the provision of solid waste transfer and collection services to businesses and residences, grants, and the sale of recyclable material. These revenues cover the costs for refuse collection, disposal, recycling programs, and public outreach. R&R operations are 100% supported by self-generated enterprise fund revenues.

In addition to providing revenue to cover the cost of routine R&R operations, refuse fees cover the cost of the following additional services: La Ballona Creek Cleanup Event, residential on-call bulky item pickup, citywide street sweeping, pedestrian container collection, recycling program marketing, and removal of illegally dumped bulky items.

DISCUSSION:

Currently, R&R is facing escalating costs for refuse collection operations as the costs for personnel, vehicle maintenance, street sweeping, refuse disposal, and the

City of Culver City, California
Agenda Item Report

transportation of refuse increase each year. In addition, the costs to further expand the City's commercial recycling programs (which include the collection of recyclable material, green waste, food waste, metal, and construction and demolition material) are anticipated to increase as additional personnel, vehicles, and marketing resources may become necessary.

Pursuant to Section 5.01.070 of the Culver City Municipal Code (CCMC), the City Council is authorized to establish, by resolution, refuse collection fees. The fees for refuse collection were last increased in 2009. The preparation of an Engineer's Report is needed in order to ascertain whether the current costs to provide the City's refuse collection services are accurately reflected in the existing refuse collection fees and whether an increase is warranted. Preliminary information would indicate that the refuse and recycling collection fees will need to be increased in order to produce sufficient revenue to fund R & R operations.

Should the City Council adopt the proposed resolution, the Public Works Director/City Engineer shall prepare (or cause to be prepared) the Engineer's Report. Upon its completion, the Engineer's Report shall be filed with the City Clerk, and the City Council shall be presented with a Resolution of Intention declaring the City Council's intent to adopt the proposed refuse and recycling fee schedule and set the date, hour, and place for the public hearing.

On December 8, 2014, the City Council authorized entering into an agreement with NBS, an independent consulting firm, to conduct a comprehensive refuse rate analysis and develop a schedule of refuses and recycling collection fees (which shall be incorporated into the Engineer's Report) that balances projected expenditures and capital costs with forecasted revenues. The City entered into an agreement with NBS for an amount not-to exceed \$29,970 paid by the Sanitation Enterprise Fund.

FISCAL ANALYSIS:

Adoption of the proposed resolution would cause the Engineer's Report to be prepared. As noted above, the costs for the Engineer's Report were included in an agreement previously approved by the City Council.

ATTACHMENT:

Proposed Resolution

MOTION:

That the City Council:

City of Culver City, California
Agenda Item Report

Adopt a Resolution initiating proceedings for the levy and collection of assessments for the Refuse and Recycling User's Service Charge and ordering the preparation of the Engineer's Report.