

**LOS OSOS COMMUNITY SERVICE DISTRICT
NOTICE OF PUBLIC HEARING REGARDING
PROPOSED SOLID WASTE RATE ADJUSTMENT
WITHIN THE LOS OSOS COMMUNITY SERVICES DISTRICT**

Dear Property Owners and Tenant-Customers:

This notice is intended to inform you that the Board of Directors of the Los Osos Community Services District ("District"), will hold a public hearing regarding adjustments to solid waste rates ("Proposed Rate Adjustment") proposed by Mission Country Disposal, Inc. ("Mission Country Disposal") for properties and customers receiving solid waste services within the boundaries of the District. The Proposed Rate Adjustments will be considered by the District 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; and
- The Majority Protest Procedures; and
- The Basis of and Reason for the Proposed Rate Adjustments; and
- The Proposed Rate Adjustment Amounts.

NOTICE OF PUBLIC HEARING

A Public Hearing on the Proposed Rate Adjustments within the District's boundary will be held on:

Date: January 9, 2025
Time: 6:00 p.m. or as soon thereafter as the matter may be heard
Place: District Office Meeting Room
2122 9th Street, Suite 106, Los Osos, CA 93402

At the Public Hearing, the Board of Directors will consider all public comment in support of and in opposition to the Proposed Rate Adjustments and whether or not a Majority Protest exists pursuant to the California Constitution and the Proposition 218 Omnibus Implementation Act (below). If approved, the Proposed Rate Adjustments would become effective January 1, 2025 and each January 1 of 2026, 2027, 2028 and 2029.

REASON FOR AND BASIS OF THE PROPOSED RATE ADJUSTMENT

The Proposed Rate Adjustment for 2025 is based on Mission Country Disposal's documented cost of providing solid waste services and is a 13.18% increase above current solid waste rates. This cost-based adjustment is necessary for Mission Country Disposal to continue to provide safe, environmentally sound and reliable solid waste removal, transportation and disposal services to the residents and businesses of the District. 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 Mission Country Disposal'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. Mission Country Disposal 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 during clean-up weeks, and a rate assistance program providing a 20% low-income discount provided to residential customers using 32-gallon cart service (using existing jurisdictional practices on low-income relief for their offered utility type services).

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
20-gallon	\$ 27.74	\$ 31.40	\$ 3.66
32-gallon	\$ 39.45	\$ 44.65	\$ 5.20
64-gallon	\$ 60.57	\$ 68.55	\$ 7.98
96-gallon	\$ 64.96	\$ 73.52	\$ 8.56

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 LOCSO Franchise Agreement, as amended, governing solid waste service within the boundaries of the District. 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 Los Osos Community Service District's office located at 2122 9th Street, Suite 110, Los Osos, CA, 93402 or online at www.lososocsd.org.](#)

MAJORITY PROTEST

Pursuant to Section 6 of Article XIII D of the California Constitution and Government Code Section 53755, the following persons may submit a written protest against the Proposed Rate Adjustments to the District Clerk before the close of the Public Hearing referenced above.

- An owner(s) of property (parcel(s)) receiving solid waste service within the District's boundary. If the person(s) signing the protest, as an owner, 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(s) signing the protest is the owner of the parcel(s) receiving the solid waste services; and
- A tenant(s) whose name appears on Mission Country's records as the customer of record for the corresponding parcel receiving solid waste service within the District's boundary (tenant-customer).

A valid written protest must contain; a statement that you protest the adjustments in solid waste rates, the address and the Assessor's Parcel Number (APN) of the parcel or parcels which receive solid waste service, and must be signed by either the owner or the tenant-customer of the parcel or parcels. One written protest per parcel shall be counted in calculating a majority protest to the Proposed Rate Adjustments subject to the requirements of Section 6 of Article XIII D of the California Constitution and Government Code Section 53755. Written protests will not be accepted by e-mail or 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 District Board Secretary before the close of the Public Hearing referenced above.

Written protests regarding the Proposed Rate Adjustments may be mailed or personally delivered to:

Mailed

**Los Osos Community Services District
Attn: Board Secretary
PO BOX 6064
Los Osos, CA 93412**

Delivered

**Los Osos Community Services District
Attn: Board Secretary
2122 9th Street Suite 110
Los Osos, CA 93402**

If valid written protests are presented by a majority of owners and/or tenant-customers of parcels receiving solid waste services within the District's boundaries, then the District will not adjust the solid waste rates. Only one protest per parcel will be counted in determining whether or not a majority protest exists.



PROPOSED SOLID WASTE RATE INCREASE PROTEST FORM

Name (please print): _____

Services Address (please print): _____

Parcel Number: _____

Date: _____

I am protesting the proposed Solid Waste Rate (check the box)

Signature _____

Property Owner

Account Holder

Mail: Los Osos CSD PO BOX 6064, Los Osos, CA 93412 or Deliver: 2122 9th Street Suite 110, Los Osos, 93402

MISSION COUNTRY DISPOSAL

EFFECTIVE DATE: January 1, 2025

LOS OSOS CSD AREA

SERVICE DESCRIPTION	PICKUPS PER WEEK	RATES EFFECTIVE 01/01/24	PROPOSED RATE ADJUSTMENT	RATES EFFECTIVE 1/1/2025
SINGLE FAMILY AND MULTI-UNIT RESIDENTIAL (4 or LESS):				
Half Can - 19 Gallon only	1	\$27.74	\$3.66	\$31.40
32 Gallon Waste Wheeler	1	\$39.45	\$5.20	\$44.65
64 Gallon Waste Wheeler	1	\$60.57	\$7.98	\$68.55
96 Gallon Waste Wheeler	1	\$64.96	\$8.56	\$73.52
Garbage extras (per bag)		\$13.13	\$1.73	\$14.86
Recycling extras (per bag)		\$3.12	\$0.41	\$3.53
Service away from the curb	each can	\$18.30	\$2.41	\$20.71
Switch Cart less than 12 months		\$60.99	\$8.04	\$69.03

Residential customers must use carts provided by the garbage company.

MULTIFAMILY (5 or MORE):

Rates are the same as commercial rates (below)

URBAN COMMERCIAL:

1 Yard Dumpster	1	\$161.99	\$21.35	\$183.34
1 Yard Dumpster	2	\$240.54	\$31.70	\$272.24
1 Yard Dumpster	3	\$334.41	\$44.08	\$378.49
1 Yard Dumpster	4	\$420.70	\$55.45	\$476.15
1 Yard Dumpster	5	\$514.77	\$67.85	\$582.62
1 Yard Dumpster	6	\$604.78	\$79.71	\$684.49
1 Yard Dumpster	7	\$729.53	\$96.15	\$825.68
1.5 Yard Dumpster	1	\$189.59	\$24.99	\$214.58
1.5 Yard Dumpster	2	\$299.10	\$39.42	\$338.52
1.5 Yard Dumpster	3	\$420.70	\$55.45	\$476.15
1.5 Yard Dumpster	4	\$553.82	\$72.99	\$626.81
1.5 Yard Dumpster	5	\$687.26	\$90.58	\$777.84
1.5 Yard Dumpster	6	\$816.44	\$107.61	\$924.05
1.5 Yard Dumpster	7	\$992.83	\$130.85	\$1,123.68
2 Yard Dumpster	1	\$228.71	\$30.14	\$258.85
2 Yard Dumpster	2	\$346.32	\$45.64	\$391.96
2 Yard Dumpster	3	\$510.76	\$67.32	\$578.08
2 Yard Dumpster	4	\$679.23	\$89.52	\$768.75
2 Yard Dumpster	5	\$847.74	\$111.73	\$959.47
2 Yard Dumpster	6	\$1,016.96	\$134.04	\$1,151.00

2 Yard Dumpster	7	\$1,244.29	\$164.00	\$1,408.29
3 Yard Dumpster	1	\$291.40	\$38.41	\$329.81
3 Yard Dumpster	2	\$471.67	\$62.17	\$533.84
3 Yard Dumpster	3	\$663.71	\$87.48	\$751.19
3 Yard Dumpster	4	\$890.82	\$117.41	\$1,008.23
3 Yard Dumpster	5	\$1,071.08	\$141.17	\$1,212.25
3 Yard Dumpster	6	\$1,290.71	\$170.12	\$1,460.83
3 Yard Dumpster	7	\$1,661.34	\$218.96	\$1,880.30

URBAN COMMERCIAL Continued

4 Yard Dumpster	1	\$401.21	\$52.88	\$454.09
4 Yard Dumpster	2	\$592.98	\$78.15	\$671.13
4 Yard Dumpster	3	\$867.58	\$114.35	\$981.93
4 Yard Dumpster	4	\$1,153.59	\$152.04	\$1,305.63
4 Yard Dumpster	5	\$1,459.05	\$192.30	\$1,651.35
4 Yard Dumpster	6	\$1,721.42	\$226.88	\$1,948.30
4 Yard Dumpster	7	\$2,182.20	\$287.61	\$2,469.81
Loose yards		\$31.32	\$4.13	\$35.45
Sunday Service		\$140.79	\$18.56	\$159.35

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

COMMERCIAL GARBAGE CANS - ALL AREA:

32 Gallon Waste Wheeler	1	\$52.32	\$6.90	\$59.22
32 Gallon Waste Wheeler	2	\$90.23	\$11.89	\$102.12
32 Gallon Waste Wheeler	3	\$128.12	\$16.89	\$145.01
64 Gallon Waste Wheeler	1	\$65.58	\$8.64	\$74.22
64 Gallon Waste Wheeler	2	\$103.49	\$13.64	\$117.13
96 Gallon Waste Wheeler	1	\$78.82	\$10.39	\$89.21
96 Gallon Waste Wheeler	2	\$116.69	\$15.38	\$132.07

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

COMMERCIAL - OTHER CHARGES:

Recycle Cart Rental	each per month	\$3.12	\$0.41	\$3.53
Recycle Bin Rental	each per month	\$15.27	\$2.01	\$17.28

Rates for all "Waste Wheeler Container Service" customers include recycling or greenwaste/organics pickup once per-week. Customers can choose from a 64 or 96 gallon blue waste wheeler once per week for commingled recycling or 64 or 96 gallon organics green lid waste wheeler once per week for organics collections. More frequent than once-per-week pickup or additional containers can be provided at 50% of the garbage service rate for the specified level of service required. Due to potential weight issues, organics (food waste) is only collected in 32 or 64 gallon green lid waste wheelers.

MISCELLANEOUS CHARGES (See Note 7)

Short Term Containers:

Container Delivery (includes removal)		\$78.33	\$10.32	\$88.65
Container Rental	per day	\$2.21	\$0.29	\$2.50
Emptying Container:				
1 Yard (minimum charge)	each	\$43.07	\$5.68	\$48.75
1.5 Yard	each	\$62.67	\$8.26	\$70.93
MISCELLANEOUS CHARGES (continued)				
2 Yard	each	\$70.41	\$9.28	\$79.69
3 Yard	each	\$97.98	\$12.91	\$110.89
4 Yard	each	\$121.57	\$16.02	\$137.59
Trip Charge (See Note 5)	each	\$62.58	\$8.25	\$70.83
Extra Dumpster Cleaning	each	\$113.63	\$14.98	\$128.61
Extra Dumpster Delivery	each	\$78.52	\$10.35	\$88.87
White Goods	each	\$106.77	\$14.07	\$120.84
Small Extra	each	\$30.54	\$4.03	\$34.57
Installing Lock on Dumpster	each	\$133.07	\$17.54	\$150.61
Optional Cart Rental, 32 or 64 gallon sizes (see note 5)	per month & per container	\$3.12	\$0.41	\$3.53
Xtra Greenwaste 32 gal cart	per month	\$6.57	\$0.87	\$7.44
Xtra Greenwaste 96 gal cart	per month	\$6.57	\$0.87	\$7.44
Additional collection charge per 32 gallon can or equivalent volume.	per collection	\$13.13	\$1.73	\$14.86
Mileage Charge (See Note 2)	per mile & per trip	\$1.13	\$0.15	\$1.28
USED OIL COLLECTION				
Call for details and pick up schedule.	no charge	\$0.00		\$0.00
Late Fee (See Note 6)	per month	\$5.00		\$5.00
Stop/Restart/Change residential service, within 90 days.	per occurrence	\$72.34	\$9.53	\$81.87
ADDITIONAL INFORMATION				
1) One standard trash can is the equivalent unit volume to a 32 Gallon Waste Wheeler.				
2) Mileage charge: A charge applied to the customer's bill for additional mileage beyond 1/2 mile from the urban reserve line. The mileage charge is added for each round trip.				
3) Service away from the curb: A monthly charge that is assessed to the residential customer's bill when service inside the property line is requested. Location and distance from curb is subject to approval to ensure safe service. This charge is not applicable to disabled customers without the means of setting the containers in the public right of way for collection.				
4) Optional Cart Charge: A charge for using more than one garbage cart at a given service level. For example, a customer who has subscribed to a 64 gallon monthly garbage service level may choose two 32 gallon garbage waste wheelers instead of one 64 gallon garbage waste wheeler, for this additional charge.				

5) Trip Charge: A charge to service a residential customer on a non-route day or after the area's collection has occurred. Additional fees may be incurred according to volume of waste collected and any applicable mileage charges (see note 3).

ADDITIONAL (Continued)

6) Late Fees: These are imposed for all customers over 30 days delinquent 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.

7) Miscellaneous Charges: are increased by one rate for all three unincorporated areas receiving garbage hauling services provided by Mission Country Disposal.

8) 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.

9) Polystrene (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.

10) The fee schedule above only include the Garbage Company rates and does not include IWMA fees, which are speratley noted on the invoices.

11) Cleaning fees will be billed on a time and material basis.

12) Customers can be responsible for contamination fees.

13) The fee schedule above only include the Garbage Company rates and does not include IWMA fees, which are speratley noted on the invoices.

This increase is approximately:	<u>13.18%</u>	Effective Date:	<u>January 1, 2025</u>
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