

Proposed Solid Waste Rate Increase

Frequently Asked Questions

Why are the rates increasing so much?

State Senate Bill (SB) 1383 is the main driver for the proposed rate increase. SB 1383 passed in 2016 and was aimed at reducing emissions of short-lived climate pollutants. Among the goals set by the State at the time was a 75% reduction in organic waste disposal – mandating such efforts like food waste composting. This is affecting all cities throughout the state and implementation comes at significant cost. State mandates regarding vehicle emissions have also significantly increased the cost for the City's service provider to purchase and operating garbage trucks. Additionally, labor costs continue to rise. Lastly, since the City's garbage rates were last increased in 2012 and included no mechanism to keep up with inflation, the proposed rates reflect this shortfall and a rate adjustment is needed to cover the cost of the services being provided. Had the previous solid waste rate study included an annual increase reflecting the Consumer Pricing Index (an annual average of 2.97%), the rates for FY 20/21 for a 60-gallon container would have been \$46.14, \$1.76 higher than the proposed FY 21/22 rate of \$44.38. For the 90-gallon container, the rates for FY 20/21 would have been \$54.60, \$2.03 higher than the proposed FY 21/22 rate of \$52.57.

The rate on my bill went up about four years ago. Why are they being raised again?

Tracy Utilities bills include rates for water, sewer, and solid waste services. Each rate is reviewed and adjusted independently but is reflected on one utility bill. The rates for solid waste and recycling services have not increased in ten years.

Did the City apply for any grants to offset the cost impact of State mandates?

The grants that have been available in recent years to assist with compliance of State mandates have been for infrastructure, processing equipment, and edible food recovery. Since the City contracts for solid waste services, the City itself was not eligible for the majority of these grants. The City's service provider, Tracy Disposal, did apply for some of these grants, but has not been successful in being awarded any yet. More grants are available this coming year and the City will be applying for those for which we qualify.

Why doesn't the City look at other collection companies to reduce the cost?

The City currently has a Franchise Agreement with Tracy Delta Solid Waste Management, Inc. (Tracy Disposal) and a Service Agreement with Tracy Material Recovery and Solid Waste Transfer, Inc. (Tracy MRF). The Franchise Agreement with Tracy Disposal is the collection, transportation, and disposal of refuse and garbage, including the collection of recyclable material in the City of Tracy and expires in March 2028. The Agreement with Tracy MRF is for material acceptance, processing, and transfer services and expires in December 2037 with the option to extend the Agreement for an additional five-year term.

Why will I be getting new containers?

Each customer that has the three containers (garbage, recycling, and yard waste) will receive a new yard waste container and new garbage container. Senate Bill 1383 requires the collection of food waste as part of the composting program. Food waste will be collected with yard waste in the same container. The yard and food waste (organics) container will now be a non-vented. Additionally, SB 1383 standardizes the color of garbage, recycle, and organics containers statewide. As a result, the new organics container will be green and the new garbage container will be gray.

What is the difference between the current yard waste container and the new organics container?

The current yard waste container is vented at the bottom and should only contain green waste such as grass, trimmings, leaves, etc. The new organics container will be for all current yard waste PLUS food waste such as fruit, vegetables, meat, dairy products, etc. The food waste and green waste needs to be placed in the organics container directly and not in bags. The bags are not able to be broken down during the composting process and may cause damage to the equipment.

When should I expect to receive my new containers?

Upon approval, the new containers will be ordered in January and are expected to begin arriving by mid-May. Once the new containers arrive, they will be distributed to approximately 1,000 customers per day, based on their collection routes. This process is expected to be completed by the end of August 2022.

Will there still be the option of two sizes for the garbage containers?

Yes, there will still be two sizes available. The new containers will be the same size as the containers that you currently have. If you wish to make changes to the size of your containers, please contact the City of Tracy's Finance Department at (209) 831-6800 or visit our website at <https://www.cityoftracy.org/our-city/departments/finance-department>

When does weekly service start for all three containers?

As soon as customers receive their new containers, all three containers will be picked up on a weekly basis.

How will I know which items are supposed to go in each container?

With the numerous changes involved with compliance of State mandates, outreach is a priority for City staff. In collaboration with the City's Public Information Officer and Tracy Disposal, information will be sent out to all residents and businesses on the changes in containers, items allowed in each container, and recycling programs. The outreach will be across all of the City's social media sites, the Tracy Press, on our website, and in person. There will be multiple outreach efforts to get the message out of all the changes prior to them occurring and will continue well after all the changes go into effect.

I'm on a fixed income. Is there any financial assistance available?

The City of Tracy offers a low-income rate assistance (LIRA) program for water, sewer and garbage service. The LIRA program waives the minimum monthly meter charge of \$18.50, discounts the monthly sewer fee by \$2.55, and discounts basic monthly garbage fee by \$5. You will still be responsible for water used (consumption as metered) and the monthly storm drain fee. Visit <https://www.cityoftracy.org/our-city/departments/finance-department> or call (209) 831-6800 to apply.

How will customers benefit from a rate increase?

- All three containers will be collected on a weekly basis.
- Free bulky items pickups will be increased from one to two annually.
- Continuation and expansion of community recycling events, including our document shredding, compost giveaway, and battery recycling programs among others.
- Approximately \$2m in roadway improvements and maintenance throughout our community.

Why did the City wait until a month before the mandates for SB 1383 go into effect to increase the rates to cover the changes needed?

The solid waste rate study began in 2019. Since the previous solid waste rate study was in 2011, and there have been numerous changes in regulatory requirements in the industry since that time, the initial phase of the study took considerable time to complete. These changes greatly increased the complexity of factoring in all the costs associated with solid waste and recycling services and meeting compliance with State mandates. The rate study was initially scheduled to go to Council in May 2020. However, challenges brought on by COVID-19 further delayed the process. Some of these challenges included: increased safety protocols, tracking and reporting of the effects of the pandemic, staffing impacts, and an acknowledgement that COVID-19 had a very real financial impact on many residents and businesses that should be considered. After being on hold for over a year, the study was able to begin again. The noted delays necessitated that the calculations for cost of services be updated with the most recent figures which took additional time to complete.

Where can I find the full rate study?

The full rate study is available to view at www.RecycleInsideTheTriangle.com and included in the [Council agenda packet](#) and [handouts](#) from the November 2nd Special Meeting. Watch the full presentation [here](#).

When is the public hearing for the solid waste rate increase?

The public hearing is scheduled for the December 21st Regular Meeting of the Tracy City Council at 7:00 pm. The agenda will be posted [here](#) at least 72 hours prior to the meeting. You can also sign up for Council updates on that same website.

If approved, when will rates go into effect?

January 1, 2022.

How often will the rates increase?

If approved as proposed, rates will increase every January 1st with the last increase occurring on January 1, 2026.

How do I protest the rate increase?

If a resident wants to protest the increase, they will need to submit the protest in writing. This can be done by filling out the form on the second side of the notification that was mailed and following the submission instructions, or by submitting a written protest that includes the following information:

- 1) An original signature
- 2) Your printed name
- 3) Your street address or Assessor Parcel Number (APN)
- 4) A statement that you protest the proposed solid waste rate increase.

Protest Submission Instructions:

- Written Protests by Mail: If you wish to submit your written protest by mail, it must be received by the City Clerk (not postmarked) by 5:00 pm on Tuesday, December 21, 2021. Mail to: City Clerk; City of Tracy; 333 Civic Center Plaza, Tracy, CA 95376.
- Written Protest in Person to the City Clerk: If you wish to hand-deliver your written protest in person prior to the public hearing, you can take it to the City Clerk's office located on the 2nd floor of Tracy City Hall (333 Civic Center Plaza) during regular business hours.
- Written Protest in Person at the Public Hearing: If you wish to hand-deliver your written protest in person at the public hearing, it must be received by the City Clerk prior to the close of the public hearing.
- Please identify on the front of your envelope that the enclosed letter is for the "2021/22 Solid Waste, Recycling, and Organics Rate Increase Public Hearing."

I submitted a protest but want to rescind it. Is that allowed?

Yes, you can rescind your protest. You will need to contact the City Clerk and inform them that you would like to rescind your protest so it does not get counted.

I still have questions, who can I contact for more information?

You can contact Connie Vieira, Management Analyst in the Public Works Department at connie.vieira@cityoftracy.org or at (209) 831-6359.