



March 17, 2014

**NOTICE OF PUBLIC HEARING:  
PROPOSED RESIDENTIAL GARBAGE AND RECYCLING  
SERVICE RATE INCREASES**

**Reason for Rate Increases**

Revenues from the proposed rates pay for garbage, recycling, yard trimmings, motor oil and oil filter recycling, neighborhood clean-up services, household hazardous waste programs, and composting programs. The rates for these services were last increased in July 2011. These changes are necessary to cover the increased cost of the haulers providing the services. The residential garbage and recycling system is based on full cost recovery from ratepayers and is not subsidized by the City’s General Fund.

**Effective Date of Rate Increases**

If the City Council approves rate increases at its May 13, 2014 meeting, the new rates and rate additions will take effect July 1, 2014 for both single-family and multi-family properties unless otherwise indicated. If the Council does not approve the proposed rate changes, current rates will remain in effect. For assistance in determining the cost of the proposed rate adjustments to you, please call the City of San José Customer Contact Center at (408) 535-3500.

**Deadline to Submit Written Protests: May 13, 2014**

If you wish to protest the proposed residential garbage and recycling service rate increases, you must follow these rules for your protest to be included in the official tally presented to the City Council:

- Protests must be in writing and received by the City prior to the close of the public hearing on May 13, 2014.
- City Council will accept oral and written testimony at the public hearing regarding the proposed fees.
- ***You must indicate the Assessor’s Parcel Number(s)*** of the property(ies) you own that are subject to the proposed rate adjustment. The parcel number is printed on the cover letter.
- Submit ***written*** protests to the Office of the City Clerk in the form of a letter, fax, or e-mail as shown below:

Mail (or hand-deliver)	Fax	E-mail
Residential Garbage and Recycling Rate Increase City of San José – Office of the City Clerk 200 E. Santa Clara St., 2 <sup>nd</sup> Fl. Wing San José, CA 95113-1905	(408) 292-6207 Residential Garbage and Recycling Rate Increase	RPRateProtest@sanjoseca.gov

**Rate Increases**

**Single-Family**

A rate increase not to exceed 5% will be recommended for single-family properties for fiscal year 2014-2015. If approved by the City Council, the rate for a standard 32-gallon garbage cart would increase by \$1.49 per month, from \$29.95 to \$31.44, effective July 1, 2014. The attached “Schedule of Proposed Residential Garbage and Recycling Service Monthly Rates” provides information on the most common cart sizes.

**Multi-Family**

A rate increase not to exceed 5% will be recommended for multi-family properties for fiscal year 2014-2015. If approved by the City Council, the rate for a one 3-Cubic-Yard Bin serviced once per week would increase by \$10.77 per month, from \$201.54 to \$211.61, effective July 1, 2014. The attached “Schedule of Proposed Residential Garbage and Recycling Service Monthly Rates” provides information on the most common bin sizes and collection frequencies.

### **Additional Fiscal Year 2014-2015 Rate Information**

All other residential service rates for single-family and multi-family properties are also proposed to be increased by up to 5%. The full schedule of maximum proposed rates is available online at [www.sanjoseca.gov/ratenotices](http://www.sanjoseca.gov/ratenotices).

The following rates are proposed to be discontinued effective January 1, 2015 except as otherwise specified: The 20-gallon cart service will be transitioned to 32-gallon cart service to increase collection efficiencies and reduce the administrative cost of account maintenance. The Hardship due to Probate and Illness Programs comprised of 26 accounts will be eliminated. Approximately 120 accounts receiving residential Small Commercial Business service will transfer to Republic Services, the City's commercial waste collection franchised hauler. The 150 multi-family dwellings that have shared garbage cart collection service will be eliminated. These accounts may transition to either sharing garbage carts at the standard 96-gallon cart rate or enroll in multi-family dwelling bin service. The Low Income Rate Assistance and Medical Exemption Rate Reduction Assistance programs currently subsidizing 1,652 accounts are subject to elimination in the fiscal year 2015-2016 proposed budget process, due to the loss of funding.

### **Fee to Switch between Single and Multi-Family Service**

A Service Type Change fee in the amount of \$100.00 for up to four units and \$27.00 for each additional unit is proposed for processing requests to change between single-family and multi-family service. This new proposed rate covers the cost of labor needed to complete the change in service.

### **Subsequent Fiscal Years 2015-2016 and 2016-2017**

This notice also covers possible residential garbage and recycling service rate increases of up to 5% in fiscal year 2015-2016, and up to 5% in fiscal year 2016-2017. The City Council will set the exact rates closer to the implementation date each year, based on refinements in the calculations. Rates cannot be higher than the estimate specified without re-noticing.

**SCHEDULE OF PROPOSED RESIDENTIAL GARBAGE AND RECYCLING SERVICE MONTHLY RATES  
FISCAL YEAR 2014-2015 (Effective July 1, 2014)**

**Single-Family Service Rates**

**Single-Family Curbside Service Rates**

Single-Family Household Curbside Service	Current Monthly Rate	Maximum Proposed Monthly Rate for FY 2014-2015	Maximum Monthly Increase (5%)
20-Gallon Garbage Cart (until 1/1/15)	\$28.23	\$29.64	\$1.41
32-Gallon Garbage Cart	\$29.95	\$31.44	\$1.49
64-Gallon Garbage Cart	\$59.90	\$62.89	\$2.99
96-Gallon Garbage Cart	\$89.85	\$94.34	\$4.49

For on-premises collection service, the add-on service charge will also increase by up to 5% to \$64.05 per household to the basic monthly curbside service rate.

**Additional Rates**

Additional Rates	Current Rate	Maximum Proposed Rate for FY 2014-2015 (5%)
Optional Yard Trimmings Cart	\$4.69 per month	No Change* <sup>1</sup>
Single-Family Large Item Collection (three items)	\$26.30 per pickup	\$27.61
Pickup of Contaminated Recycling Cart Rate	\$15.00 per pickup	No Change*
Excessive Lost, Stolen or Cart Damaged by Customer Rate	\$60.00 per incident	No Change*

\*There are no changes to this rate recommended for FY 2014-2015, however increases up to the maximum allowable increase of 5% may be considered in each of the following two fiscal years (FY 2015-2016 and FY 2016-2017).

<sup>1</sup> The rates for the Optional Yard Trimmings Cart corrects errors published in the original Notice of Public Hearing.

**Small Commercial Business Rates**

Small Commercial Business Service	Current Monthly Rate	Maximum Proposed Monthly Rate for FY 2014-2015 (5%)
32-Gallon Garbage Cart	\$37.23	\$39.09
64-Gallon Garbage Cart	\$67.24	\$70.60
96-Gallon Garbage Cart	\$97.21	\$102.07

For on-premises collection service, the add-on service charge will also increase by up to 5% to \$64.05 per location to the monthly small commercial business rate.

**Shared Cart Rates for Multi-Family Properties**

Shared Cart Service Level	Current Monthly Rates	Maximum Proposed Monthly Rate for FY 2014-2015 (5%)
One 96-gallon cart	\$89.85	\$94.34
Two 96-gallon carts	\$179.90	\$188.89
<i>On-Premise - One 96-gallon cart</i>	\$150.85	\$158.39
<i>On-Premise - Two 96-gallon carts</i>	\$240.70	\$252.94
<b>Grandfathered Rates for customers that subscribed to service prior to 2002. (until 1/1/15)</b>		
One 96-gallon cart	\$77.23	\$81.09
Two 96-gallon carts	\$115.28	\$121.04
<i>On-Premise - One 96-gallon cart</i>	\$138.23	\$145.14
<i>On-Premise - Two 96-gallon carts</i>	\$237.28	\$249.59

Per San José Municipal Code, shared cart service is limited to multi-family complexes that utilize carts (rather than bins) for garbage collection services. This service is not available for detached single-family households.

**Multi-Family Service Rates**

Multi-Family Dwelling (MFD) Monthly Service Rates	Current Monthly Rate	Maximum Proposed Monthly Rate for FY 2014-2015	Maximum Monthly Increase (5%)
One 1-Cubic-Yard Bin serviced once per week	\$99.20	\$104.16	\$4.96
One 2-Cubic-Yard Bin serviced once per week	\$150.64	\$158.17	\$7.53
One 3-Cubic-Yard Bin serviced once per week	\$201.54	\$211.61	\$10.07
One 3-Cubic-Yard Bin serviced twice per week	\$376.11	\$394.91	\$18.80
25-ft. Push once per week	\$22.22	\$23.33	\$1.11
MFD Large Item Collection (three items)	\$58.36	\$61.27	\$2.91
Service Type Change between SFD and MFD	N/A	\$100.00 1-4 units \$27 each additional unit	N/A