

Residential Garbage and Recycling Services Spring 2017 Rate Notice

Frequently Asked Questions



Environmental Services

RATE QUESTIONS

What is the proposed rate increase for FY 2017-2018?

The proposed rate increase is 3.5% for Single-Family residents. See Table 1 for monthly and annual costs.

Table 1 – Single-Family Proposed Garbage and Recycling Rates

Garbage Cart Size	Current Monthly Rate	Proposed Monthly Rate FY 2017-18	Annual Cost FY 2017-2018
32-Gallon Garbage Cart	\$32.07	\$33.19	\$398.28
64-Gallon Garbage Cart	\$64.14	\$66.38	\$796.56
96-Gallon Garbage Cart	\$96.21	\$99.57	\$1194.84

Why are my rates going up?

Recycle Plus rates cover the expenses of providing residential solid waste services. Garbage and recycling services must be self-supporting and cannot be supported by property taxes or other funds. Rate increases support contractual annual cost of living adjustments for expenses such as fuel and labor. Growth in housing developments also contributes to increased contractual expenditures. The solid waste agreements provide weekly garbage, recycling and yard trimming collection and processing; junk pickups; processing of garbage to remove recyclables, single-family motor oil and oil filter on-demand collection; household hazardous waste drop-off; and landfill costs. Rates also cover City Call Center staffing, billing and payment services, program administration and customer outreach.

How much have rates increased in the last few years?

Single-family garbage and recycling rates have increased by 7% in the past three years. See Table 2 for more information.

Table 2- Single-Family Historical Rate Increases

Fiscal Years	32-Gallon Rate	Percentage Increase
FY 2016-17	\$32.07	No Increase
FY 2015-16	\$32.07	4%
FY 2014-15	\$30.84	3%
FY 2013-14	\$29.95	No Increase

How do San Jose rates compare to the other cities?

San Jose single-family garbage and recycling rates are below the Santa Clara County average (\$32.07 per month in San Jose versus \$32.55 per month average for a 32-gallon garbage cart). San Jose is not the most expensive system in the County, and the rates are below those charged in Oakland and San Francisco. Services included in the garbage and recycling rates vary from city to city. San Jose's services include unlimited recycling and yard trimmings collection, junk pickup collections, household hazardous waste drop-off, and used oil collection. Table 3 provides a comparison of single-family garbage and recycling rate to other cities in the Bay Area.

Table 3 - Single-Family, 32-Gallon Rate Comparisons

Santa Clara County Cities	16/17 Monthly Rate	Proposed 17/18 Rate	Rate Adjustment Effective Date
Palo Alto	\$47.69	\$50.07	July 1, 2017
Sunnyvale	\$38.23	\$39.38	July 1, 2017
Los Altos Hills	\$37.41	N/A^	July 1, 2017
County District West	\$35.12	\$37.89**	July 1, 2017
Milpitas	\$33.89	\$35.02	January 1, 2018
Countywide Weighted Average	\$32.55	N/A^	-
Los Altos	\$32.34	N/A^	July 1, 2017
San José	\$32.07	\$33.19	July 1, 2017
County District East	\$31.38	\$33.70**	July 1, 2017
Gilroy	\$31.00	\$31.79	July 1, 2017
Morgan Hill	30.17*	\$30.95	July 1, 2017
County District South	\$30.05	\$32.11**	July 1, 2017
Santa Clara	\$29.73	\$32.17	July 1, 2017
Monte Sereno	\$29.43	\$31.12	July 1, 2017
Mountain View	\$29.30	\$32.25	July 1, 2017
Saratoga	\$28.13	\$29.54	July 1, 2017
Campbell	\$25.80	\$27.15	July 1, 2017
Los Gatos	\$25.45	\$27.47	July 1, 2017
Cupertino	\$24.71	N/A^	November 1, 2017
San Francisco	\$35.18	\$40.88	July 1, 2017
Oakland	\$40.68	N/A^	N/A

* Flat rate for all cart sizes

**Rate is tentative and to be finalized by effective date.

^ 17/18 Rates are not available as of date of this memorandum

Would all garbage and recycling service fees increase?

No. There are no proposed changes to the Pickup of Contaminated Recycling Cart rate, the Lost, Stolen or Abused Cart Rates, or the Extra Garbage Sticker rate for FY 2017-18.

What regulation monitors this rate increase?

In November 1996, California voters passed Proposition 218, the “Right to Vote on Taxes Act.” This constitutional amendment protects taxpayers by limiting the methods by which local governments can create or increase taxes, fees and charges without taxpayer consent. Prop 218 requires voter approval prior to imposition or increase of general taxes, assessments, and certain user fees. Specific features also include increased notification and protest requirements. For more information, visit <http://www.californiataxdata.com/pdf/Proposition218.pdf>.

Will there be another rate increase next year, too?

Possibly. In the rate increase notice sent in April 2017, property owners were notified of maximum proposed rate increases for garbage and recycling services in the next three fiscal years. In addition to the proposed 3.5% increase for FY 2017-18, the notice covers possible rate increases of up to 5% in FY 2018-19 and up to 5% in FY 2019-20. The need for rate adjustments is evaluated each year and depends on a number of factors such as increases in fuel prices and contractual labor costs.

How is On-Premises Collection affected?

Residents who subscribe to On-Premises Collection Service would see monthly fees increase by 3.5%. The current on-premise collection charge is \$65.34 per month, and would increase to \$67.63 per month in FY 2017-2018. See Table 4 below for how this affects total service rates. Rates are calculated by adding the on-premises collection service fee to the basic garbage cart size rate.

Table 4 - Single-Family On-Premises Collection Service Rates

Garbage Cart Size	Current Monthly Rate	Proposed Monthly Rate FY 2017-18	Proposed Annual Rate FY 2017-18
32 gallons	\$90.95	\$100.82	\$1,209.84
64 gallons	\$120.90	\$134.01	\$1,608.12
96 gallons	\$150.85	\$167.20	\$2006.40

ECONOMY QUESTIONS

Why raise the rates now?

Rate increases are needed to make garbage and recycling services self-supporting, so that taxpayer funds will not have to be diverted from other important needs. A rate increase would support contractual annual cost of living adjustments for expenses such as fuel and labor.

Will money from garbage rates be used for other projects elsewhere in the City?

Your garbage rates pay only for garbage and recycling services, junk pickups, yard trimmings, motor oil and oil filter recycling, household hazardous waste programs, and composting programs. The funds that are used for garbage and recycling services, and those used for capital projects such as buildings or park development are not interchangeable. Property taxes provide General Fund monies that support most other City services. Rate increases and cost management bring the garbage and recycling program to cost-recovery. *(Refer to Question A2 for more detail on cost recovery.)*

CART QUESTIONS

What if I want to downsize my current garbage service to save money?

If you are able to consistently recycle more items, you may be able to reduce your garbage cart size. However, you must be sure that your garbage cart lid closes fully for collection. If it does not, you will have to purchase Extra Garbage Stickers, which cost \$6.25. Extra Garbage Stickers may be purchased at any City library, or at participating Save Mart, Lucky, and Safeway stores in San José. If garbage is found to be in your recycling cart, it will not be collected and a non-collection notice will be left describing the items that are not acceptable in our recycling program.

Can I share a cart with my neighbor to save on the garbage and recycling costs?

No, shared service is not available for detached single-family properties. (Title 9, Chapter 9.10.455 of the Municipal Code).

SERVICE QUESTIONS

How can I cancel my garbage service to protest this rate increase?

The Municipal Code requires mandatory weekly garbage service to protect public health and safety; garbage service cannot be cancelled. The City maintains an exclusive system to monitor service provision, keep costs down and ensure quality services citywide to protect public health. Mandatory service minimizes illegal dumping.

Do you monitor customer satisfaction with garbage and recycling services?

Yes. The City's Environmental Services Department most recently conducted a survey of San Jose residents in January 2016. Sixty-six percent (66%) of San José residents had a favorable opinion of the Recycle Plus Program, with just 9% reporting an unfavorable opinion. Thirty percent (30%) of residents felt they were not kept informed about Recycle Plus programs and services. Eighty percent (80%) of residents were satisfied with garbage collection, 74% were satisfied with recycling collection, and 78% were satisfied with yard trimmings collection.

OTHER QUESTIONS

Doesn't this increase require a two-thirds vote under Proposition 26?

The proposed Recycle Plus rates are not subject to Proposition 26 because these are charges imposed for garbage and recycling services provided directly to the properties paying. Services are not provided to those not charged and the charges do not exceed the reasonable cost to provide the service.

I'm a property manager of an apartment complex. How can I encourage residents to recycle better or cut down on our garbage service fees?

Call GreenTeam, the garbage and recycling service provider for your complex, and ask them to schedule an assessment of your garbage service needs. They also can provide free recycling guides, bin and dumpster labels, and enclosure posters to help residents do a better job. The phone number is (408) 282-4400.

PROTEST PROCESS QUESTIONS

How does the rate notification process work?

Proposition 218 (explained in Question A6) requires a 45-day protest period and a majority approval to increase rates. The public hearing notice mailed out to property owners on April 21, 2017 provides 45 days advance notice for property owners to protest the rate increase, before the scheduled public hearing at the City Council meeting on June 6, 2017 beginning at 1:30 p.m.

How do I submit a rate protest?

Submit written protests to the Office of the City Clerk in the form of a letter, fax, or email prior to the close of the public hearing on June 6, 2017. You must indicate the Assessor's Parcel Number(s) (APN) of the property(ies) you own that are subject to the proposed rate adjustment.

Mail or deliver your written protests to:

**City of San José – Office of the City Clerk
200 E. Santa Clara St., Tower 14th Floor
San José, CA 95113-1905**

The Council Meeting will begin at 1:30 p.m. in the City Council Chambers at City Hall at 200 East Santa Clara Street, San José. Verbal protests will be considered at the hearing, but are not required to be counted for the purpose of determining whether a majority protest exists.

How do I determine my Assessor's Parcel Number (APN)?

The parcel number is printed on the rate notice cover letter. You may also determine your APN number by visiting the Santa Clara County Office of the Assessor webpage and entering your address:
<https://www.sccassessor.org/index.php/online-services/property-search/real-property>.

Why aren't rate notices mailed to renters or property managers of apartments or a mobile home parks?

By law, the formal protest process is designed to give property owners a mechanism to protest fee increases affecting their property. All residents can voice their protest at the June 6, 2017 City Council meeting, or to their Council office directly.

How can I obtain this information in Vietnamese or Spanish?

Information in Spanish or Vietnamese can be obtained by calling (408) 535-3500 (voice) or (800) 735-2929 (California Relay System).