



## CITY OF ATASCADERO CITY COUNCIL AGENDA

### **HYBRID MEETING INFORMATION:**

In accordance with City Council Resolution No. 2022-003 and the requirements of AB 361, the City Council Meeting will be available via teleconference for those who wish to participate remotely. The City Council meeting will also be held in the City Council Chambers and in-person attendance will be available at that location.

### **HOW TO OBSERVE THE MEETING REMOTELY:**

To participate remotely, residents can livestream the meeting on [Zoom](#), SLO-SPAN.org, on Spectrum cable Channel 20 in Atascadero, and listen live on KPRL Radio 1230AM and 99.3FM. The video recording of the meeting will repeat daily on Channel 20 at 1:00 am, 9:00 am, and 6:00 pm and will be available through the City's website and on the City's YouTube Channel. To participate remotely using the Zoom platform please visit [https://us02web.zoom.us/webinar/register/WN\\_ZwJ7a031S3KXauEym9ehaA](https://us02web.zoom.us/webinar/register/WN_ZwJ7a031S3KXauEym9ehaA).

### **HOW TO SUBMIT PUBLIC COMMENT:**

Individuals who wish to provide public comment in-person may attend the meeting in the City Council Chambers. Individuals who wish to provide public comment remotely may call **805-538-2888** to listen and provide public comment via phone, or participate in live public comment through the [Zoom](#) platform using the link above.

If you wish to comment but not via a live platform, please email public comments to [cityclerk@atascadero.org](mailto:cityclerk@atascadero.org) by 12:00 pm on the day of the meeting. Such email **comments must identify the Agenda Item Number in the subject line of the email**. The comments will be forwarded to the City Council and made a part of the administrative record. If a comment is received after the deadline for submission but before the close of the meeting, the comment will still be included as a part of the administrative record of the meeting but will be forwarded to the City Council the next business day. ***Please note, email comments will not be read into the record.***

### **AMERICAN DISABILITY ACT ACCOMMODATIONS:**

Any member of the public who needs accommodations should contact the City Clerk's Office at [cityclerk@atascadero.org](mailto:cityclerk@atascadero.org) or by calling 805-470-3400 at least 48 hours prior to the meeting or time when services are needed. The City will use their best efforts to provide reasonable accommodations to afford as much accessibility as possible while also maintaining public safety in accordance with the City procedure for resolving reasonable accommodation requests.

City Council agendas and minutes may be viewed on the City's website: [www.atascadero.org](http://www.atascadero.org).

Copies of the staff reports or other documentation relating to each item of business referred to on the Agenda are on file in the office of the City Clerk and are available for public inspection on our website, [www.atascadero.org](http://www.atascadero.org). Contracts, Resolutions and Ordinances will be allocated a number once they are approved by the City Council. The Minutes of this meeting will reflect these numbers. All documents submitted by the public during Council meetings that are made a part of the record or referred to in their statement will be noted in the Minutes and available for review by contacting the City Clerk's office. All documents will be available for public inspection by appointment during City Hall business hours.



# **CITY OF ATASCADERO CITY COUNCIL**

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## **AGENDA**

**Tuesday, March 8, 2022**

**City Hall Council Chambers, 4th floor  
6500 Palma Avenue, Atascadero, California**

<b><u>City Council Closed Session:</u></b>	<b>5:00 P.M.</b>
<b><u>City Council Regular Session:</u></b>	<b>6:00 P.M.</b>

### **COUNCIL CLOSED SESSION – CALL TO ORDER: 5:00 P.M.**

- 1. ROLL CALL**
- 2. CLOSED SESSION -- PUBLIC COMMENT**
- 3. COUNCIL RECESS INTO CLOSED SESSION**
- 4. CLOSED SESSION**
  - a. Conference with Legal – Anticipated Litigation**  
Significant exposure to litigation pursuant to Government Code  
Section 54956.9(d)(2): 1 potential case – California Voting Rights Act
- 5. CLOSED SESSION – ADJOURNMENT**
- 6. COUNCIL RETURNS**

### **REGULAR SESSION – CALL TO ORDER: 6:00 P.M.**

**PLEDGE OF ALLEGIANCE:** Council Member Dariz

**ROLL CALL:** Mayor Moreno  
Mayor Pro Tem Newsom  
Council Member Bourbeau  
Council Member Dariz  
Council Member Funk

**APPROVAL OF AGENDA:** Roll Call

Recommendation: Council:

1. Approve this agenda; and
2. Waive the reading in full of all ordinances appearing on this agenda, and the titles of the ordinances will be read aloud by the City Clerk at the first reading, after the motion and before the City Council votes.

**CLOSED SESSION – REPORT (IF ANY)**

Announcement(s) of any reportable action(s) taken in Closed Session that occur(s) after the adjournment of Regular Session will be made at the beginning of the next Regular City Council meeting as Closed Session is not recorded or videotaped.

**PRESENTATIONS: None.**

**A. CONSENT CALENDAR:** (All items on the consent calendar are considered to be routine and non-controversial by City staff and will be approved by one motion if no member of the Council or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the Consent Calendar and will be considered in the listed sequence with an opportunity for any member of the public to address the Council concerning the item before action is taken.)

**1. City Council Draft Action Minutes – February 22, 2022**

- Recommendation: Council approve the February 22, 2022 Draft City Council Regular Meeting Minutes. [City Clerk]

**2. SB 1383 – New Solid Waste Requirements**

- Fiscal Impact: None. SB 1383 Regulations call for multiple changes to collection, monitoring, education, purchasing, and reporting that will lead to an increase to the City's solid waste rates.
- Recommendation: Council adopt, on second reading, by title only, a Draft Ordinance amending Title 6, Chapter 4 (Solid Waste Collection) in its entirety in conformity with Assembly Bills 939, 341, 1826, and Senate Bill 1383. [City Manager]

**3. Budget Amendment to Advance Funding for Street and Storm Drain Maintenance District No. 2 (Las Lomas) Pavement Management**

- Fiscal Impact: None.
- Recommendation: Council authorize the Director of Administrative Services to amend the current Fiscal Years 2021-2023 Budget to advance \$374,000 from Fiscal Year 2022/2023 to Fiscal Year 2021/2022 for Street and Storm Drain Maintenance District No. 2 (Las Lomas) Pavement Management. [Public Works]

**4. Disposal of Assets – Fire Radios**

- Fiscal Impact: Authorizing the donation of 8 radios to Templeton Fire Department and 12 radios to Morro Bay Fire Department will not incur any new expenses. However, disposal of the radios through donation versus sales has a book value loss of about \$13,000.
- Recommendation: Council authorize the Fire Chief to allocate surplus used hand-held radios to Templeton Fire Department and Morro Bay Fire Department. [Fire Department]

**UPDATES FROM THE CITY MANAGER:** (The City Manager will give an oral report on any current issues of concern to the City Council.)

**COMMUNITY FORUM:** (This portion of the meeting is reserved for persons wanting to address the Council on any matter not on this agenda and over which the Council has jurisdiction. Speakers are limited to three minutes. Please state your name for the record before making your presentation. Comments made during Community Forum will not be a subject of discussion. A maximum of 30 minutes will be allowed for Community Forum, unless changed by the Council. Comments will be allowed for the entire 30-minute period so if the final speaker has finished before the 30 minute period has ended and a member of the public wishes to make a comment after the Council has commenced another item, the member should alert the Clerk within the 30 minute period of their desire to make a comment and the Council will take up that comment upon completion of the item which was commenced. Any members of the public who have questions or need information may contact the City Clerk's Office, between the hours of 8:30 a.m. and 5:00 p.m. at (805) 470-3400, or [cityclerk@atascadero.org](mailto:cityclerk@atascadero.org).)

**B. PUBLIC HEARINGS:**

**1. 2022 Community Development Block Grant Funding Recommendations**

- Fiscal Impact: Approval of Atascadero's total 2022 CDBG allocation would result in the estimated revenue and expenditure of \$139,465 of CDBG funds.
- Recommendation: Council review and approve funding recommendations for the 2022 Community Development Block Grant (CDBG) program, as detailed in the staff report, and authorize staff to adjust final award amounts proportionately upon receipt of the final funding amount. [Public Works]

**2. SB 1383 – MWELo and CALGreen Requirements**

- Fiscal Impact: None.
- Recommendation: Council introduce for first reading, by title only, a Draft Ordinance amending Title 8, (Building Code) Chapter 8 and Chapter 10 of the Atascadero Municipal Code, to implement CALGreen requirements for covered projects and Chapter 10 to establish water efficient landscape and irrigation requirements in compliance with Senate Bill 1383. [City Manager]

**C. MANAGEMENT REPORTS:**

**1. Proposed Sewer Service Rate Increase**

- Fiscal Impact: Administering the Proposition 218 process will cost approximately \$5,000. If approved the rate increase will generate an estimated \$650,000 in additional sewer service charge revenue.
- Recommendations: Council:
  1. Direct staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all property owners connected to the municipal sanitary sewer system.
  2. Set a Public Hearing on May 10, 2022 for the City Council's consideration of the proposed wastewater rate increases. [Public Works]

## **2. Virtual Meetings – AB 361 Requirements**

- Fiscal Impact: None.
- Recommendation: Council adopt Draft Resolution making findings consistent with the requirements of AB 361 to continue to allow for the conduct of virtual meetings. [City Manager]

### **D. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS:** (On their own initiative, Council Members may make a brief announcement or a brief report on their own activities. The following represent standing committees. Informative status reports will be given, as felt necessary):

#### Mayor Moreno

1. City Selection Committee
2. County Mayors Round Table
3. Regional Economic Action Coalition (REACH)
4. SLO Council of Governments (SLOCOG)
5. SLO Regional Transit Authority (RTA)

#### Mayor Pro Tem Newsom

1. City / Schools Committee
2. Design Review Committee
3. League of California Cities – Council Liaison
4. Visit SLO CAL Advisory Committee

#### Council Member Bourbeau

1. City of Atascadero Finance Committee
2. City / Schools Committee
3. Integrated Waste Management Authority (IWMA)
4. SLO County Water Resources Advisory Committee (WRAC)

#### Council Member Dariz

1. Air Pollution Control District
2. California Joint Powers Insurance Authority (CJPIA) Board
3. City of Atascadero Finance Committee

#### Council Member Funk

1. Atascadero Basin Ground Water Sustainability Agency (GSA)
2. Design Review Committee
3. Homeless Services Oversight Council

### **E. INDIVIDUAL DETERMINATION AND / OR ACTION:** (Council Members may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda. The Council may take action on items listed on the Agenda.)

1. City Council
2. City Clerk
3. City Treasurer
4. City Attorney
5. City Manager

## **ADJOURN**

**Please note:** Should anyone challenge any proposed development entitlement listed on this Agenda in court, that person may be limited to raising those issues addressed at the public hearing described in this notice, or in written correspondence delivered to the City Council at or prior to this public hearing. Correspondence submitted at this public hearing will be distributed to the Council and available for review in the City Clerk's office.



# CITY OF ATASCADERO CITY COUNCIL

## DRAFT MINUTES

Tuesday, February 22, 2022

City Hall Council Chambers, 4th floor  
6500 Palma Avenue, Atascadero, California

City Council Regular Session:

6:00 P.M.

### REGULAR SESSION – CALL TO ORDER: 6:00 P.M.

Mayor Moreno called the meeting to order at 6:00 p.m. and Council Member Funk led the Pledge of Allegiance.

### ROLL CALL:

Present: **By Teleconference** - Council Members Bourbeau, Dariz and Funk, Mayor Pro Tem Newsom, and Mayor Moreno

Absent: None

Others Present: None

Staff Present: **By Teleconference** – City Manager Rachelle Rickard, Administrative Services Director Jeri Rangel, Community Development Director Phil Dunsmore, Fire Chief Casey Bryson, Police Chief Bob Masterson, Public Works Director Nick DeBar, City Attorney Brian Pierik, Deputy City Manager/City Clerk Lara Christensen, and IT Manager Luke Knight

### APPROVAL OF AGENDA:

- MOTION:** **By Council Member Bourbeau and seconded by Council Member Funk to:**
1. Approve this agenda; and,
  2. Waive the reading in full of all ordinances appearing on this agenda, and the titles of the ordinances will be read aloud by the City Clerk at the first reading, after the motion and before the City Council votes.

***Motion passed 5:0 by a roll-call vote.***

## CLOSED SESSION – REPORT (IF ANY)

### a. February 8, 2022

City Attorney Pierik reported that there was no reportable action from Closed Session on February 8, 2022.

### b. February 16, 2022

This meeting was cancelled.

## PRESENTATIONS:

### 1. Employee Recognition

A pre-recorded presentation of Employee Recognition Awards was shown during the City Council Meeting. City Manager Rickard presented the following employees with Service Awards:

- **20 Years:** Alan Baker, Charles Paddock Zoo Director  
Matt Miranda, Fire Battalion Chief  
David Muehlhausen, Deputy Comm. Dev. Dir. & Chief Building Official

### 2. Proclamation recognizing the 100-year anniversary of Fire & Emergency Services in Atascadero

The City Council presented a proclamation to Chief Casey Bryson.

Zach Jackson, Atascadero Firefighters Association President, thanked the City Council for the proclamation.

**A. CONSENT CALENDAR:** (All items on the consent calendar are considered to be routine and non-controversial by City staff and will be approved by one motion if no member of the Council or public wishes to comment or ask questions. If comment or discussion is desired by anyone, the item will be removed from the Consent Calendar and will be considered in the listed sequence with an opportunity for any member of the public to address the Council concerning the item before action is taken.)

#### 1. City Council Draft Action Minutes – January 28, 2022 & February 8, 2022

- Recommendation: Council approve the January 28, 2022 Draft City Council Special Meeting Minutes, the January 28, 2022 Draft City Council Joint Special Meeting Minutes & the February 8, 2022 Draft City Council Regular Meeting Minutes. [City Clerk]

#### 2. January 2022 Accounts Payable and Payroll

- Fiscal Impact: \$2,691,925.33
- Recommendation: Council approve certified City accounts payable, payroll and payroll vendor checks for January 2022. [Administrative Services]



### 3. **Community Choice Aggregation**

- **Fiscal Impact:** There is a \$6,000 fee for the administrative filing. Any potential rate savings provided by 3CE would apply to the City as well as residential and commercial customers. Actual cost savings are unknown at this time.
- **Recommendation:** Council adopt, on second reading, a Draft Ordinance authorizing the implementation of a community choice aggregation program in the City of Atascadero through participation in 3CE's community choice aggregation program. [City Manager]

**MOTION: By Council Member Funk and seconded by Mayor Pro Tem Newsom to approve the Consent Calendar. (#A-3: Ordinance No. 652)**  
***Motion passed 5:0 by a roll-call vote.***

#### **UPDATES FROM THE CITY MANAGER:**

City Manager Rachelle Rickard gave an update on projects and issues within the City.

#### **COMMUNITY FORUM:**

The following citizens spoke by telephone or through the webinar on this item: None

***Mayor Moreno closed the COMMUNITY FORUM period.***

#### **B. PUBLIC HEARINGS:**

##### **1. Ratification of Approval of Hazardous Tree Removal**

- **Fiscal Impact:** Costs to the City to assist with the replanting of a replacement native oak tree will be a maximum of \$3,500.
- **Recommendations:** Council:
  1. Adopt Draft Resolution ratifying staff's approval of the removal of one, 55-inch DBH, hazardous Heritage Coast Live Oak previously located at 5955 East Mall, subject to conditions of approval and mitigation, including replanting on site; and
  2. Authorize the Director of Administrative Services to use Tree Plant Funds to reimburse the property owner up for select costs incurred towards the stump removal and replanting of one Coast Live Oak in accordance with Condition #6. [Community Development]

Community Development Director Dunsmore gave the report and answered questions from the Council.

#### **PUBLIC COMMENT:**

The following citizens spoke by telephone or through the webinar on this item: None

***Mayor Moreno closed the Public Comment period.***

**MOTION:** By Council Member Bourbeau and seconded by Mayor Pro Tem Newsom to:

1. Adopt Resolution No. 2022-002 ratifying staff's approval of the removal of one, 55-inch DBH, hazardous Heritage Coast Live Oak previously located at 5955 East Mall, subject to conditions of approval and mitigation, including replanting on site.
2. Authorize the Director of Administrative Services to use Tree Plant Funds to reimburse the property owner up for select costs incurred towards the stump removal and replanting of one Coast Live Oak in accordance with Condition #6.

*Motion passed 5:0 by a roll-call vote.*

**C. MANAGEMENT REPORTS:**

**1. SB 1383 – New Solid Waste Requirements**

- Fiscal Impact: None. SB 1383 Regulations call for multiple changes to collection, monitoring, education, purchasing, and reporting that will lead to an increase to the City's solid waste rates.
- Recommendations: Council:
  1. Introduce for first reading, by title only, a Draft Ordinance amending Title 6, Chapter 4 (Solid Waste Collection) in its entirety in conformity with Assembly Bills 939, 341, 1826, and Senate Bill 1383.
  2. Adopt a Draft Resolution authorizing the submittal, to CalRecycle, of a notification of intent to comply with the requirements of Senate Bill 1383 and to secure administrative civil penalty relief under the provisions of Senate Bill 619. [City Manager]

Deputy City Manager Christensen gave the report and answered questions from the Council.

**PUBLIC COMMENT:**

The following citizens spoke by telephone or through the webinar on this item: Liz Gomez and Geoff Auslen

*Mayor Moreno closed the Public Comment period.*

**MOTION:** By Council Member Bourbeau and seconded by Council Member Dariz to:

1. Introduce for first reading, by title only, a Draft Ordinance amending Title 6, Chapter 4 (Solid Waste Collection) in its entirety in conformity with Assembly Bills 939, 341, 1826, and Senate Bill 1383 with the following revisions to Section 6-4.102 (Definitions):
  - Delete the word **tires** from (c) "Bulky Items"
  - Edit the third paragraph of (eee) "Recyclable Materials" to read, *Recyclable Materials shall include, but not be limited to, newspaper, aluminum, tin and bi-metal cans, clear and colored glass containers, plastic containers, corrugated*

cardboard, ~~mixed paper (including white and colored ledger paper, chipboard, junk mail, magazines and phone books)~~ Paper Products, Printing and Writing Papers, and motor oil and filters (which shall be collected separate from the Recycling Container).

- Add a new definition as (cccc) "Yard Trimmings" means those Discarded Materials that will decompose and/or putrefy, including, but not limited to, green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood. Yard Trimmings does not include items herein defined as Excluded Waste. Yard Trimmings are a subset of Organic Materials. Acceptable Yard Trimmings may be added to or removed from this list from time to time by mutual consent or at the sole discretion of the City.
2. Adopt Resolution No. 2022-005 authorizing the submittal, to CalRecycle, of a notification of intent to comply with the requirements of Senate Bill 1383 and to secure administrative civil penalty relief under the provisions of Senate Bill 619.

Deputy City Manager/City Clerk Christensen read the title of the Ordinance:

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AMENDING IN ITS ENTIRETY TITLE 6, CHAPTER 4 (SOLID WASTE COLLECTION), OF THE ATASCADERO MUNICIPAL CODE IN CONFORMANCE WITH ASSEMBLY BILLS 939, 341, 1826, AND SENATE BILL 1383.**

*Motion passed 5:0 by a roll-call vote.*

#### **D. COUNCIL ANNOUNCEMENTS AND COMMITTEE REPORTS:**

The following Council Members made brief announcements and gave brief update reports on their committees since their last Council meeting:

Council Member Funk

1. Homeless Services Oversight Council

#### **E. INDIVIDUAL DETERMINATION AND / OR ACTION:**

Mayor Moreno and the rest of the Council wished Deputy City Manager Christensen a Happy Birthday.

#### **F. ADJOURN**

Mayor Moreno adjourned the Meeting at 7:41 p.m.

**MINUTES PREPARED BY:**

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Lara K. Christensen  
City Clerk

**APPROVED:**



# ***Atascadero City Council***

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## ***Staff Report – City Manager’s Office***

### **SB 1383 – New Solid Waste Requirements**

#### **RECOMMENDATION:**

Council adopt, on second reading, by title only, a Draft Ordinance amending Title 6, Chapter 4 (Solid Waste Collection) in its entirety in conformity with Assembly Bills 939, 341, 1826, and Senate Bill 1383.

#### **DISCUSSION:**

In September 2016, Governor Brown signed into law Senate Bill 1383 (SB 1383) establishing methane reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants (SLCP). The State’s SLCP strategy includes managing the presence of methane emissions caused by organic waste.

SB 1383 is the most significant change to solid waste regulations in California in 30 years and requires cities, counties, and special districts to implement organic waste diversion programs to reduce emissions of methane gas. These programs must include providing organic waste collection services to businesses and residences, edible food recovery, public education and outreach, contamination monitoring and sampling activities, recordkeeping and reporting, infrastructure capacity planning, procurement of recovered organic waste products, and enforcement.

As part of SB 1383 compliance, the City is required to update the municipal code to align with the legislative mandates of SB 1383. At the February 22, 2022 Council Meeting, the attached Draft Ordinance was introduced for first reading, on a 5:0 vote, and is before the Council for final approval tonight. Some of the changes to the Municipal Code include: an updated list of definitions, collection and processing requirements for organics and recyclables, contamination monitoring provisions, facility standards, approval of collection waivers, edible food generator and food recovery organization compliance, and enforcement provisions. The proposed ordinance is consistent with all other cities in San Luis Obispo County.

#### **FISCAL IMPACT:**

None. SB 1383 Regulations call for multiple changes to collection, monitoring, education, purchasing, and reporting that will lead to an increase to the City’s solid waste rates. While

the factors contributing to a rate increase are known, the amount of such an increase is unknown at this time and will be determined upon implementation of the new IWMA fee and the finalized contract with Waste Management. Even with heavy reliance on both the IWMA and Waste Management for SB 1383 compliance, additional staff time will be required. The compliance workload requirements for staff are currently being assessed.

**ATTACHMENT:**

Draft Ordinance

**DRAFT ORDINANCE**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AMENDING IN ITS ENTIRETY TITLE 6, CHAPTER 4 (SOLID WASTE COLLECTION), OF THE ATASCADERO MUNICIPAL CODE IN COMFORMITY WITH ASSEMBLY BILLS 939, 341, 1826 AND SENATE BILL 1383**

**WHEREAS**, State recycling law, Assembly Bill 939 of 1989, the California Integrated Waste Management Act of 1989 (California Public Resources Code Section 40000, et seq., as amended, supplemented, superseded, and replaced from time to time), requires cities and counties to reduce, reuse, and recycle (including composting) solid waste, recyclable materials, and organic materials generated in their City to the maximum extent feasible before any incineration or landfill disposal of waste, to conserve water, energy, and other natural resources, and to protect the environment; and

**WHEREAS**, State recycling law, Assembly Bill 341 of 2011 (approved by the Governor of the State of California on October 5, 2011, which amended Sections 41730, 41731, 41734, 41735, 41736, 41800, 42926, 44004, and 50001 of, and added Sections 40004, 41734.5, and 41780.01 and Chapter 12.8 (commencing with Section 42649) to Part 3 of Division 30 of, and added and repealed Section 41780.02 of, the Public Resources Code, as amended, supplemented, superseded and replaced from time to time), places requirements on Commercial Businesses and Multi-Family Premises that generate a specified threshold amount of Solid Waste to arrange for recycling services and requires jurisdictions to implement a mandatory Commercial recycling program; and

**WHEREAS**, State Organics Materials recycling law, Assembly Bill 1826 of 2014 (approved by the Governor of the State of California on September 28, 2014, which added Chapter 12.9 (commencing with Section 42649.8) to Part 3 of Division 30 of the Public Resources Code, relating to Solid Waste, as amended, supplemented, superseded, and replaced from time to time), requires Commercial Businesses and Multi-Family Premises that generate a specified threshold amount of Solid Waste, Recyclable Materials, and Organic Materials per week to arrange for recycling services for that waste, requires jurisdictions to implement a recycling program to divert Organic Materials from Commercial Businesses and Multi-Family Premises subject to the law, and requires jurisdictions to implement a mandatory Commercial Organic Materials recycling program; and

**WHEREAS**, In September 2016, Governor Brown signed into law Senate Bill 1383 (SB 1383) establishing methane reduction targets in an effort to curb the presence of methane emissions caused by organic waste; and

**WHEREAS**, SB 1383, the Short-lived Climate Pollutant Reduction Act of 2016, requires CalRecycle to develop regulations to reduce Organic Waste in landfills as a source of methane. The regulations place requirements on multiple entities including local governments, residential households, Multi-Family Premises, Commercial Businesses, Commercial Edible Food Generators, haulers, Self-Haulers, Food Recovery Organizations, and Food Recovery Services to support achievement of the SB 1383 statewide Organic Waste disposal reduction targets; and

**WHEREAS**, SB 1383, the Short-lived Climate Pollutant Reduction Act of 2016, requires jurisdictions to adopt and enforce an ordinance or enforceable mechanism to implement relevant provisions of SB 1383 Regulations; and

**WHEREAS**, adoption of an ordinance as required by SB 1383 will also help reduce food insecurity by requiring Commercial Edible Food Generators to arrange to have the maximum amount of their Edible Food, that would otherwise be disposed, be recovered for human consumption; and

**WHEREAS**, CalRecycle finalized regulations to achieve goals set forth by SB 1383 in November 2020; and

**WHEREAS**, SB 1383 became effective on January 1, 2022, and local jurisdictions are required to amend their Municipal Code to enact regulations set forth in SB 1383 and provide a copy of the adopted ordinance to CalRecycle by April 1, 2022.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATASCADERO HEREBY ORDAINS AS FOLLOWS:**

**SECTION 1. Recitals:** The above recitals are true and correct.

**SECTION 2. Determination.** The City Council has determined that Title 6, Chapter 4 be amended in its entirety, as set forth in Exhibit “A” of this Ordinance, attached hereto and incorporated herein by reference.

**SECTION 3. CEQA.** The proposed Title 6 amendment is exempt from the California Environmental Quality Act (CEQA), Public Resources Code Section 21000 et seq., because it can be seen with certainty that there is no possibility that the enactment of this Ordinance would have a significant effect on the environment (Pub. Resources Code § 21065; CEQA Guidelines §§ 15378(b)(4), 15061(b)(3).

**SECTION 4. Interpretation.** This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council’s intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

**SECTION 5. Preservation.** Repeal of any provision of the AMC or of any previous Code Sections, does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance’s effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

**SECTION 6. Effect of Invalidation.** If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the AMC or other City Ordinance by this Ordinance will be rendered void and cause such previous AMC provision or other City Ordinance to remain in full force and effect for all purposes.



**SECTION 7. Severability.** If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

**SECTION 8. Notice.** The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Atascadero’s book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

**SECTION 9. Effective Date.** This Ordinance will take effect on the 30th day following its final passage and adoption.

**INTRODUCED** at a regular meeting of the City Council held on February 22, 2022, and **PASSED, APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on \_\_\_\_\_, 2022.

CITY OF ATASCADERO

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:

\_\_\_\_\_  
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian A. Pierik, City Attorney

## **Title 6 PUBLIC SAFETY**

### **Chapter 4 SOLID WASTE, RECYCLING, AND MANDATORY ORGANIC WASTE DISPOSAL REDUCTION**

#### **6-4.101 Title**

#### **6-4.102 Definitions**

#### **6-4.103 Solid Waste, Recyclables, and Organic Waste Storage**

#### **6-4.104 Requirements for Single-Family Premises**

#### **6-4.105 Requirements for Multi-Family Residential Dwellings**

#### **6-4.106 Requirements for Commercial Businesses**

#### **6-4.107 Agricultural Byproducts and Exemptions**

#### **6-4.108 Waivers for Vacation Rentals, Multi-Family Premises, and Commercial Premises**

#### **6-4.109 Requirements for Commercial Edible Food Generators**

#### **6-4.110 Requirements for Food Recovery Organizations and Services**

#### **6-4.111 Requirements for Haulers and Facility Operators**

#### **6-4.112 Self-Hauler Requirements**

#### **6-4.113 Scavenging, Unlawful Dumping, and Public Nuisances Prohibited**

#### **6-4.114 Inspections and Investigations**

#### **6-4.115 Enforcement**

#### **6-4.101 Title.**

This chapter shall be entitled “Solid Waste, Recycling, and Mandatory Organic Waste Disposal Reduction”.

#### **6-4.102 Definitions.**

As used in this chapter, the following words and phrases shall have the meaning ascribed to them in Government Code, commencing with Sections 66710 and 68010, or Health and Safety Code, commencing with Section 25110, or Title 14 California Administrative Code, commencing with Section 17725 unless from the context a different meaning is clearly apparent:

- (a) “Alternative Daily Cover (ADC)” has the same meaning as in Section 20690 of Title 27 of the California Code of Regulations.
- (b) “Alternative Intermediate Cover (AIC)” has the same meaning as in Section 20700 of Title 27 of the California Code of Regulations.
- (c) “Bulky Items” means discarded appliances (including refrigerators), furniture, ~~tires~~, carpets, mattresses, Yard Trimmings and/or wood waste, and similar large items which can be handled by two (2) people, weigh no more than two hundred (200) pounds, and require special collection due to their size or nature, but can be collected without the assistance of special loading equipment (such as forklifts or cranes) and without violating vehicle load limits. Bulky Items must be generated by the customer and at the service address wherein the Bulky Items are collected. Bulky Items do not include abandoned automobiles, large auto parts, trees, construction and demolition debris, or items herein defined as Excluded Waste.

- (d) “CalRecycle” means California's Department of Resources Recycling and Recovery, which is the Department designated with responsibility for developing, implementing, and enforcing SB 1383 Regulations on jurisdictions (and others).
- (e) “California Code of Regulations” or “CCR” means the State of California Code of Regulations. CCR references in this chapter are preceded with a number that refers to the relevant Title of the CCR (e.g., “14 CCR” refers to Title 14 of CCR).
- (f) “City” means the City of Atascadero, a municipal corporation acting through its City Council, and all the territory lying within the municipal boundaries of the City.
- (g) “City Enforcement Official” means the City Manager or other executive in charge, or their designee who is/are partially or fully responsible for enforcing this chapter.
- (h) “Council” means the City of Atascadero City Council.
- (i) “Commercial Business” or “Commercial” means a firm, partnership, proprietorship, joint-stock company, corporation, or association, whether for-profit or nonprofit, strip mall, or industrial facility.
- (j) “Commercial Edible Food Generator” includes a Tier One or a Tier Two Commercial Edible Food Generator as defined in this Section 6-4.102 or as otherwise defined in 14 CCR Section 18982(a)(73) and (a)(74). For the purposes of this definition, Food Recovery Organizations and Food Recovery Services are not Commercial Edible Food Generators pursuant to 14 CCR Section 18982(a)(7).
- (k) “Community Composting” means any activity that Composts green material, agricultural material, food material, and vegetative food material, alone or in combination, and the total amount of feedstock and Compost on-site at any one time does not exceed 100 cubic yards and 750 square feet, as specified in 14 CCR Section 17855(a)(4); or, as otherwise defined by 14 CCR Section 18982(a)(8).
- (l) “Compliance Review” means a review of records by a City to determine compliance with this chapter.
- (m) “Compost” has the same meaning as in 14 CCR Section 17896.2(a)(4), (or any variation thereof) includes a controlled biological decomposition of Organic Materials yielding a safe and nuisance free Compost product.
- (n) “Contractor” includes and means a person or entity to whom the City has granted the privilege of collecting and disposing of solid waste, recyclable materials, and organic materials produced within the limits of the City under the terms set out in this chapter, and under the provisions of the contract agreement, organized and operating under the laws of the State and its officers, directors, employees, agents, companies, related-parties, affiliates, subsidiaries, and subcontractors.
- (o) “Customer” means the Person whom Contractor submits its billing invoice to and collects payment from for Collection services provided to a Premises. The Customer may be either the Occupant or Owner of the Premises.

- (p) “C&D” means construction and demolition debris.
- (q) “Debris box” or “roll-off container” means any ten (10) to forty (40) cubic yard container, or any compactor provided by a solid waste generator, placed in the public right-of-way, on city property, private property, or elsewhere in the service area, which is procured by a solid waste generator for their use in the collection of their solid waste. Debris boxes/roll-off containers are serviced by means of lifting the entire container, including all contents, onto a designated collection vehicle.
- (r) “Designated Waste” means non-Hazardous Waste which may pose special Disposal problems because of its potential to contaminate the environment, and which may be Disposed of only in Class II Disposal sites or Class III Disposal sites pursuant to a variance issued by the California Department of Health Services. Designated Waste consists of those substances classified as Designated Waste by the State, in California Code of Regulations Title 23, Section 2522 as may be amended from time to time.
- (s) “Designee” means an entity that a City contracts with or otherwise arranges to carry out any of the City’s responsibilities of this chapter as authorized in 14 CCR Section 18981.2. A Designee may be a government entity, a hauler, a private entity, or a combination of those entities.
- (t) “Discarded Materials” means Recyclable Materials, Organic Materials, and Solid Waste placed by a Generator in a collection container and/or at a location for the purposes of collection excluding Excluded Waste.
- (u) “Edible Food” means food intended for human consumption, or as otherwise defined in 14 CCR Section 18982(a)(18). For the purposes of this chapter or as otherwise defined in 14 CCR Section 18982(a)(18), “Edible Food” is not Solid Waste if it is recovered and not discarded. Nothing in this chapter or in 14 CCR, Division 7, Chapter 12 requires or authorizes the Recovery of Edible Food that does not meet the food safety requirements of the California Health and Safety Code, including the California Retail Food Code.
- (v) “Enforcement Action” means an action of the City to address non-compliance with this chapter including, but not limited to, issuing administrative citations, fines, penalties, or using other remedies.
- (w) “Excluded Waste” means Hazardous Substance, Hazardous Waste, Infectious Waste, Designated Waste, volatile, corrosive, medical waste, infectious, regulated radioactive waste, and toxic substances or material that facility operator(s), which receive materials from the City and its Generators, reasonably believe(s) would, as a result of or upon acceptance, transfer, processing, or disposal, be a violation of local, State, or Federal law, regulation, or this chapter, including: land use restrictions or conditions, waste that cannot be disposed of in Class III landfills or accepted at the facility by permit conditions, waste that in City, or its Designee’s reasonable opinion would present a significant risk to human health or the environment, cause a nuisance or otherwise create or expose City, or its Designee, to potential liability; but not including de minimis volumes or concentrations of waste of a type and amount normally found in Single-Family or Multi-Family Solid Waste after implementation of programs for the safe collection, processing, recycling, treatment,

and disposal of batteries and paint in compliance with Sections 41500 and 41802 of the California Public Resources Code.

- (x) “Food Distributor” means a company that distributes food to entities including, but not limited to, Supermarkets and Grocery Stores, or as otherwise defined in 14 CCR Section 18982(a)(22).
- (y) “Food Facility” has the same meaning as in Section 113789 of the Health and Safety Code.
- (z) “Food Recovery” means actions to collect and distribute food for human consumption that otherwise would be disposed, or as otherwise defined in 14 CCR Section 18982(a)(24).
- (aa) “Food Recovery Organization” means an entity that engages in the collection or receipt of Edible Food from Commercial Edible Food Generators and distributes that Edible Food to the public for Food Recovery either directly or through other entities or as otherwise defined in 14 CCR Section 18982(a)(25), including, but not limited to:
  - (1) A food bank as defined in Section 113783 of the Health and Safety Code;
  - (2) A nonprofit charitable organization as defined in Section 113841 of the Health and Safety code; and,
  - (3) A nonprofit charitable temporary Food Facility as defined in Section 113842 of the Health and Safety Code.

A Food Recovery Organization is not a Commercial Edible Food Generator for the purposes of this chapter and implementation of 14 CCR, Division 7, Chapter 12 pursuant to 14 CCR Section 18982(a)(7).

If the definition in 14 CCR Section 18982(a)(25) for Food Recovery Organization differs from this definition, the definition in 14 CCR Section 18982(a)(25) shall apply to this chapter.

- (bb) “Food Recovery Service” means a person or entity that collects and transports Edible Food from a Commercial Edible Food Generator to a Food Recovery Organization or other entities for Food Recovery, or as otherwise defined in 14 CCR Section 18982(a)(26). A Food Recovery Service is not a Commercial Edible Food Generator for the purposes of this chapter and implementation of 14 CCR, Division 7, Chapter 12 pursuant to 14 CCR Section 18982(a)(7).
- (cc) “Food Scraps” means those Discarded Materials that will decompose and/or putrefy including: (i) all kitchen and table Food Waste; (ii) animal or vegetable waste that is generated during or results from the storage, preparation, cooking or handling of food stuffs; (iii) fruit waste, grain waste, dairy waste, meat, and fish waste; and, (iv) vegetable trimmings, houseplant trimmings and other Compostable Organic Waste common to the occupancy of Residential dwellings. Food Scraps are a subset of Food Waste. Food Scraps excludes fats, oils, and grease when such materials are Source Separated from other Food Scraps.

- (dd) “Food Service Provider” means an entity primarily engaged in providing food services to institutional, governmental, Commercial, or industrial locations of others based on contractual arrangements with these types of organizations, or as otherwise defined in 14 CCR Section 18982(a)(27).
- (ee) “Food-Soiled Paper” is compostable paper material that has come in contact with Food Scraps or liquid, such as, but not limited to, compostable paper plates, napkins, and pizza boxes.
- (ff) “Food Waste” means Source Separated Food Scraps and Food-Soiled Paper.
- (gg) “Generator” means a person or entity that is responsible for the initial creation of one or more types of Discarded Materials.
- (hh) “Grocery Store” means a store primarily engaged in the retail sale of canned food; dry goods; fresh fruits and vegetables; fresh meats, fish, and poultry; and any area that is not separately owned within the store where the food is prepared and served, including a bakery, deli, and meat and seafood departments, or as otherwise defined in 14 CCR Section 18982(a)(30).
- (ii) “Hauler” means any person engaged in the collection, transportation or consolidation for transportation of Solid Waste, Recyclable Materials, or Organic Materials in the City, including those authorized collectors who engage in any such activities pursuant to an agreement, permit or license issued by the City, known herein as the Contractor, as well as self-haulers and the providers of temporary rental services of debris boxes or roll-off containers who operate in compliance with this Chapter.
- (jj) “Hauler Route” means the designated itinerary or sequence of stops for each segment of the City’s collection service area, or as otherwise defined in 14 CCR Section 18982(a)(31.5).
- (kk) “Hazardous Substance” means any of the following: (a) any substances defined, regulated or listed (directly or by reference) as "Hazardous Substances", "hazardous materials", "Hazardous Wastes", "toxic waste", "pollutant", or "toxic substances", or similarly identified as hazardous to human health or the environment, in or pursuant to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980, 42 USC §9601 et seq. (CERCLA); (ii) the Hazardous Materials Transportation Act, 49 USC §1802, et seq.; (iii) the Resource Conservation and Recovery Act, 42 USC §6901 et seq.; (iv) the Clean Water Act, 33 USC §1251 et seq.; (v) California Health and Safety Code §§25115-25117, 25249.8, 25281, and 25316; (vi) the Clean Air Act, 42 USC §7901 et seq.; and, (vii) California Water Code §13050; (b) any amendments, rules or regulations promulgated thereunder to such enumerated statutes or acts currently existing or hereafter enacted; and, (c) any other hazardous or toxic substance, material, chemical, waste or pollutant identified as hazardous or toxic or regulated under any other Applicable Law currently existing or hereinafter enacted, including, without limitation, friable asbestos, polychlorinated biphenyl’s (PCBs), petroleum, natural gas, and synthetic fuel products, and by-products.

- (ll) “Hazardous Waste” means all substances defined as Hazardous Waste, acutely Hazardous Waste, or extremely Hazardous Waste by the State in Health and Safety Code §25110.02, §25115, and §25117 or in the future amendments to or recodifications of such statutes or identified and listed as solar panels from residential premises, and Hazardous Waste by the U.S. Environmental Protection Agency (EPA), pursuant to the Federal Resource Conservation and Recovery Act (42 USC §6901 et seq.), all future amendments thereto, and all rules and regulations promulgated thereunder.
- (mm) “High Diversion Organic Waste Processing Facility” means a facility that is in compliance with the reporting requirements of 14 CCR Section 18815.5(d) and meets or exceeds an annual average Mixed Waste organic content Recovery rate of 50 percent between January 1, 2022 and December 31, 2024, and 75 percent after January 1, 2025, as calculated pursuant to 14 CCR Section 18815.5(e) for Organic Waste received from the “Mixed waste organic collection stream” as defined in 14 CCR Section 17402(a)(11.5); or, as otherwise defined in 14 CCR Section 18982(a)(33).
- (nn) “Infectious Waste” means (a) equipment, instruments, utensils and other fomites of a disposable nature from the rooms of patients who are suspected to have or have been diagnosed as having a communicable disease and must, therefore, be isolated as required by public health agencies; (b) laboratory wastes, including pathological specimens (i.e., all tissues, specimens of blood elements, excreta and secretions obtained from patients or laboratory animals) and disposable fomites (any substance that may harbor or transmit pathogenic organisms) attendant thereto; and/or (c) surgical operating room pathologic specimens - including recognizable anatomical parts, human tissue, anatomical human remains and disposable materials from hospitals, clinics, outpatient areas, and emergency rooms, as defined in 14 CCR Section 17225.36.
- (oo) “Inspection” means a site visit where a City reviews records, containers, and an entity’s collection, handling, recycling, or landfill disposal of Recyclable Materials, Organic Waste, Solid Waste, or Edible Food handling to determine if the entity is complying with requirements set forth in this chapter, or as otherwise defined in 14 CCR Section 18982(a)(35).
- (pp) “Large Event” means an event, including, but not limited to, a sporting event or a flea market, that charges an admission price, or is operated by a local agency, and serves an average of more than 2,000 individuals per day of operation of the event, at a location that includes, but is not limited to, a public, nonprofit, or privately owned park, parking lot, golf course, street system, or other open space when being used for an event. If the definition in 14 CCR Section 18982(a)(38) differs from this definition, the definition in 14 CCR Section 18982(a)(38) shall apply to this chapter.
- (qq) “Large Venue” means a permanent venue facility that annually seats or serves an average of more than 2,000 individuals within the grounds of the facility per day of operation of the venue facility. For purposes of this chapter and implementation of 14 CCR, Division 7, Chapter 12, a venue facility includes, but is not limited to, a public, nonprofit, or privately owned or operated stadium, amphitheater, arena, hall, amusement park, conference or civic center, zoo, aquarium, airport, racetrack, horse track, performing arts center, fairground, museum, theater, or other public attraction facility. For purposes of this chapter and implementation of 14 CCR, Division 7, Chapter 12, a site under common

ownership or control that includes more than one Large Venue that is contiguous with other Large Venues in the site, is a single Large Venue. If the definition in 14 CCR Section 18982(a)(39) differs from this definition, the definition in 14 CCR Section 18982(a)(39) shall apply to this chapter.

- (rr) “Local Education Agency” means a school district, charter school, or county office of education that is not subject to the control of city or county regulations related to solid waste, recyclable materials, and organic materials, or as otherwise defined in 14 CCR Section 18982(a)(40).
- (ss) “Multi-Family Residential Dwelling” or “Multi-Family” or “MFD” means of, from, or pertaining to residential Premises with five (5) or more dwelling units including such Premises when combined in the same building with Commercial establishments, that receive centralized, shared, Collection service for all units on the Premises which are billed to one (1) Customer at one (1) address. Customers residing in Townhouses, mobile homes, condominiums, or other structures with five (5) or more dwelling units who receive individual service and are billed separately shall not be considered Multi-Family. Multi-Family Premises do not include hotels, motels, or other transient occupancy facilities, which are considered Commercial Businesses.
- (tt) “Notice of Violation (NOV)” means a notice that a violation has occurred that includes a compliance date to avoid an action to seek penalties, or as otherwise defined in 14 CCR Section 18982(a)(45) or further explained in 14 CCR Section 18995.4.
- (uu) “Occupant” means the Person who occupies a Premises.
- (vv) “Organic Materials” means Yard Trimmings and Food Waste, individually or collectively that are set aside, handled, packaged, or offered for collection in a manner different from Solid Waste for the purpose of processing. No Discarded Material shall be considered to be Organic Materials, however, unless it is separated from Recyclable Material and Solid Waste. Organic Materials are a subset of Organic Waste.
- (ww) “Organic Materials Container” shall be used for the purpose of storage and collection of Source Separated Organic Materials.
- (xx) “Organic Waste” means wastes containing material originated from living organisms and their metabolic waste products, including but not limited to food, green material, landscape and pruning waste, organic textiles and carpets, lumber, wood, Paper Products, Printing and Writing Paper, manure, biosolids, digestate, and sludges or as otherwise defined in 14 CCR Section 18982(a)(46). Biosolids and digestate are as defined by 14 CCR Section 18982(a).
- (yy) “Owner” means the Person(s) holding legal title to real property and/or any improvements thereon and shall include the Person(s) listed on the latest equalized assessment roll of the County Assessor.
- (zz) “Paper Products” include, but are not limited to, paper janitorial supplies, cartons, wrapping, packaging, file folders, hanging files, corrugated boxes, tissue, and toweling, or as otherwise defined in 14 CCR Section 18982(a)(51).



- (aaa) “Printing and Writing Papers” include, but are not limited to, copy, xerographic, watermark, cotton fiber, offset, forms, computer printout paper, white wove envelopes, manila envelopes, book paper, note pads, writing tablets, newsprint, and other uncoated writing papers, posters, index cards, calendars, brochures, reports, magazines, and publications, or as otherwise defined in 14 CCR Section 18982(a)(54).
- (bbb) “Premises” means and includes any land, building and/or structure, or portion thereof, in the City where Discarded Materials are produced, generated, or accumulated. All structures on the same legal parcel, which are owned by the same person shall be considered as one Premises.
- (ccc) “Prohibited Container Contaminants” means the following: (i) Discarded Materials placed in the Recyclable Materials Container that are not identified as acceptable Source Separated Recyclable Materials for the City’s Recyclable Materials Container; (ii) Discarded Materials placed in the Organic Materials Container that are not identified as acceptable Source Separated Organic Materials for the City’s Organic Materials Container; (iii) Discarded Materials placed in the Solid Waste Container that are acceptable Source Separated Recyclable Materials and/or Source Separated Organic Materials to be placed in City’s Organic Materials Container and/or Recyclable Materials Container; and, (iv) Excluded Waste placed in any container.
- (ddd) “Recovery” means any activity or process described in 14 CCR Section 18983.1(b), or as otherwise defined in 14 CCR Section 18982(a)(49).
- (eee) “Recyclable Materials” means those Discarded Materials that the Generators set out in Recyclables Containers for Collection for the purpose of Recycling by the Service Provider and that exclude Excluded Waste. No Discarded Materials shall be considered Recyclable Materials unless such material is separated from Organic Materials and Solid Waste. Recyclable Materials shall include, but not be limited to, newspaper, aluminum, tin and bi-metal cans, clear and colored glass containers, plastic containers, corrugated cardboard, ~~mixed paper (including white and colored ledger paper, chipboard, junk mail, magazines and phone books)~~ Paper Products, Printing and Writing Papers, and motor oil and filters (which shall be collected separate from the Recycling Container). For the purpose of collection of Recyclable Materials through contractor’s collection services, recyclable materials shall be limited to those materials identified by the collection contractor as acceptable recyclable materials.
- (fff) “Recyclable Materials Container” shall be used for the purpose of storage and collection of Source Separated Recyclable Materials.
- (ggg) “Recycled-Content Paper” means Paper Products and Printing and Writing Paper that consists of at least 30 percent, by fiber weight, postconsumer fiber, or as otherwise defined in 14 CCR Section 18982(a)(61).
- (hhh) “Residential” shall mean of, from, or pertaining to Single-Family Premises or Multi-Family Premises including Single-Family homes, apartments, condominiums, Townhouse complexes, mobile home parks, and cooperative apartments.

- (iii) “Responsible Party” means the Owner, property manager, tenant, lessee, Occupant, or other designee that subscribes to and pays for Recyclable Materials, Organic Materials, and/or Solid Waste collection services for a Premises in the City, or, if there is no such subscriber, the Owner or property manager of a Single-Family Premises, Multi-Family Premises, or Commercial Premises. In instances of dispute or uncertainty regarding who is the Responsible Party for a Premises, Responsible Party shall mean the Owner of a Single-Family Premises, Multi-Family Premises, or Commercial Premises.
- (jjj) “Restaurant” means an establishment primarily engaged in the retail sale of food and drinks for on-Premises or immediate consumption, or as otherwise defined in 14 CCR Section 18982(a)(64).
- (kkk) “Route Review” means a visual Inspection of containers along a Hauler Route for the purpose of determining Container Contamination and may include mechanical Inspection methods such as the use of cameras, or as otherwise defined in 14 CCR Section 18982(a)(65).
- (lll) “Rubble” includes and means all waste substances including garbage as well as combustible and noncombustible wastes. (Ord. 56 § 6-4.01, 1982)
- (mmm) “SB 1383” means Senate Bill 1383 of 2016 approved by the Governor on September 19, 2016, which added Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code, and added Chapter 13.1 (commencing with Section 42652) to Part 3 of Division 30 of the Public Resources Code, establishing methane emissions reduction targets in a Statewide effort to reduce emissions of short-lived climate pollutants as amended, supplemented, superseded, and replaced from time to time.(mmm)“SB 1383 Regulations” or “SB 1383 Regulatory” means or refers to, for the purposes of this chapter, the Short-Lived Climate Pollutants: Organic Waste Reduction regulations developed by CalRecycle and adopted in 2020 that created 14 CCR, Division 7, Chapter 12 and amended portions of regulations of 14 CCR and 27 CCR.
- (nnn) “Self-Haul” means to act as a Self-Hauler.
- (ooo) “Self-Hauler” means a person who hauls Solid Waste, Organic Waste, or Recyclable Material they have generated to another person. Self-hauler also includes a landscaper, or a person who back-hauls waste. Back-haul means generating and transporting Recyclable Materials or Organic Waste to a destination owned and operated by the Generator or Responsible Party using the Generator’s or Responsible Party’s own employees and equipment.
- (ppp) “Service Level” refers to the size of a Customer’s Container and the frequency of Collection service.
- (qqq) “Single-Family” or “SFD” refers to any detached or attached house or residence of four (4) units or less designed or used for occupancy by one (1) family, provided that Collection service feasibly can be provided to such Premises as an independent unit, and the Owner or Occupant of such independent unit is billed directly for the Collection service. Single-Family includes Townhouses, and each independent unit of duplex, tri-plex, or four-plex

Residential structures, regardless of whether each unit is separately billed for their specific Service Level.

(rrr) “Solid Waste” has the same meaning as defined in State Public Resources Code Section 40191 (and in Ord. 56 § 6-4.01, 1982), which defines Solid Waste as all putrescible and non-putrescible solid, semisolid, and liquid wastes, including garbage, trash, refuse, paper, rubbish, ashes, industrial wastes, demolition and construction wastes, abandoned vehicles and parts thereof, discarded home and industrial appliances, dewatered, treated, or chemically fixed sewage sludge which is not hazardous waste, manure, vegetable or animal solid and semi-solid wastes, and other discarded solid and semisolid wastes, with the exception that Solid Waste does not include any of the following wastes:

- (1) Hazardous waste, as defined in the State Public Resources Code Section 40141.
- (2) Radioactive waste regulated pursuant to the State Radiation Control Law (Chapter 8 (commencing with Section 114960) of Part 9 of Division 104 of the State Health and Safety Code).
- (3) Medical waste regulated pursuant to the State Medical Waste Management Act (Part 14 (commencing with Section 117600) of Division 104 of the State Health and Safety Code). Untreated medical waste shall not be disposed of in a Solid Waste landfill, as defined in State Public Resources Code Section 40195.1. Medical waste that has been treated and deemed to be Solid Waste shall be regulated pursuant to Division 30 of the State Public Resources Code.
- (4) Recyclable Materials, Organic Materials, and Construction and Demolition Debris when such materials are Source Separated.

Notwithstanding any provision to the contrary, Solid Waste may include de minimis volumes or concentrations of waste of a type and amount normally found in Residential Solid Waste after implementation of programs for the safe Collection, Recycling, treatment, and disposal of household hazardous waste in compliance with Section 41500 and 41802 of the California Public Resources Code as may be amended from time to time. Solid Waste includes salvageable materials only when such materials are included for Collection in a Solid Waste Container, not Source Separated from Solid Waste at the site of generation.

(sss) “Solid Waste Container” shall be used for the purpose of storage and collection of Solid Waste, excluding Prohibited Container Contaminants.

(ttt) “Source Separated” or “Source-Separated (materials)” means materials, including commingled Recyclable Materials and Organic Materials, that have been separated or kept separate from the Solid Waste stream, at the point of generation, for the purpose of additional sorting or processing of those materials for recycling or reuse in order to return them to the economic mainstream in the form of raw material for new, reused, or reconstituted products, which meet the quality standards necessary to be used in the marketplace, or as otherwise defined in 14 CCR Section 17402.5(b)(4). For the purposes of the chapter, Source Separated shall include separation of materials by the Generator, Responsible Party, or Responsible Party’s employee, into different containers for the

purpose of collection such that Source-Separated materials are separated from Solid Waste for the purposes of collection and processing.

- (uuu) “Source Separated Organic Materials” means Organic Materials that are Source Separated and placed in an Organic Materials Container.
- (vvv) “Source Separated Recyclable Materials” means Recyclable Materials that are Source Separated and placed in a Recyclable Materials Container.
- (www) “State” means the State of California.
- (xxx) “Supermarket” means a full-line, self-service retail store with gross annual sales of two million dollars (\$2,000,000), or more, and which sells a line of dry grocery, canned goods, or nonfood items and some perishable items, or as otherwise defined in 14 CCR Section 18982(a)(71).
- (yyy) “Tier One Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one of the following:
  - (1) Supermarket.
  - (2) Grocery Store with a total facility size equal to or greater than 10,000 square feet.
  - (3) Food Service Provider.
  - (4) Food Distributor.
  - (5) Wholesale Food Vendor.

If the definition in 14 CCR Section 18982(a)(73) of Tier One Commercial Edible Food Generator differs from this definition, the definition in 14 CCR Section 18982(a)(73) shall apply to this chapter.

- (zzz) “Tier Two Commercial Edible Food Generator” means a Commercial Edible Food Generator that is one of the following:
  - (1) Restaurant with 250 or more seats, or a total facility size equal to or greater than 5,000 square feet.
  - (2) Hotel with an on-site Food Facility and 200 or more rooms.
  - (3) Health facility with an on-site Food Facility and 100 or more beds.
  - (4) Large Venue.
  - (5) Large Event.
  - (6) A State agency with a cafeteria with 250 or more seats or total cafeteria facility size equal to or greater than 5,000 square feet.
  - (7) A Local Education Agency facility with an on-site Food Facility.

If the definition in 14 CCR Section 18982(a)(74) of Tier Two Commercial Edible Food Generator differs from this definition, the definition in 14 CCR Section 18982(a)(74) shall apply to this chapter.

- (aaaa) “Ton” or “Tonnage” means a unit of measure for weight equivalent to two thousand (2,000) standard pounds where each pound contains sixteen (16) ounces.
- (bbbb) “Wholesale Food Vendor” means a business or establishment engaged in the merchant wholesale distribution of food, where food (including fruits and vegetables) is received, shipped, stored, and prepared for distribution to a retailer, warehouse, distributor, or other destination, or as otherwise defined in 14 CCR Section 189852(a)(76).
- (cccc) “Yard Trimmings” means those Discarded Materials that will decompose and/or putrefy, including, but not limited to, green trimmings, grass, weeds, leaves, prunings, branches, dead plants, brush, tree trimmings, dead trees, small pieces of unpainted and untreated wood. Yard Trimmings does not include items herein defined as Excluded Waste. Yard Trimmings are a subset of Organic Materials. Acceptable Yard Trimmings may be added to or removed from this list from time to time by mutual consent or at the sole discretion of the City.

#### **6-4.103 Solid Waste, Recyclables, and Organic Waste Storage and Collection**

- (a) The owner, occupant, or operator of any premises, business establishment, or other property, vacant or occupied, shall be responsible for the safe and sanitary storage of all solid waste, recyclable materials, and organic materials accumulated on the property. The property shall be free of excessive amounts of solid waste, recyclable materials, and organic materials, and litter except that manure, wood, leaves, soil, or gravel may be accumulated, providing that no public or private nuisance is created.
- (b) To protect public health, safety, and well-being and to prevent the contamination of solid waste, recyclable materials, and organic materials, no person shall place waste in or otherwise use the solid waste, recyclable materials, and organic materials container of another, without the prior written permission of such other person.
- (c) No person maintaining any premises where any type of solid waste, recyclable material, or organic material is created, accumulated, or produced shall fail or neglect to procure and utilize a container or containers (in required numbers) as specified in subdivisions (1)-(5) of this subsection:
  - (1) The Contractor shall maintain its solid waste, recyclable materials, and organic materials containers within the City in a manner to protect public health and safety and prevent the spread of vectors. No person shall place for collection any solid waste, recyclable materials, or organic materials container not in conformance with the container(s) designated by the Contractor providing collection services.
  - (2) All solid waste, recyclable materials, and organic materials created, accumulated, or produced on the premises are to be stored in watertight, impervious containers having close-fitting lids and shall be constructed of substantial, nonabsorbent materials.

- (3) All solid waste, recyclable materials, and organic materials are to be stored in containers which are sufficient in size and number to hold all such waste without spilling or causing litter or a nuisance, all the waste that a household or other establishment generates within the designated removal period.
  - (4) The Contractor shall maintain its solid waste, recyclable materials, and organic materials containers in the City free from any exterior paint or markings commonly referred to as “graffiti” or “tagging.”
  - (5) Nothing in this chapter shall prevent an owner and/or occupant of a premises from self-hauling to a solid waste facility, in conformance with Section 6-4.112 of this chapter, or from utilizing a temporary debris box or roll-off container service. The exclusive rights of the Contractor shall not mean that debris box or roll-off container service for construction and temporary cleanup purposes cannot be provided by persons other than the designated authorized collector.
- (d) Collection of Solid Waste, Recyclable Materials, or Organic Materials without Waste Management Franchise or Continuation Rights Prohibited.
- (1) To protect public health, safety, and well-being, no person except a City employee or the Contractor with a waste management franchise or continuation rights recognized by the City, or a person authorized under Section 6-4.112 of this chapter (Self-Haulers), or a licensed contractor performing work within the scope of that contractor’s license, or a provider of temporary debris box or roll-off container rental services, shall collect or remove any solid waste, recyclable materials, or organic materials from any premises within the City.
  - (2) No person other than a Contractor which has a waste management franchise issued by the City or a Contractor with continuation rights recognized by the City, or a licensed contractor performing work within the scope of that contractor’s license, or a provider of temporary debris box or roll-off container rental services, shall place a container for the accumulation of solid waste, recyclable materials, or organic materials at any premises within the City or collect any waste from any premises or permit or suffer a solid waste, recyclable materials, and organic materials container to remain in any place within the City.
- (e) Location of Solid Waste, Recyclable Materials, and Organic Materials Containers.
- (1) During the hours for collection designated in subsection (2) of this Section, residential solid waste, recyclable materials, and organic materials containers shall be placed at the collection location designated by the Contractor holding the residential waste management franchise and shall be placed in a manner accessible for automated pickup. Except during the time a container is placed for collection, residential containers shall not be visible from the public right-of-way. Commercial bins shall be accessible to the Contractor providing collection services at that location.
  - (2) Solid waste, recyclable materials, and organic materials containers, such as residential containers, that are moved to a collection point to facilitate collection

shall not be placed adjacent to the street for pickup more than twenty-four (24) hours prior to pickup time, and such containers shall be removed within the twelve (12) hour period following pickup.

- (3) Each solid waste, recyclable materials, and organic materials container provided by the owner, manager, or person in possession, charge, or control of any residential, commercial, or industrial buildings, complexes, developments, and projects, and every person occupying a dwelling within the City, shall be kept or placed entirely above ground level at a location which is convenient for access by collection personnel during the time for collection, as set forth in subdivisions (1) and (2) of this subsection.
  - (4) To minimize interference with public rights-of-way, no person shall place a container or any Bulky Items adjacent to a street or public right-of-way for collection service before the day preceding the regularly scheduled collection day. Bulky Items may not be set out for collection unless the person in charge of day-to-day operations of the premises has made prior arrangements with a Contractor approved by the City for pickup of the Bulky Items.
  - (5) No container may be placed in any public right-of-way unless an encroachment permit authorizing the placement has been issued by the City, except during service/collection times in subsection (2) above. A bin, construction and demolition material bin, debris box or roll-off container may be placed on private property, visible to the public for temporary periods.
  - (6) Containers shall be placed on the premises as follows:
    - (A) Where pickup is by human labor approaching from the street, the container(s) shall be placed adjacent to the street from where the collector enters the property. Provisions shall be made for easy access, with no obstacles. Where walk-ins are required, proportionately higher rates may be set.
    - (B) Where pickup is by collection vehicle, the container(s) shall be located in a waste storage area.
- (f) Requirements for Waste Storage Area.
- (1) Property owners must provide each individual dwelling unit or occupancy with an individual or centralized waste storage area where solid waste, recyclable materials, and organic materials can be deposited and stored for later removal from the premises.
- (g) Commercial requirements
- (1) No Contractor shall place a commercial bin, construction and demolition material bin, roll-off or debris box, or any container other than residential solid waste, recyclable materials, and organic materials containers, at any location within the City unless the container is clearly marked with the name, address, and telephone

number of the owner of the container and a unique container number. The identification shall be waterproof and legible.

- (2) The City may require that commercial bins be stored in a bin enclosure with adequate space to accommodate containers for solid waste, recyclable materials, and organic materials containers. All new enclosures are subject to inspection by the City. Enclosures must be located in places convenient for the removal of the containers for collection. Enclosures, including gates and gate hardware, must be maintained in good working condition and readily accessible by the Contractor.
- (h) Use of Civic Litter Containers. To protect public health, safety, and well-being, no person shall place or deposit residential, institutional, commercial, industrial, special, sharps, e-waste, universal, or other hazardous waste in any civic litter container.
- (i) Burning of Organic Waste Materials. To protect public health, safety, and well-being, no person shall burn any waste within the City, except organic waste materials on approved burn days using controlled burn piles, in compliance with all applicable permit and other regulations of air pollution control authorities and provided any such act of burning in all respects complies with all other laws, rules, and regulations.

**6-4.104 Requirements for Single-Family Premises**

- (a) Responsible Parties of Single-Family Premises shall provide or arrange for Recyclable Materials, Organic Materials, and Solid Waste collection services consistent with this chapter. Responsible Parties of Single-Family Premises may receive waivers pursuant to Section 6-4.108 for some requirements of this Section.
- (b) Except Responsible Parties of Single-Family Premises that meet the Self-Hauler requirements in Section 6-4.112 of this chapter, Responsible Parties of Single-Family Premises shall comply with the following requirements:
  - (1) Subscribe to and pay for City’s three or more-container collection services for weekly collection of Recyclable Materials, Organic Materials, and Solid Waste generated by the Single-Family Premises and comply with requirements of those services as described below in subsection 2(A). City and its Designee(s) shall have the right to review the number and size of a Generator’s containers to evaluate adequacy of capacity provided for each type of collection service for proper separation of materials and containment of materials. The Responsible Parties for Single-Family Premises shall adjust their Service Level for their collection services as requested by the City.
  - (2) Participate in the City’s three or more-container collection service(s) in the manner described below.
    - (A) Place, or, if Responsible Party is not an occupant of the Single-Family Premises, direct its Generators to place, Source Separated Organic Materials, including Food Waste, in the Organic Materials Container; Source Separated Recyclable Materials in the Recyclable Materials Container; and Solid Waste in the Solid Waste Container.



- (B) Not place, or, if Responsible Party is not an occupant of the Single-Family Premises, direct its Generators to not place Prohibited Container Contaminants in collection containers and not place materials designated for the Organic Materials Containers or Recyclable Materials Containers in the Solid Waste Containers.
- (c) Nothing in this Section prohibits a Responsible Party or Generator of a Single-Family Premises from preventing or reducing Discarded Materials generation, managing Organic Waste on site, and/or using a Community Composting site pursuant to 14 CCR Section 18984.9(c).

**6-4.105 Requirements for Multi-Family Residential Dwellings**

- (a) Responsible Parties of Multi-Family Premises shall provide or arrange for Recyclable Materials, Organic Materials, and Solid Waste collection services consistent with this chapter and for employees, contractors, and tenants. Responsible Parties of Multi-Family Premises may receive waivers pursuant to Section 6-4.108 for some requirements of this Section.
- (b) Except for Responsible Parties of Multi-Family Premises that meet the Self-Hauler requirements in Section 6-4.112 of this chapter, including hauling services arranged through a landscaper, Responsible Parties of Multi-Family Premises shall:
  - (1) Subscribe to and pay for City’s three or more-container collection services and comply with requirements of those services for all Recyclable Materials, Organic Materials, and Solid Waste generated at the Multi-Family Premises as further described below in this Section. City and its Designee(s) shall have the right to review the number and size of the Multi-Family Premises’ collection containers and frequency of collection to evaluate adequacy of capacity provided for each type of collection service for proper separation of materials and containment of materials. The Responsible Party of a Multi-Family Premises shall adjust their Service Level for their collection services as requested by the City or its Designee.
  - (2) Participate in the City’s three or more-container collection service(s) for at least weekly collection of Recyclable Materials, Organic Materials, and Solid Waste in the manner described below.
    - (A) Place and/or direct its Generators to place Source Separated Organic Materials, including Food Waste, in the Organic Materials Container; Source Separated Recyclable Materials in the Recyclable Materials Container; and Solid Waste in the Solid Waste Container.
    - (B) Not place and/or direct its Generators to not place Prohibited Container Contaminants in collection containers and to not place materials designated for the Organic Materials Containers or Recyclable Materials Containers in the Solid Waste Containers.
  - (3) Supply and allow access to adequate number, size, and location of collection containers with sufficient labels or colors for employees, contractors, tenants, and

customers, consistent with City's Recyclable Materials Container, Organic Materials Container, and Solid Waste Container collection service or, if Self-Hauling, consistent with the Multi-Family Premises' approach to complying with Self-Hauler requirements in Section 6-4.112 of this chapter.

- (4) Annually provide information to employees, contractors, tenants, and customers about Recyclable Materials and Organic Waste Recovery requirements and about proper sorting of Recyclable Materials, Organic Materials, and Solid Waste.
  - (5) Provide education information before or within fourteen (14) days of occupation of the Premises to new tenants that describes requirements to Source Separate Recyclable Materials and Organic Materials and to keep Source Separated Organic Materials and Source Separated Recyclable Materials separate from each other and from Solid Waste (when applicable) and the location of containers and the rules governing their use at each property.
  - (6) Provide or arrange access for City and/or its Designee(s) to their properties during all Inspections conducted in accordance with this chapter to confirm compliance with the requirements of this chapter.
- (c) If the Responsible Party of a Multi-Family Premises wants to Self-Haul, they must meet the Self-Hauler requirements in Section 6-4.112 of this chapter.
- (d) Multi-family Premises that generate two (2) cubic yards or more of total Solid Waste, Recyclable Materials, and Organic Materials per week (or other threshold defined by the State) that arrange for gardening or landscaping services shall require that the contract or work agreement between the Owner, Occupant, or operator of a Multi-Family Premises and a gardening or landscaping service specifies that the designated organic materials generated by those services be managed in compliance with this chapter.
- (e) Nothing in this Section prohibits a Responsible Party or Generator of a Multi-Family Premises from preventing or reducing Discarded Materials generation, managing Organic Waste on site, or using a Community Composting site pursuant to 14 CCR Section 18984.9(c).

#### **6-4.106 Requirements for Commercial Businesses**

- (a) Responsible Parties of Commercial Businesses shall provide or arrange for Recyclable Materials, Organic Materials, and Solid Waste collection services consistent with this chapter and for employees, contractors, tenants, and customers. Responsible Parties of Commercial Premises may receive waivers pursuant to Section 6-4.108 for some requirements of this Section.
- (b) Except Responsible Parties of Commercial Businesses that meet the Self-Hauler requirements in Section 6-4.112 of this chapter, including hauling services arranged through a landscaper, Responsible Parties of Commercial Premises shall:
  - (1) Subscribe to and pay for City's three or more-container collection services and comply with requirements of those services for all Recyclable Materials, Organic

Materials, and Solid Waste generated at the Commercial Premises as further described below in this Section. City and its Designee(s) shall have the right to review the number and size of a Commercial Premises' containers and frequency of collection to evaluate adequacy of capacity provided for each type of collection service for proper separation of materials and containment of materials. The Responsible Party of the Commercial Business shall adjust their Service Level for their collection services as requested by the City or its Designee.

- (2) Participate in the City's three or more-container collection service(s) for at least weekly collection of Recyclable Materials, Organic Materials, and Solid Waste in the manner described below.
  - (A) Place and/or direct its Generators to place Source Separated Organic Materials, including Food Waste, in the Organic Materials Container; Source Separated Recyclable Materials in the Recyclable Materials Container; and Solid Waste in the Solid Waste Container.
  - (B) Not place and/or direct its Generators to not place Prohibited Container Contaminants in collection containers and to not place materials designated for the Organic Materials Containers or Recyclable Materials Containers in the Solid Waste Containers.
- (3) Supply and allow access to adequate number, size, and location of collection containers with sufficient labels or colors (conforming with Sections 7(b)(4)(A)) and 7(b)(4)(B) below) for employees, contractors, tenants, and customers, consistent with City's Recyclable Materials Container, Organic Materials Container, and Solid Waste Container collection service or, if Self-Hauling, consistent with the Commercial Premises' approach to complying with Self-Hauler requirements in Section 6-4.112 of this chapter.
- (4) Provide containers for customers for the collection of Source Separated Recyclable Materials and Source Separated Organic Materials in all indoor and outdoor areas where Solid Waste containers are provided for customers, for materials generated by that Commercial Business. Such containers shall be visible and easily accessible. Such containers do not need to be provided in restrooms. If a Commercial Business does not generate any of the materials that would be collected in one type of container, as demonstrated through an approved de minimis waiver per Section 6-4.108(a), then the Responsible Party of the Commercial Business does not have to provide that particular container in all areas where Solid Waste containers are provided for customers. Pursuant to 14 CCR Section 18984.9(b), the containers provided by the Responsible Party of the Commercial Business shall have either:
  - (A) A body or lid that conforms with the container colors provided through the collection service provided by City, with either lids conforming to the color requirements or bodies conforming to the color requirements, or both lids and bodies conforming to color requirements. The Responsible Party of the Commercial Business is not required to replace functional containers that do not comply with the requirements of this subsection prior to whichever

of the following comes first: (i) the end of the useful life of those containers, or (ii) January 1, 2036; or

- (B) Container labels that include language or graphic images, or both, indicating the primary material accepted and the primary materials prohibited in that container, or containers with imprinted text or graphic images that indicate the primary materials accepted and primary materials prohibited in the container. Pursuant 14 CCR Section 18984.8, the container labeling requirements are required on new containers commencing January 1, 2022.
- (5) To the extent practical through education, training, inspection, and/or other measures, prohibit employees from placing materials in a container not designated for those materials per the City’s Recyclable Materials Container, Organic Materials Container, and Solid Waste collection service or, if Self-Hauling, per the instructions of the Commercial Business’s Responsible Party to support its compliance with Self-Hauler requirements in Section 6-4.112 of this chapter.
- (6) Periodically inspect Recyclable Materials Containers, Organic Materials Containers, and Solid Waste Containers for contamination and inform employees if containers are contaminated and of the requirements to keep contaminants out of those containers pursuant to 14 CCR Section 18984.9(b)(3).
- (7) Annually provide information to employees, contractors, tenants, and customers about Recyclable Materials and Organic Waste Recovery requirements and about proper sorting of Recyclable Materials, Organic Materials, and Solid Waste.
- (8) Provide education information before or within fourteen (14) days of occupation of the Premises to new tenants that describes requirements to Source Separate Recyclable Materials and Organic Materials and to keep Source Separated Organic Materials and Source Separated Recyclable Materials separate from each other and from other Solid Waste (when applicable) and the location of containers and the rules governing their use at each property.
- (9) Provide or arrange access for City or its Designee to their properties during all Inspections conducted in accordance with this chapter to confirm compliance with the requirements of this chapter.
- (c) If the Responsible Party of a Commercial Business wants to Self-Haul, meet the Self-Hauler requirements in Section 6-4.112 of this chapter.
- (d) Nothing in this Section prohibits a Responsible Party or a Generator of a Commercial Business from preventing or reducing Discarded Materials generation, managing Organic Waste on site, or using a Community Composting site pursuant to 14 CCR Section 18984.9(c).
- (e) Responsible Parties of Commercial Businesses that are Tier One or Tier Two Commercial Edible Food Generators shall comply with Food Recovery requirements, pursuant to Section 6-4.110 of this chapter.

#### **6-4.107 Agricultural Byproducts and Exemptions**

- (a) Culled fruits and vegetables which cannot be used for animal feed, returned to soil, or donated shall be placed in an organic materials collection bin or container or disposed of only in an organic waste processing facility.
- (b) Organic materials may be fed to animals on the premises where such organic materials are produced, provided that the premises are always kept in a sanitary condition to the satisfaction of the City Manager or their Designee; and provided further that the keeping and feeding of such animals shall at all times conform to the applicable regulations of those entities governing the same now in force or which thereafter may be enacted or promulgated.
- (c) Agricultural byproducts or wastes not of plant or animal origin, such as nonhazardous packaging, plastic film, or shop wastes, shall be disposed of as solid waste or recycling.
- (d) Notwithstanding the provisions of Sections 6-4.104, 6-4.105 and 6-4.106 above:
  - (1) The occupant of any private property may allow swill to be accumulated, stored, disposed of, or used for stock feeding on the premises, as long as such swill is not permitted to become a nuisance due to the breeding or attraction of flies or rodents, or from odors, or to create a hazard to the public health, safety, or welfare. Any such agricultural operations shall comply with the Agricultural Solid Waste Management Standards, Title 14, California Administrative Code, commencing with Section 17801.
  - (2) The occupant of a ranch or farm may accumulate manure, wood, leaves, soil, and gravel on the property, but he or she may not allow any other person to use his or her property for the disposal of other types of waste.
  - (3) The provisions of this chapter shall not be interpreted to prevent the maintenance of a compost pile on private property, so long as it does not become a public or private nuisance.
- (e) Nothing in this Section prohibits a Responsible Party or a Generator of a Residential premises, Multi-Family premises or Commercial Business from preventing or reducing Discarded Materials generation, managing Organic Waste on site, or using a Community Composting site pursuant to 14 CCR Section 18984.9(c).

#### **6-4.108 Waivers for Vacation Rentals, Multi-Family Premises, and Commercial Premises**

- (a) De Minimis Waivers for Vacation Rentals, Multi-Family Premises, and Commercial Premises. The City's Designee, or the City if there is no Designee, may waive a Responsible Party's obligation to comply with some or all Recyclable Materials and Organic Waste requirements of this chapter if the Responsible Party of the Vacation Rental, Commercial Business, or Multi-Family Premises provides documentation that the Vacation Rental, Commercial Business, or Multi-Family Premises meets one of the criteria in subsections (1) and (2) below. For the purposes of subsections (1) and (2), the total Solid Waste shall be the sum of weekly container capacity measured in cubic yards for Solid

Waste, Recyclable Materials, and Organic Materials collection service. Hauling through paper shredding service providers or other incidental services may be considered in granting a de minimis waiver.

- (1) The Vacation Rental's, Commercial Business's, or Multi-Family Premises' total Solid Waste collection service is two (2) cubic yards or more per week and Recyclable Materials and Organic Materials subject to collection in Recyclable Materials Container(s) or Organic Materials Container(s) comprises less than twenty (20) gallons per week per applicable material stream of the Vacation Rental's, Multi-family Premises', or Commercial Business's total waste (i.e., Recyclable Materials in the Recyclable Materials stream are less than twenty (20) gallons per week or Organic Materials in the Organic Materials stream are less than twenty (20) gallons per week); or,
  - (2) The Vacation Rental's, Commercial Business's, or Multi-Family Premises' total Solid Waste collection service is less than two (2) cubic yards per week and Recyclable Materials and Organic Materials subject to collection in a Recyclable Materials Container(s) or Organic Materials Container(s) comprises less than ten (10) gallons per week per applicable material stream of the Vacation Rental's, Multi-family Premises', or Commercial Business's total waste (i.e., Recyclable Materials in the Recyclable Materials stream are less than ten (10) gallons per week or Organic Materials in the Organic Materials stream are less than ten (10) gallons per week).
- (b) Physical Space Waivers. The City's Designee, or the City if there is no Designee, may waive a Vacation Rental's, Commercial Business's, or Multi-Family Premises' obligation to comply with some or all of the Recyclable Materials and/or Organic Materials collection service requirements if the City or its Designee has evidence from its own staff, a hauler, licensed architect, or licensed engineer demonstrating that the Premises lacks adequate space for Recyclable Materials Containers and/or Organic Materials Containers required for compliance with the Recyclable Materials and Organic Materials collection requirements of Sections 6-4.104, 6-4.105 or 6-4.106 as applicable.
- (c) Review and Approval of Waivers. Waivers shall be granted to Responsible Parties by the City Designee, or the City if there is no Designee, according to the following process:
- (1) Responsible Parties of Premises seeking waivers shall submit a completed application form to the City's Designee, or the City if there is no Designee, for a waiver specifying the waiver type requested, type(s) of collection services for which they are requesting a waiver, the reason(s) for such waiver, and documentation supporting such request.
  - (2) Upon waiver approval, the City Designee, or the City if there is no Designee, shall specify that the waiver is valid for the following duration:
    - (i) For Commercial Premises, five (5) years, or if property ownership changes, or if occupancy changes, whichever occurs first.

- (ii) For Multi-Family Premises, five (5) years, or if property ownership changes, or if the property manager changes, whichever occurs first.
- (iii) For Vacation Rentals, five (5) years, or if property ownership changes, or if property manager changes, whichever occurs first.
- (3) Waiver holder shall notify City's Designee, or the City if there is no Designee, if circumstances change such that Vacation Rental's, Commercial Business's, or Multi-Family Premises' may no longer qualify for the waiver granted, in which case waiver will be rescinded.
- (4) Any waiver holder must cooperate with the City and/or its Designee for any on-site assessment of the appropriateness of the waiver.
- (5) Waiver holder shall reapply to the City's Designee, or the City if there is no Designee, for a waiver upon the expiration of the waiver period and shall submit any required documentation, and/or fees/payments as required by the City and/or its Designee. Failure to submit a completed application shall equate to an automatic denial of said application.
- (6) The City's Designee, or the City if there is no Designee, may revoke a waiver upon a determination that any of the circumstances justifying a waiver are no longer applicable.
- (7) If the City's Designee does not approve a waiver application or revokes a waiver, the City may appeal the decision for additional review by the Designee. The City may also, after meeting and conferring with the Designee, direct the Designee to approve the waiver application and/or repeal the revocation of the waiver.

**6-4.109 Requirements for Commercial Edible Food Generators**

- (a) Tier One Commercial Edible Food Generators must comply with the requirements of this Section commencing January 1, 2022, and Tier Two Commercial Edible Food Generators must comply commencing January 1, 2024, pursuant to 14 CCR Section 18991.3.
- (b) Large Venue or Large Event operators not providing food services, but allowing for food to be provided by others, shall require Food Facilities operating at the Large Venue or Large Event to comply with the requirements of this Section, commencing January 1, 2024.
- (c) Commercial Edible Food Generators shall comply with the following requirements:
  - (1) Arrange to recover the maximum amount of Edible Food that would otherwise be disposed. Food that is donated shall be free from adulteration, spoilage, and meet the food safety standards of the California Health and Safety Code. Food cannot be donated if it is not in compliance with the food safety standards of the California Health and Safety Code, including food that is returned by a customer, has been served or sold and in the possession of a consumer, or is the subject of a recall.

- (2) Contract with or enter into a written agreement with Food Recovery Organizations or Food Recovery Services for: (i) the collection of Edible Food for Food Recovery; or, (ii) acceptance of the Edible Food that the Commercial Edible Food Generator Self-Hauls to the Food Recovery Organization for Food Recovery.
- (3) Not intentionally spoil Edible Food that is capable of being recovered by a Food Recovery Organization or a Food Recovery Service.
- (4) Allow City's designated enforcement entity or designated third party enforcement entity to access the Premises and review records pursuant to 14 CCR Section 18991.4.
- (5) Keep records that include the following information, or as otherwise specified in 14 CCR Section 18991.4:
  - (A) A list of each Food Recovery Service or organization that collects or receives its Edible Food pursuant to a contract or written agreement established under 14 CCR Section 18991.3(b).
  - (B) A copy of all contracts or written agreements established under 14 CCR Section 18991.3(b).
  - (C) A record of the following information for each of those Food Recovery Services or Food Recovery Organizations:
    - (i) The name, address and contact information of the Food Recovery Service or Food Recovery Organization.
    - (ii) The types of food that will be collected by or Self-Hauled to the Food Recovery Service or Food Recovery Organization.
    - (iii) The established frequency that food will be collected or Self-Hauled.
    - (iv) The quantity of food, measured in pounds recovered per month, collected or Self-Hauled to a Food Recovery Service or Food Recovery Organization for Food Recovery.
- (6) Maintain records required by this Section for five (5) years.
- (7) No later than January 31 of each year commencing no later than January 31, 2023 for Tier One Commercial Edible Food Generators and January 31, 2025 for Tier Two Commercial Edible Food Generators, provide an annual Food Recovery report to the City or its Designee that includes the following information:
  - (i) The amount, in pounds, of edible food donated to a Food Recovery Service or Food Recovery Organization annually;
  - (ii) The amount, in pounds of edible food rejected by a Food Recovery Service or Food Recovery Organization annually; and



- (iii) Any additional information required by the City Manager or their Designee.
- (d) Nothing in this chapter shall be construed to limit or conflict with the protections provided by the California Good Samaritan Food Donation Act of 2017, the Federal Good Samaritan Act, or share table and school food donation guidance pursuant to Senate Bill 557 of 2017 (approved by the Governor of the State of California on September 25, 2017, which added Article 13 [commencing with Section 49580] to Chapter 9 of Part 27 of Division 4 of Title 2 of the Education Code, and to amend Section 114079 of the Health and Safety Code, relating to food safety, as amended, supplemented, superseded and replaced from time to time).

**6-4.110 Requirements for Food Recovery Organizations and Services**

- (a) Food Recovery Services collecting or receiving Edible Food directly from Commercial Edible Food Generators, via a contract or written agreement established under 14 CCR Section 18991.3(b), shall maintain the following records, or as otherwise specified by 14 CCR Section 18991.5(a)(1):
  - (1) The name, address, and contact information for each Commercial Edible Food Generator from which the service collects Edible Food.
  - (2) The quantity in pounds of Edible Food collected from each Commercial Edible Food Generator per month.
  - (3) The quantity in pounds of Edible Food transported to each Food Recovery Organization per month.
  - (4) The name, address, and contact information for each Food Recovery Organization that the Food Recovery Service transports Edible Food to for Food Recovery.
- (b) Food Recovery Organizations collecting or receiving Edible Food directly from Commercial Edible Food Generators, via a contract or written agreement established under 14 CCR Section 18991.3(b), shall maintain the following records, or as otherwise specified by 14 CCR Section 18991.5(a)(2):
  - (1) The name, address, and contact information for each Commercial Edible Food Generator from which the organization receives Edible Food.
  - (2) The quantity in pounds of Edible Food received from each Commercial Edible Food Generator per month.
  - (3) The name, address, and contact information for each Food Recovery Service that the organization receives Edible Food from for Food Recovery.
- (c) Maintain records required by this Section for five (5) years.
- (d) Food Recovery Organizations and Food Recovery Services that have their primary address physically located in the City and contract with or have written agreements with one or

more Commercial Edible Food Generators pursuant to 14 CCR Section 18991.3(b) shall report to the City it is located in and the City's Designee, if applicable, the total pounds of Edible Food recovered in the previous calendar year from the Tier One and Tier Two Commercial Edible Food Generators they have established a contract or written agreement with pursuant to 14 CCR Section 18991.3(b). The annual report shall be submitted to the City, County, and/or the City's Designee, if applicable, no later than January 31 of each year.

- (e) In order to support Edible Food Recovery capacity planning assessments or other studies conducted by the City that provides solid waste, recyclable materials, and organic materials collection services, or its designated entity, Food Recovery Services and Food Recovery Organizations operating in the City shall provide information and consultation to the City and City's Designee, if applicable, upon request, regarding existing, or proposed new or expanded, Food Recovery capacity that could be accessed by the City and its Commercial Edible Food Generators. A Food Recovery Service or Food Recovery Organization contacted by the City and/or its Designee shall respond to such request for information within 60 days, unless a shorter timeframe is otherwise specified by the City.
- (f) Food Recovery Organizations and Food Recovery Services that have their primary address physically located in the City and contract with or have written agreements with one or more Commercial Edible Food Generators shall include language in all agreements with Tier 1 and Tier 2 edible food generators located in the City identifying and describing the California Good Samaritan Act of 2017.
- (g) Nothing in this chapter prohibits a Food Recovery Organization or Food Recovery Service from refusing to accept Edible Food from a Commercial Edible Food Generator.

#### **6-4.111 Requirements for Haulers and Facility Operators**

- (a) Requirements for Haulers
  - (1) Franchise hauler(s) providing Recyclable Materials, Organic Waste, and/or Solid Waste collection services to Generators within the City's boundaries shall meet the following requirements and standards as a condition of approval of its contract, agreement, permit, or other authorization with the City to collect Recyclable Materials, Organic Materials, and/or Solid Waste:
    - (A) Through written notice to the City annually on or before October 1 of each year for the following calendar year, identify the facilities to which they will transport Discarded Materials, including facilities for Source Separated Recyclable Materials, Source Separated Organic Materials, and Solid Waste unless otherwise stated in the franchise agreement, contract, permit, or license, or other authorization with the City.
    - (B) Transport Source Separated Recyclable Materials to a facility that recovers those materials; transport Source Separated Organic Materials to a facility, operation, activity, or property that recovers Organic Waste as defined in 14 CCR, Division 7, Chapter 12, Article 2; transport Solid Waste to a disposal facility or transfer facility or operation that processes or disposes

of Solid Waste; and transport manure to a facility that manages manure in conformance with 14 CCR Article 12 and such that the manure is not landfilled, used as Alternative Daily Cover (ADC), or used as Alternative Intermediate Cover (AIC).

- (C) Obtain approval from the City to haul Organic Waste, unless it is transporting Source Separated Organic Waste to a Community Composting site or lawfully transporting C&D in a manner that complies with 14 CCR Section 18989.1 and Section 6-4.112 of this Chapter.
- (2) Franchise hauler(s) authorized to collect Recyclable Materials, Organic Materials, and/or Solid Waste shall comply with education, equipment, signage, container labeling, container color, contamination monitoring, reporting, and other requirements contained within its franchise agreement, permit, or other agreement entered into with City.
- (3) To preserve peace and quiet, no solid waste, recyclable materials, or organic waste of any kind shall be collected from or within two hundred (200) feet of residential premises between 5:00 P.M. and 6:00 A.M. on any day. All collections shall be made as quietly as possible, without unnecessary noise, disturbance, or commotion.
- (4) All waste materials collected shall be transported in collection equipment, so constructed and so loaded that there will not be any leakage or dropping of waste materials therefrom. Such materials, when placed in any collection equipment and during its passage to its destination, shall be suitably enclosed so as to prevent spillage. Collection equipment shall be uniformly painted and numbered, and temporary debris boxes or roll-off containers shall be clearly marked with the rental company's name and phone number.
- (5) Haulers shall be responsible for ensuring all containers are covered or enclosed during transportation to a recycling or disposal facility, and that materials are loaded such that none shall fall, drop, or spill upon the ground. Hauler shall be responsible for ensuring that all waste in collection vehicles is not littered during transport and is required to pick up litter generated from all collection and hauling operations.
- (6) Haulers shall be responsible for the general repair and upkeep of any containers that it furnishes to customers and shall maintain such containers in a sanitary non-leaking condition. Containers shall be labeled with the type(s) of material(s) to be placed therein, and labels shall be placed on each container or lid provided to customers and must specify which materials are acceptable and unacceptable in the container in written or graphic form. Haulers and customers shall be responsible for furnishing containers of sufficient size to adequately contain all of the material generated between collection periods.
- (7) All waste materials collected by a Hauler shall become the property of the Hauler immediately upon the collection thereof and shall immediately be removed and conveyed to a legally permitted facility for disposal of solid waste or for processing of recyclable materials or organic materials.

- (8) Haulers shall provide adequate number of vehicles and equipment for performing collection services which shall be kept clean on the inside and out, be in good repair, free of damage, and shall be in compliance with all safety standards. Haulers shall provide suitable operational and safety training for any employees who utilize or operate vehicles or equipment for collection of solid waste, recyclable materials, or organic waste, or who are otherwise directly involved in such collection.
  - (9) It is unlawful for any person to collect, haul, or transport for hire Solid Waste, Recyclable Materials, and Organic Materials on any roadway within the City unless there is in force, with respect to such person, a contract with the City to engage in such occupation, as provided in this chapter, with the exception of providers of temporary rental services for debris boxes or roll-off containers, who shall comply with the other provisions of this Section and all other requirements for collection and transportation of Solid Waste, Recyclable Materials, and Organic Materials.
  - (10) The provisions of this Section shall not apply to persons or business establishments self-hauling household, industrial, or commercial waste or residue from their own premises; however, those exempt from the requirements of this Section shall not create a public or private nuisance and shall comply with all other requirements for collection and transportation of solid waste, recyclable materials, and organic materials, including self-hauler requirements noted in Section 6-4.112.
  - (11) Haulers shall perform all collection, transportation, and processing/disposal operations in accordance with applicable federal, state, and local laws, and in accordance with all regulations promulgated under such laws, and in accordance with the terms and conditions of this Chapter.
- (b) Requirements for Facility Operators and Community Composting Operations
- (1) Owners of facilities, operations, and activities located in the City’s boundaries that recover Organic Waste, including, but not limited to, Compost facilities, in-vessel digestion facilities, and publicly-owned treatment works shall, upon City request, provide information regarding available and potential new or expanded capacity at their facilities, operations, and activities, including information about throughput and permitted capacity necessary for planning purposes. Entities contacted by the City shall respond within 60 days.
  - (2) Community Composting operators with operations located in the City’s boundaries, upon City request, shall provide information to the City to support Organic Waste capacity planning, including, but not limited to, an estimate of the amount of Organic Waste anticipated to be handled at the Community Composting operation. Entities contacted by the City shall respond within 60 days.
  - (3) Owners of facilities, operations, and activities located in the City’s boundaries that receive Recyclable Materials, Organic Materials, and/or Solid Waste shall provide to the City, on a quarterly basis, copies of all reports they are required to report to CalRecycle under 14 CCR.

#### **6-4.112 Self-Hauler Requirements**

- (a) A Single-Family Generator or Single-Family Responsible Party that Self-Hauls Recyclable Materials, Organic Materials, or Solid Waste is not required to record or report information in Section 6.4112(f) through (h).
- (b) Every Self-Hauler shall Source Separate its Recyclable Materials and Organic Materials (materials that City otherwise requires Generators or Responsible Parties to separate for collection in the City's Recyclable Materials and Organic Materials collection program) generated on-site from Solid Waste in a manner consistent with 14 CCR Section 18984.1 and the City's collection program. Self-Haulers shall store their materials as described in subsection (c) below. Self-Haulers shall deliver their materials to facilities described in subsection (d) below. Alternatively, Self-Haulers may choose not to Source Separate Recyclable Materials and Organic Materials and shall haul its Solid Waste (that includes Recyclable Materials and Organic Materials) to a High Diversion Organic Waste Processing Facility subject to advance written approval by the City.
- (c) Self-Haulers shall store their solid waste, recyclable materials, and organic materials in watertight, impervious containers having close-fitting lids and shall be constructed of substantial, nonabsorbent materials. All solid waste, recyclable materials, and organic materials are to be stored in containers which are sufficient in size to hold all such waste without spilling or causing litter or a nuisance. Paper or plastic bags may be used if they are of sufficient strength to resist puncture or attack by animals. Containers for refuse should be of an adequate size and in sufficient number to contain, without overflowing, all the refuse that the Self-Hauler generates within the designated removal period.
- (d) Self-Haulers that Source Separate their Recyclable Materials and Organic Materials shall haul their Source Separated Recyclable Materials to a facility that recovers those materials; haul their Source Separated Organic Waste to a facility, operation, activity, or property that processes or recovers Source Separated Organic Waste; and haul their Solid Waste to a disposal facility or transfer facility or operation that processes or disposes of Solid Waste.
- (e) No Solid Waste, Recyclable Materials, Organic Materials, or C&D Materials shall be removed and carried on and along the streets and alleys of the City except that the same is carried, conveyed, or hauled in conveyances so constructed as to be absolutely dustproof and waterproof, and so arranged as not to permit dust or liquids or other matter to shift through or fall upon the streets and alleys. The contents of such conveyances must be further protected so as to prevent the same from being blown upon the streets, alleys, and adjacent lands. Any materials that do permit dust or liquids or other matter to land upon or be blown upon for any reason shall be cleaned up immediately.
- (f) Self-Haulers that are Responsible Parties of Commercial Businesses or Multi-Family Premises shall keep records of the amount of Recyclable Materials, Organic Materials, and Solid Waste delivered to each facility, operation, activity, or property that processes or recovers Recyclable Materials and Organic Materials and processes or disposes of Solid Waste or shall keep records of Solid Waste delivered to High Diversion Organic Waste Processing Facilities. These records shall be subject to review by the City and/or its Designee(s). The records shall include the following information:

- (1) Delivery receipts and weight tickets from the entity accepting the Recyclable Materials, Organic Materials, and Solid Waste.
  - (2) The amount of material in cubic yards or Tons transported by the Generator or Responsible Party to each entity.
  - (3) If the material is transported to an entity that does not have scales on-site or employs scales incapable of weighing the Self-Hauler's vehicle in a manner that allows it to determine the weight of materials received, the Self-Hauler is not required to record the weight of material but shall keep a record of the entities that received the Recyclable Materials, Organic Materials, and Solid Waste.
- (g) Self-Haulers shall retain all records and data required to be maintained by this Section for no less than five (5) years after the Recyclable Materials, Organic Materials, and/or Solid Waste was first delivered to the facility accepting the material.
- (h) Self-Haulers that are Commercial Businesses or Multi-Family Premises shall provide copies of records required by this Section to City if requested by the City Manager or Designee and shall provide the records at the frequency requested by the City Manager or Designee(s).
- (i) Self-Haulers shall obtain permits from the City prior to commencing self-haul operations, which may be reviewed by the City or its Designee(s) or the Contractor at least once annually. In order to receive a Self-Haul Permit from the City, Self-Haulers must:
- (1) Apply for a Self-Haul Permit by submitting a Self-Haul Application, available from the City online or in person at City Hall, which states that they understand the requirements for Self-Haulers and agree to follow the requirements of this Section and Chapter.
  - (2) Receive approval notice and permit from the City, which certifies that the applicant understands the requirements for Self-Haulers and agrees to follow the requirements of this Section and Chapter. Self-Haulers shall not commence Self-Haul operations prior to receiving a Self-Haul Permit from the City or its Designee(s).

**6-4.113 Scavenging, Unlawful Dumping, and Public Nuisances Prohibited**

- (a) Scavenging is prohibited; it is unlawful for any person to engage in the act of scavenging. For purposes of this Section, "scavenging" means engaging in any of the following activities:
- (1) Tampering or meddling with a container for Solid Waste, Recyclable Materials, or Organic Materials;
  - (2) Tampering or meddling with the contents of any container for Solid Waste, Recyclable Materials, or Organic Materials;

- (3) Removing the contents of any container for Solid Waste, Recyclable Materials, or Organic Materials;
  - (4) Removing any container for Solid Waste, Recyclable Materials, or Organic Materials from the location where the container has been placed by the owner of the container or owner's agent or employee; or
  - (5) Removing, tampering, or meddling with any Solid Waste, Recyclable Materials, or Organic Materials set out for collection, pursuant to the provisions of this chapter, on private property or on any sidewalk, street, or public right-of-way.
  - (6) The provisions of this Section do not apply to:
    - (A) A contractor or its agents or employees performing under the authority of its contract;
    - (B) A City agent performing within the authority of the City; or
    - (C) The owner of the waste or of the container, including the owner's authorized agents and employees.
  - (7) It is declared to be an infraction for any person, other than those individuals listed in subsection (6) above, to violate any provision of this Section.
- (b) **Unlawful Dumping Prohibited.** No person shall dump, deposit, release, spill, leak, pump, pour, emit, empty, discharge, inject, bury, or dispose into the environment (including by abandonment or discarding of barrels, containers and other closed receptacles of solid, hazardous, or liquid waste of any kind whatsoever) any solid or liquid waste upon any premises within the City, or to cause, suffer, or permit any solid or liquid waste to come to be located upon any premises in the City, except in an authorized or permitted solid waste, recyclable materials, and organic materials container or at an authorized or permitted waste facility approved for that type of waste.
- (c) **Public Nuisance.** To protect public health, safety, and well-being and to prevent the spread of vectors, it is unlawful and a public nuisance for any person or entity to violate any term of this chapter. For these same reasons, it is a public nuisance for any person or entity to occupy, inhabit, maintain, or to be in day-to-day control of any premises within the City which generates waste for which arrangements have not been made with a franchised Contractor, a Contractor with continuation rights recognized by the City, or without obtaining a self-haul permit from the City; for regular collection and removal of solid waste, recyclable materials, and organic materials.
- (d) **Careless disposal of solid waste, Recyclable Materials, and Organic Materials.**
- (1) No person shall place or dump, or hire any person to place or dump, any Solid Waste, Recyclable Materials, or Organic Materials upon the right-of-way of any public highway, street, or thoroughfare, or upon the banks of any stream or dry watercourse, or upon the private property of any person, inhabited or uninhabited, within the City except with the permission of the Health Officer.

- (2) Disposal of hazardous wastes shall be governed by Health and Safety Code Sections 25190 and 25191 and Title 23 California Administrative Code, commencing with Section 2500, Waste Disposal to Land.

#### **6-4.114 Inspections and Investigations**

- (a) City representatives or its Designee(s) are authorized to conduct Inspections and investigations, at random or otherwise, of any collection container, collection vehicle loads, or transfer, processing, or disposal facility for materials collected from Generators, or Source Separated materials to confirm compliance with this chapter by Generators, Responsible Parties of Single-Family Premises, Responsible Parties of Commercial Businesses, Responsible Parties of Multi-Family Premises, Commercial Edible Food Generators, haulers, Self-Haulers, Food Recovery Services, and Food Recovery Organizations, subject to applicable laws. This Section does not allow City or its Designee to enter the interior of a private Single-Family Dwelling residential property for Inspection.
- (b) Entities regulated by this chapter shall provide or arrange for access during all Inspections (with the exception of Single-Family Dwelling residential property interiors) and shall cooperate with the City's representative or its Designee during such Inspections and investigations. Such Inspections and investigations may include confirmation of proper placement of materials in containers, inspection of Edible Food Recovery activities, review of required records, or other verification or Inspection to confirm compliance with any other requirement of this chapter. Failure of a Responsible Party to provide or arrange for: (i) access to an entity's Premises; or (ii) access to records for any Inspection or investigation is a violation of this chapter and may result in penalties described in Section 6-4.115.
- (c) Any records obtained by a City or its Designee during its Inspections and other reviews shall be subject to the requirements and applicable disclosure exemptions of the Public Records Act as set forth in Government Code Section 6250 et seq.
- (d) City representatives or their Designee are authorized to conduct any Inspections, or other investigations as reasonably necessary to further the goals of this chapter, subject to applicable laws.
- (e) City or its Designee shall receive written complaints from persons regarding an entity that may be potentially non-compliant with SB 1383 Regulations, including receipt of anonymous complaints.
- (f) City representatives and/or their Designee are authorized to provide informational notices to entities regulated by this chapter regarding compliance with this chapter.

#### **6-4.115 Enforcement**

- (a) Violation of any provision of this chapter shall constitute grounds for issuance of a Notice of Violation and assessment of a fine by a City Enforcement Official or designee. Enforcement Actions under this chapter are issuance of an administrative citation and assessment of a fine. The City's procedures on imposition of administrative fines as



specified in Title 12 Code Enforcement of the City's code are hereby incorporated in their entirety, as modified from time to time, and shall govern the imposition, enforcement, collection, and review of administrative citations issued to enforce this chapter and any rule or regulation adopted pursuant to this chapter, except as otherwise indicated in this chapter.

- (b) Other remedies allowed by law may be used, including civil action or prosecution as misdemeanor or infraction. City may pursue civil actions in the California courts to seek recovery of unpaid administrative citations. City may choose to delay court action until such time as a sufficiently large number of violations or cumulative size of violations exist such that court action is a reasonable use of City staff and resources.
- (c) Responsible Entity for Enforcement
  - (1) Enforcement pursuant to this chapter may be undertaken by the City or County Enforcement Official, which may be the City Manager or their designated entity, legal counsel, or combination thereof.
  - (2) Enforcement may also be undertaken by a County Enforcement Official, designated by the County, in consultation with City Enforcement Official / District.
  - (3) City Enforcement Official(s) may issue Notices of Violation(s).
- (d) Process for Enforcement
  - (1) City Enforcement Officials and/or their Designee will monitor compliance with the Chapter through Compliance Reviews, Route Reviews, investigation of complaints, and an Inspection program. City Enforcement Officials and/or their designee may also monitor compliance with the chapter randomly. Section 6-4.114 and Title 12 of the Atascadero Municipal Code establishes City's right to conduct Inspections and investigations.
  - (2) City may issue an official notification to notify regulated entities of its obligations under the chapter.
  - (3) For incidences of Prohibited Container Contaminants found in containers, City or its designee will issue an informational notice of contamination to any Generator or Responsible Party found to have Prohibited Container Contaminants in a container. Such notice will be provided via a cart tag or other communication immediately upon identification of the Prohibited Container Contaminants or within 60 days after determining that a violation has occurred. If the City or its Designee observes Prohibited Container Contaminants in a Responsible Party's containers on more than three (3) consecutive occasion(s), the City or its Designee, or the Contractor, may assess contamination processing fees or contamination penalties on the Generator.
  - (4) With the exception of violations of contamination of container contents, City shall issue a Notice of Violation requiring compliance within 60 days of issuance of the notice.

- (5) Absent compliance by the respondent within the deadline set forth in the Notice of Violation, City shall commence an action to impose penalties, via an administrative citation and fine.
- (6) Notices shall be sent to “owner” at the official address of the owner maintained by the tax collector for the County Assessor or if no such address is available, to the owner at the address of the Multi-Family Premises or Commercial Premises or to the Responsible Party for the collection services, depending upon available information.

(e) Penalty Amounts for Types of Violations

The penalty levels are as follows, as prescribed by Section 12-1.04 and Section 12-2.02 of the Atascadero Municipal Code and any other applicable code or regulation:

- (1) For a first violation, the amount of the base penalty shall be \$100 per violation.
- (2) For a second violation, the amount of the base penalty shall be \$200 per violation.
- (3) For a third or subsequent violation, the amount of the base penalty shall be \$500 per violation.

(f) Compliance Deadline Extension Considerations

City may extend the compliance deadlines set forth in a Notice of Violation issued in accordance with this Section if it finds that there are extenuating circumstances beyond the control of the respondent that make compliance within the deadlines impracticable, including the following:

- (1) Acts of God such as earthquakes, wildfires, flooding, and other emergencies or natural disasters;
- (2) Delays in obtaining discretionary permits or other government agency approvals; or,
- (3) Deficiencies in Organic Waste recycling infrastructure or Edible Food Recovery capacity and the City is under a corrective action plan with CalRecycle pursuant to 14 CCR Section 18996.2 due to those deficiencies.

(g) Appeals Process. Persons receiving an administrative citation containing a penalty for an uncorrected violation may request a hearing to appeal the citation. A hearing will be held only if it is requested within the time prescribed and consistent with City’s procedures in the City’s codes for appeals of administrative citations. Evidence may be presented at the hearing. The City will appoint a hearing officer who shall conduct the hearing and issue a final written order.

(h) Education Period for Non-Compliance. Beginning January 1, 2022 and through December 31, 2023, City or its Designee will conduct Inspections, Route Reviews or waste evaluations, and Compliance Reviews, depending upon the type of regulated entity, to determine compliance, and if City or its Designee determines that Generator, Responsible

Party, Self-Hauler, hauler, Tier One Commercial Edible Food Generator, Food Recovery Organization, Food Recovery Service, or other entity is not in compliance, it shall provide educational materials to the entity describing its obligations under this chapter and a notice that compliance is required by January 1, 2022, and that violations may be subject to administrative civil penalties starting on January 1, 2024.

- (i) Civil Penalties for Non-Compliance. Beginning January 1, 2024, if the City determines that a Generator, Responsible Party, Self-Hauler, hauler, Tier One or Tier Two Commercial Edible Food Generator, Food Recovery Organization, Food Recovery Service, or other entity is not in compliance with this chapter, it shall document the noncompliance or violation, issue a Notice of Violation, and take Enforcement Action pursuant to this Section, as needed.



# ***Atascadero City Council***

## ***Staff Report - Public Works Department***

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### **Budget Amendment to Advance Funding for Street and Storm Drain Maintenance District No. 2 (Las Lomas) Pavement Management**

#### **RECOMMENDATION:**

Council authorize the Director of Administrative Services to amend the current Fiscal Years 2021-2023 Budget to advance \$374,000 from Fiscal Year 2022/2023 to Fiscal Year 2021/2022 for Street and Storm Drain Maintenance District No. 2 (Las Lomas) Pavement Management.

#### **DISCUSSION:**

The adopted Budget and Five-Year Capital Improvement Program (CIP) includes pavement maintenance and resurfacing for all the streets located within the Las Lomas Development. These streets are part of the Street and Storm Drain Maintenance District No. 2. This district was established at the time of subdivision approval in 2005, and was formed to provide funding for maintenance, repair, and improvements of the streets, storm drains, sidewalks, and other related facilities in the Woodridge subdivision, now known as Las Lomas. Funds collected from the assessment district properties are constrained for related expenses incurred in the assessment district.

The adopted Budget and CIP includes \$20,000 in FY2021/2022 for the design phase and another \$374,000 in FY2022/2023 for the construction phase for the pavement management work in the Las Lomas Maintenance District. Overall, pavement conditions are in very good condition (PCI>80m) making the streets good candidates for crack sealing and resurfacing (e.g. microsurfacing).

The Budget and CIP also includes funding for the 2021 Measure F14 Pavement Resurfacing project. This project was postponed until 2022 due to multiple other projects within the southeast City quadrant, and includes the same type of pavement work as the Las Lomas project. City staff is proposing combining these two projects as a single bid package to obtain lower construction bids due to the increased quantities of work. In addition, contractors that perform microsurfacing work are specialized and usually located outside the Central Coast region. Combining these two projects will result in lower construction costs compared to having them bid out separately.

Microsurfacing work is best performed during the hot and dry season (summer). In order to accommodate this schedule and have the most competitive bids, these projects should be advertised in the March timeframe with construction ready to begin by June. This will also allow contractors outside of the region to solidify their work schedules and ensure City projects are completed in ideal working conditions.

Staff is recommending that the City Council amend the current budget to advance construction funding for the pavement resurfacing work in the Las Lomas Assessment District to allow this work to be combined with the 2021 Measure F-14 Pavement Resurfacing Project. All work quantities and costs will be tracked separately and paid from the appropriate funding source.

**FISCAL IMPACT:**

This recommendation advances the funding for the Las Lomas Street and Storm Drain Maintenance District Pavement Management Project a couple months early and will result in no fiscal impact.

**ATTACHMENTS:**

None.



# ***Atascadero City Council***

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## ***Staff Report – Fire & Emergency Services***

### **Disposal of Assets – Fire Radios**

#### **RECOMMENDATION:**

Council authorize the Fire Chief to allocate surplus used hand-held radios to Templeton Fire Department and Morro Bay Fire Department.

#### **DISCUSSION:**

The City of Atascadero purchased 40 Motorola APX 6000 hand-held radios in 2014 for the Fire Department. The purchase was possible through a generous community member donation in order to provide fire fighters with the equipment necessary to protect the community. These radios have served the City well and proved to be reliable, high-quality radios. The replacement of all police and fire radios was included as part of the 2021-2022 budget. The Fire Department recently took delivery and placed in service 40 new Motorola APX 8000 hand-held radios.

Of this cache of 40 older Motorola APX 6000 radios, twenty will be used to provide a cache of radios for city personnel in the event of a large-scale emergency or Emergency Operations Center activation. After analyzing the needs, staff has determined that 20 radios to make up this cache will be sufficient. This allows for a cache 12 of radios ready to be put to use, plus a few spares located at Fire Station 1, Dispatch, City Manager's Office, and Technology.

Atascadero was recently approached by both Templeton Fire Department and Morro Bay Fire Department regarding the status of Atascadero's surplus radios. The two departments are in need of updating their current radio caches. If authorized by the City Council, these two departments would use some of the older APX 6000 radios as their primary hand-held radio, as they work toward budgeting for their future radio purchases. Atascadero's Fire Department works very closely with Templeton Fire and responds to Mutual Aid incidents along Highway 41 with Morro Bay Fire. By providing reliable radios and improving communications for both agencies, we will increase the safety for these incidents.

The fair market value of the 20 older APX 6000 radios is estimated to be \$10,000. When these radios were purchased in 2014, their estimated useful live was thought to be 10 years. Given the changes in technology and the heavy use of the radios, their useful life is now thought to be 8 years. Due to this change in estimated useful life, there is still a

remaining book value of about \$13,000 for these radios. Therefore, the disposal of the radios will show a loss on the financial statements in the amount of the book value. Since these radios were purchased with funds donated for firefighter equipment by a generous member of the community, allocation of these radios to neighboring fire agencies will pay that community donation forward. Although there is community benefit to paying it forward, that action does not show up as a benefit on the financial statements.

Staff recommends donating these radios to each agency. Templeton Fire has requested 8 Motorola APX 6000 hand-held radios and Morro Bay has requested 12 Motorola APX 6000 hand-held radios.

**FISCAL IMPACT:**

Authorizing the donation of these 8 radios to Templeton Fire Department and 12 radios to Morro Bay Fire Department will not incur any new expenses. However, disposal of the radios through donation versus sales has a book value loss of about \$13,000.

**ATTACHMENTS:**

None.



# Atascadero City Council

## Staff Report – Public Works Department

### 2022 Community Development Block Grant Funding Recommendations

#### RECOMMENDATION:

Council review and approve funding recommendations for the 2022 Community Development Block Grant (CDBG) program as shown below and authorize staff to adjust final award amounts proportionately upon receipt of the final funding amount.

	Draft Recommendations December 2021	Final Funding Staff Recommendations
<b>Public Facilities (PF) and Housing Projects (HP) – Estimated 2022 Allocation</b>		
City of Atascadero – Santa Rosa (PF)	\$90,652	\$90,652
Peoples’ Self Help Housing – Del Rio Ridge (HP)		
<b>Public Services – Limited to 15% of 2022 Allocation (\$)</b>		
City of Atascadero – Youth Activity Scholarships	\$10,752	\$10,752
El Camino Homeless Organization (ECHO) – Operation of Homeless Shelter	\$8,524	\$8,524
5 Cities Homeless Coalition – Subsistence Payments, Homeless Assistance & Security Deposits	\$1,644	\$1,644
Peoples’ Self Help Housing – Supportive Housing Program		
<b>Administration – Limited to 20% of 2022 Allocation (\$28,958)</b>		
City Program Administration Costs	\$9,763	\$9,763
County Program Administration Costs	\$18,130	\$18,130
<b>Total 2022 Grant Funds Available</b>	<b>\$139,465</b>	<b>\$139,465</b>

#### DISCUSSION:

##### Background

The 2022 CDBG award process began in the fall of 2021. Workshops were held throughout the County to solicit public comment on community needs. The County published a request for CDBG proposals and the City received six applications. Total



available funding for the 2022 cycle, based on previous levels, is anticipated to be approximately \$139,465. Final funding amounts are anticipated to be released by the Department of Housing and Community Development (HUD) in spring 2022.

CDBG funds are available for community development activities, which meet at least one of the three national objectives:

1. A benefit to low and moderate-income persons;
2. Aid in the prevention or elimination of blight;
3. Address urgent needs that pose a serious and immediate threat to the health or welfare of the community.

In order for a program to qualify under the low and moderate income objective, at least 51% of the persons benefiting from the project or program must earn no more than 80% of the area median. Additionally, at least 70% of the CDBG funds must be spent toward this objective.

There is a minimum award threshold of \$8,000 per project, meaning the City can only allocate less than \$8,000 for a particular public service activity if another agency in the County commits to programming the remainder to equal a Countywide cumulative total of at least \$8,000. Based upon the draft recommendations, this will apply to the 2022 applications from the 5-Cities Homeless Prevention program.

The following criteria should also be used to guide selection of CDBG programs:

1. The proposal is consistent with the national objectives and eligibility criteria of the HUD CDBG program;
2. The proposal is consistent with the Urban County Consolidated Plan;
3. The proposal is consistent with the General Plan and other City codes/ordinances.
4. The proposal will achieve multiple community development objectives;
5. The proposal can be implemented in a timely manner, without significant environmental, policy, procedural, legal, or fiscal obstacles to overcome; and
6. The project is not financially feasible without CDBG funding.

#### Funding Recommendations

On December 14, 2021, after reviewing the applications, Council approved the draft funding recommendations for the 2022 cycle. The recommendations were then published for the required minimum of 30 days during which time a public workshop was held by the County.

The draft recommendations include an allocation of \$1,644 to 5 Cities Homeless Coalition. While this allocation from Atascadero is less than the minimum Countywide project funding of at least \$8,000, there are other agency commitments for the remainder of funding necessary to equal a Countywide cumulative total. With an estimated \$46,648 in draft recommendations from San Luis Obispo (SLO) County, Paso Robles, Pismo Beach, Arroyo Grande, and Morro Bay, the 5-Cities Homeless Prevention program exceeded the \$8,000 minimum award threshold for 2022. The County's draft recommendation also included 5-Cities Homeless Prevention for an additional award of

\$25,100 in Title 29 (SLO County Affordable Housing fund) and \$56,831 in Emergency Solutions Grant (ESG) funding from the County for a grand total of \$131,867 in draft recommendation funds (including Atascadero's allocated funding).

Conclusion

Once the Council has approved the funding recommendations for the 2022 CDBG program, they will be forwarded to the County for approval by the County Board of Supervisors and inclusion in the countywide Consolidated Plan.

The amount of funding shown for 2022 is an estimate provided by the County based on available information from the U.S. Department of Housing and Urban Development. If the amount awarded to the City is more than the amounts shown, the additional amount will be dispersed proportionately among the awarded applicants.

**FISCAL IMPACT:**

Approval of Atascadero's total 2022 CDBG allocation would result in the estimated revenue and expenditure of \$139,465 of CDBG funds.

**ALTERNATIVES:**

Council may modify the grant recommendations prior to approval. However, awards must meet program requirements; a minimum award of \$8,000 for public service activities on a Countywide cumulative basis, providing a minimum of 70% of funding for benefit to low and moderate-income persons, and no more than 15% of the current year allocation can be awarded in the public service category.

**ATTACHMENTS:**

None.

A complete packet of submitted applications is available for public review at the City of Atascadero, Public Works Department, 6500 Palma Avenue.



# ***Atascadero City Council***

## ***Staff Report – City Manager’s Office***

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### **SB 1383 – MWELO and CALGreen Requirements**

#### **RECOMMENDATION:**

Council introduce for first reading, by title only, a Draft Ordinance amending Title 8, (Building Code) Chapter 8 and Chapter 10 of the Atascadero Municipal Code, to implement CALGreen requirements for covered projects and Chapter 10 to establish water efficient landscape and irrigation requirements in compliance with Senate Bill 1383.

#### **DISCUSSION:**

At the February 22, 2022 Council Meeting, staff gave a presentation regarding Senate Bill 1383 (SB 1383) and the regulations and requirements adopted by Department of Resources Recycling & Recovery (CalRecycle) to achieve methane reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants (SLCP). These regulations were finalized by CalRecycle in November 2020 and became effective on January 1, 2022, giving local jurisdictions just 14 months to comply with the requirements of the regulations.

As part of SB 1383 compliance, on February 22, the Council introduced updates to Title 6, Chapter 4 (Solid Waste Collection) of the Atascadero Municipal Code (AMC) to align with the legislative mandates of SB 1383. Additionally, the City must now update Title 8 of the AMC to establish a water efficient landscape and irrigation ordinance.

Existing state law and regulations already require jurisdictions to adopt in their municipal code and enforce the California Green Building Standards Code (CCR, Title 24, Part 11 - [CALGreen](#)) and the Model Water Efficient Landscape Ordinance (CCR, Title 23, Division 2, Chapter 2.7 - [MWELO](#)). SB 1383 further requires that jurisdictions specifically adopt an ordinance or other enforceable measure that requires compliance with specific sections of CALGreen and MWELO in order to support California’s efforts to reduce emissions of SLCPs.

The Draft Ordinance amends Title 8, Chapter 8, adding Section 8-8.102 of the AMC to add CALGreen recycling requirements such as:

- Provide readily accessible areas that are identified for storage and collection of Recyclable Materials and Organic Materials consistent with the City’s three or more-container collection program or comply with provision of adequate space for recycling for Multi-Family Premises and Commercial Premises pursuant to CALGreen where 5 or more multi-family dwelling units are constructed on a building site

- Provide readily accessible areas that are identified for storage and collection of Recyclable Materials and Organic Materials consistent with the City's three or more-container collection program or comply with provision of adequate space for recycling for Multi-Family Premises and Commercial Premises pursuant to CALGreen for new commercial or multi-family construction or additions resulting in more than 30% of the floor area
- Comply with CALGreen requirements related to management of construction and demolition debris (C&D), including diversion of organic waste in C&D from disposal

The Draft Ordinance amends Title 8, Chapter 10, adding Section 8-10.103 of the AMC to add requirements for:

- Water efficient landscaping as required by MWELo for new construction projects with a landscape requirement area greater than 500 square feet, or projects rehabilitating an existing landscape with a total landscape area greater than 2,500 square feet
- Mulch and compost use requirements for landscape installations projects as outlined above

**FISCAL IMPACT:**

None.

**ATTACHMENT:**

Draft Ordinance

**DRAFT ORDINANCE**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AMENDING TITLE 8, CHAPTERS 8 (GREEN BUILDING CODE) AND 10 (WATER EFFICIENT LANDSCAPE AND IRRIGATION), OF THE ATASCADERO MUNICIPAL CODE ADDING SECTIONS 8-8.102 (CALGREEN RECYCLING REQUIREMENTS) AND 8-10.103 (WATER EFFICIENT LANDSCAPE AND IRRIGATION REQUIREMENTS) REQUIRING COMPLIANCE WITH SPECIFIC SECTIONS OF THE CALIFORNIA GREEN BUILDING CODE AND STATE MODEL WATER EFFICIENT LANDSCAPE AS REQUIRED BY SENATE BILL 1383**

**WHEREAS**, the City of Atascadero previously adopted the California Green Building Standards Code (CALGreen) and Model Water Efficient Landscape Ordinance (MWELO), by reference, in compliance with the State requirements; and

**WHEREAS**, in September 2016, Governor Brown signed into law Senate Bill 1383 (SB 1383) establishing methane reduction targets in an effort to curb the presence of methane emissions caused by organic waste; and

**WHEREAS**, SB 1383, the Short-lived Climate Pollutant Reduction Act of 2016, requires jurisdictions to adopt and enforce an ordinance or enforceable mechanism that requires compliance with specific sections of CALGreen and MWELO; and

**WHEREAS**, SB 1383 became effective on January 1, 2022, and local jurisdictions are required to amend their Municipal Code to enact regulations set forth in SB 1383 and provide a copy of the adopted ordinance to CalRecycle by April 1, 2022; and

**WHEREAS**, a timely and properly noticed Public Hearing upon the subject amendments was held by the City Council of the City of Atascadero on March 8, 2022, at which hearing evidence, oral and documentary, was admitted on behalf of said amendments.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ATASCADERO HEREBY ORDAINS AS FOLLOWS:**

**SECTION 1. Recitals:** The above recitals are true and correct.

**SECTION 2. Determination.** The City Council has determined that Title 8 be amended to update Chapter 8 adding 8-8.102, adopting CALGreen recycling requirements and Chapter 10 adding 8-10.103, establishing requirements for water efficient landscape and irrigation as set forth in Exhibit “A” and “B” respective, of this Ordinance, attached hereto and incorporated herein by reference.

**SECTION 3. CEQA.** The proposed Title 8 amendments are exempt from the California Environmental Quality Act (CEQA), Public resources Code Section 21000 et seq., because it can be seen with certainty that there is no possibility that the enactment of this Ordinance would have a significant effect on the environment (Pub. Resources Code § 21065; CEQA Guidelines §§ 15378(b)(4), 15061(b)(3)).

**SECTION 4. Interpretation.** This Ordinance must be broadly construed in order to achieve the purposes stated in this Ordinance. It is the City Council’s intent that the provisions of this Ordinance be interpreted or implemented by the City and others in a manner that facilitates the purposes set forth in this Ordinance.

**SECTION 5. Preservation.** Repeal of any provision of the AMC or of any previous Code Sections, does not affect any penalty, forfeiture, or liability incurred before, or preclude prosecution and imposition of penalties for any violation occurring before this Ordinance’s effective date. Any such repealed part will remain in full force and effect for sustaining action or prosecuting violations occurring before the effective date of this Ordinance.

**SECTION 6. Effect of Invalidation.** If this entire Ordinance or its application is deemed invalid by a court of competent jurisdiction, any repeal or amendment of the AMC or other City Ordinance by this Ordinance will be rendered void and cause such previous AMC provision or other City Ordinance to remain in full force and effect for all purposes.

**SECTION 7. Severability.** If any part of this Ordinance or its application is deemed invalid by a court of competent jurisdiction, the City Council intends that such invalidity will not affect the effectiveness of the remaining provisions or applications and, to this end, the provisions of this Ordinance are severable.

**SECTION 8. Notice.** The City Clerk is directed to certify the passage and adoption of this Ordinance; cause it to be entered into the City of Atascadero’s book of original ordinances; make a note of the passage and adoption in the records of this meeting; and, within fifteen (15) days after the passage and adoption of this Ordinance, cause it to be published or posted in accordance with California law.

**SECTION 9. Effective Date.** This Ordinance will take effect on the 30th day following its final passage and adoption.

**INTRODUCED** at a regular meeting of the City Council held on \_\_\_\_ 2022, and **PASSED, APPROVED** and **ADOPTED** by the City Council of the City of Atascadero, State of California, on \_\_\_\_\_, 2022.

CITY OF ATASCADERO

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:

\_\_\_\_\_  
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Brian A. Pierik, City Attorney

**Title 8 BUILDING CODE**

**Chapter 8 GREEN BUILDING CODE**

**8-8.101 Modifications to the California Green Building Code.**

**8-8.102 Compliance with the California Green Building Code Recycling Requirements.**

**8-8.102 Compliance with the California Green Building Code Recycling Requirements.**

- (a) Persons applying for a permit from the City for new construction and building additions and alterations shall comply with the requirements of this Section and all required components of the California Green Building Standards Code, 24 CCR, Part 11, known as CALGreen, as amended, if its project is covered by the scope of CALGreen.
- (b) For projects covered by CALGreen, the applicants must, as a condition of the City's permit approval, comply with the following:
  - (1) Where five (5) or more Multi-Family dwelling units are constructed on a building site, provide readily accessible areas that serve Occupants of all buildings on the site and are identified for the storage and collection of Recyclable Materials Container and Organic Materials Container materials, consistent with the three or more-container collection program offered by the City/County/District, or comply with provision of adequate space for recycling for Multi-Family Premises and Commercial Premises pursuant to Sections 4.408.1, 4.410.2, 5.408.1, and 5.410.1 of the California Green Building Standards Code, 24 CCR, Part 11 as amended provided amended requirements are more stringent than the CALGreen requirements for adequate recycling space effective January 1, 2020.
  - (2) New Commercial or Multi-Family construction or additions resulting in more than 30% of the floor area shall provide readily accessible areas identified for the storage and collection of Recyclable Materials Container and Organic Materials Container materials, consistent with the three or more-container collection program offered by the City/County/District, or shall comply with provision of adequate space for recycling for Multi-Family Premises and Commercial Premises pursuant to Sections 4.408.1, 4.410.2, 5.408.1, and 5.410.1 of the California Green Building Standards Code, 24 CCR, Part 11 as amended provided amended requirements are more stringent than the CALGreen requirements for adequate recycling space effective January 1, 2020.
  - (3) Comply with CALGreen requirements and applicable law related to management of construction and demolition debris (C&D), including diversion of Organic Waste in C&D from disposal. Comply with all written and published City policies and/or administrative guidelines regarding the collection, recycling, diversion, tracking, and/or reporting of C&D.

**Title 8 BUILDING CODE**

**Chapter 10 WATER EFFICIENT LANDSCAPE AND IRRIGATION**

**8-10.101 Purpose.**

**8-10.102 Adoption of Code.**

**8-10.103 Water Efficient Landscape and Irrigation Requirements.**

**8-10.103 Water Efficient Landscape and Irrigation Requirements**

This section is intended to comply with the State’s Model Water Efficiency Landscape Ordinance, and standards found in 23 CCR, Division 2, Chapter 2.7.

(a) Property Owners or their building or landscape designers, including anyone requiring a building or planning permit, plan check, or landscape design review from the City, who are constructing a new (Single-Family, Multi-Family, public, institutional, or Commercial) project with a landscape requirement area greater than 500 square feet, or rehabilitating an existing landscape under City review jurisdiction with a total landscape area greater than 2,500 square feet, shall comply with Sections 492.6(a)(3)(B) (C), (D), and (G) of the MWELO, including sections related to use of compost and mulch as delineated in this Chapter.

(b) Property Owners or their building or landscape designers that meet the threshold for MWELO compliance outlined in Section (a) above shall:

(1) Comply with Sections 492.6 (a)(3)(B)(C), (D) and (G) of the MWELO, which requires the submittal of a landscape design plan with a soil preparation, mulch, and amendments section to include the following:

(A) For landscape installations, compost at a rate of a minimum of four cubic yards per 1,000 square feet of permeable area shall be incorporated to a depth of six (6) inches into the soil. Soils with greater than six percent (6%) organic matter in the top six (6) inches of soil are exempt from adding Compost and tilling.

(B) For landscape installations, a minimum three- (3) inch layer of mulch shall be applied on all exposed soil surfaces of planting areas except in turf areas, creeping or rooting groundcovers, or direct seeding applications where mulch is contraindicated. To provide habitat for beneficial insects and other wildlife up to five percent (5%) of the landscape area may be left without mulch. Designated insect habitat must be included in the landscape design plan as such.

(C) Organic mulch materials made from recycled or post-consumer materials shall take precedence over inorganic materials or virgin forest products unless the recycled post-consumer organic products are not locally available. Organic mulches are not required where prohibited by local fuel modification plan guidelines or other applicable local ordinances.



(2) The MWELO compliance items listed in this Section are not an inclusive list of MWELO requirements; therefore, property owners or their building or landscape designers that meet the threshold for MWELO compliance outlined in this Chapter shall consult the full MWELO for all requirements.

(c) If, after the adoption of this Chapter, the California Department of Water Resources, or its successor agency, amends 23 CCR, Division 2, Chapter 2.7, Sections 492.6(a)(3)(B) (C), (D), and (G) of the MWWELO September 15, 2015 requirements in a manner that requires City to incorporate the requirements of an updated MWELO in a local ordinance, and the amended requirements include provisions more stringent than those required in this Section, the revised requirements of 23 CCR, Division 2, Chapter 2.7 shall be enforced.



# ***Atascadero City Council***

## ***Staff Report - Public Works Department***

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### **Proposed Sewer Service Rate Increase**

#### **RECOMMENDATIONS:**

Council:

1. Direct staff to administer the Proposition 218 majority protest process and send out notice of the proposed increases to all property owners connected to the municipal sanitary sewer system.
2. Set a Public Hearing on May 10, 2022 for the City Council's consideration of the proposed wastewater rate increases.

#### **REPORT IN BRIEF:**

The City is proposing to increase wastewater rates in order to accommodate the costs of providing wastewater services due to a number of key factors including but not limited to rising treatment and energy costs; impacts of regulation and legislation; and past and continued critical upgrades and/or replacement of wastewater facilities and infrastructure. A Wastewater Rate Study was completed in 2019 that proposed increases to sewer service charges and sewer connection fees (capacity charges). These significant rate increases were proposed to be phased in over a five-year period. The rate increases proposed for 2022-2023 would be the fourth of the five proposed phased in rate increases. . Increasing wastewater rates must comply with Proposition 218, which requires certain procedures to be followed with regard to "property-related" fee increases imposed by governmental agencies. This report provides the analysis for the rate increases and identifies the procedures to implement the new rates.

#### **DISCUSSION:**

##### Background

The City of Atascadero provides wastewater collection and treatment service for most non-residential properties and a portion of the City's residential population serving a combined area consisting of approximately 2,000 acres of the roughly 15,000 acres within the City boundary. Customers of the wastewater collection and treatment system are comprised of approximately 5,000 parcels that include residential, commercial, and light industrial customers. The remainder of the City's population is served by on-site wastewater treatment systems (septic systems).

The City of Atascadero assumed ownership and operation of the wastewater collection and treatment system from the Atascadero County Sanitation District in 1982 shortly after incorporation (1979). While there have been upgrades, modifications, and additions to wastewater treatment facilities, the overall process has not changed significantly since 1982 and is considered a stabilization pond treatment system.

The wastewater collection system (also referred to as the sanitary sewer system) is currently comprised of approximately 63 miles of four to 21-inch diameter gravity sewer pipe, 1,460 manholes, 12 lift stations, 7 miles of four to 16-inch diameter forcemain, and 5,000 sewer service connections. This system has expanded since 1982 but still has original pipes in service from the 1930's.

Utilities that have customer water consumption data customarily use consumption during winter months as a basis for the year-round sewer service charges at a volumetric rate. Customers connected to the City's sanitary sewer system are billed a fixed charge for the City's service to collect and treat the wastewater, which is called a sewer service charge or wastewater service charge. This fixed rate methodology is used since the City is not the water supplier and does not have access to individual customer water consumption data without the customer's consent. The fixed charge used by the City is based upon Equivalent Dwelling Units (EDUs), where one EDU is the basis for a single family residence (SFR) service charge, based upon an estimated average daily flow of 240 gallons of wastewater and wastewater strength provided by the residence. Other connection users are assigned a multiple or fraction of an EDU based upon expected average daily flow and strength of wastewater compared to that of SFR. For example, an apartment or condo is 0.75 EDUs and charged 0.75 times that of a SFR service charge, and a restaurant with less than 40 seats is four EDUs and charged 4 times that of a SFR service charge. The City currently has about 8,500 EDUs in the system.

Sewer service charges are collected by placing a levy each year on the property taxes of individual customers through San Luis Obispo County. The City provides data to the County including the Assessor's Parcel Number (APN) and the associated sewer service charge being levied on the property. The charge is included as a line item on the customer's property tax statements. Revenue from sewer service charges are paid to the City twice each year.

The sewer service charges have been adjusted only four times since 1982. Rates were unchanged from 1994 through 2018, and in 2019 the Council approved a five-year phased in approach to increasing Wastewater fees based upon a Wastewater Rate Study. As, such increases were approved the last three years in 2019, 2020 and 2021 and the fourth of the five-year phased in increases is proposed for 2022-2023.

#### Wastewater Rate Analysis

The City is dedicated to keeping rates low by maintaining lean staffing levels, absorbing increasing operational and maintenance costs, and using reserves when necessary. However, much like other utilities and services delivered to homes and businesses, the costs involved to collect and treat wastewater have risen and continue to rise.

As part of the Wastewater Master Plan process, an independent engineering consultant, MKN, assessed and analyzed the capital needs of the wastewater collection and treatment systems in 2019. A Capital Improvement Program (CIP) was developed that identified numerous capital facility replacements and upgrades to provide a safe and reliable wastewater system. In addition to other projects, the most significant capital projects identified consist of the Water Reclamation Facility (WRF) Retrofit and Secondary Treatment Improvement Project estimated to exceed \$23 million and Lift Station No. 13 and Force Main Project estimated at \$5.5 million. Both projects are in preliminary or final design and are expected to be completed within the next five years. The CIP cost estimates in the Wastewater Master Plan exceed \$52 million over the next ten years. However, due to more stringent treatment requirements for the WRF included in the Central Coast Regional Quality Control Board's new general permit, (issued after completion of the Wastewater Master Plan), and significant inflationary pressures and rising construction cost indices, these costs will increase and need to be revised.

Tuckfield & Associates, an independent financial consultant, completed a comprehensive wastewater rate study for the City's wastewater enterprise in May 2019 (see attached). This study analyzed the City's wastewater services, wastewater enterprise revenue and revenue requirements, and current rate structure. The study also analyzed and determined the cost of providing wastewater services and their corresponding impacts to customer's bills. This analysis identified a number of key factors that result in the proposed rates. These key factors include, but are not limited to:

- Rising treatment and energy costs
- Impacts of regulation and legislation
- Past and continued critical upgrades and/or replacement of wastewater facilities and infrastructure

The wastewater rate study recommends increasing the current monthly sewer service charge of \$34.00 per SFR (or EDU) by 19%, or \$6.46, for a total monthly rate of \$40.46. The report further recommends similar percentile increases for each of the following years through FY23/24. The following table shows the current and proposed FY22/23 sewer service charges for the various connection user categories.

<b>CURRENT AND PROPOSED MONTHLY SEWER SERVICE CHARGES</b>				
<b>Classification Description</b>	<b>EDU Multiple</b>	<b>Unit of Measure</b>	<b>Monthly Rate</b>	
			<b>Current</b>	<b>Proposed<sup>1</sup></b>
<b>Residential Fixed Charges</b>				
Single Family	1.00	Dwelling Unit	\$ 34.00	\$ 40.46
Apartment, Condo	0.75	Dwelling Unit	\$ 25.50	\$ 30.35
Mobile Home	0.60	Spaces	\$ 20.40	\$ 24.28
Senior Apartment Unit	0.35	Dwelling Unit	\$ 11.90	\$ 14.16
<b>Non-Residential Fixed Charges</b>				
Financial Institutions	2.00	Unit	\$ 68.00	\$ 80.92
Bars	1.50	Unit	\$ 51.00	\$ 60.69
Carwash	7.50	Unit	\$ 255.00	\$ 303.45
Churches/Meeting Halls				
< 150 seats	1.33	Seats	\$ 45.22	\$ 53.81
150 to 250 seats	2.66	Seats	\$ 90.44	\$ 107.62
> 250 seats	3.00	Seats	\$ 102.00	\$ 121.38
Commercial Unit	1.00	Unit	\$ 34.00	\$ 40.46
Funeral Home	9.00	Unit	\$ 306.00	\$ 364.14
Gas Station	2.00	Unit	\$ 68.00	\$ 80.92
Grocery Store > 10,000 sq. ft.	8.00	1,000 sq. ft.	\$ 272.00	\$ 323.68
Gymnasium	10.00	Unit	\$ 340.00	\$ 404.60
Laundry	9.00	Unit	\$ 306.00	\$ 364.14
Motel (per room)	0.33	Room	\$ 11.22	\$ 13.35
Office Unit	1.00	Unit	\$ 34.00	\$ 40.46
Rest Home (per bed)	0.35	Bed	\$ 11.90	\$ 14.16
Restaurants				
< 40 seats	4.00	Seats	\$ 136.00	\$ 161.84
40 to 60 seats	6.00	Seats	\$ 204.00	\$ 242.76
61 to 100 seats	8.00	Seats	\$ 272.00	\$ 323.68
> 100 seats	10.00	Seats	\$ 340.00	\$ 404.60
Schools (per student enrolled on 3/1)	0.05	Student	\$ 1.70	\$ 2.02
Theater	4.00	Unit	\$ 136.00	\$ 161.84
Veterinarians	3.00	Unit	\$ 102.00	\$ 121.38
Unlisted Uses <sup>2</sup>	1.00	Unit	\$ 34.00	\$ 40.46

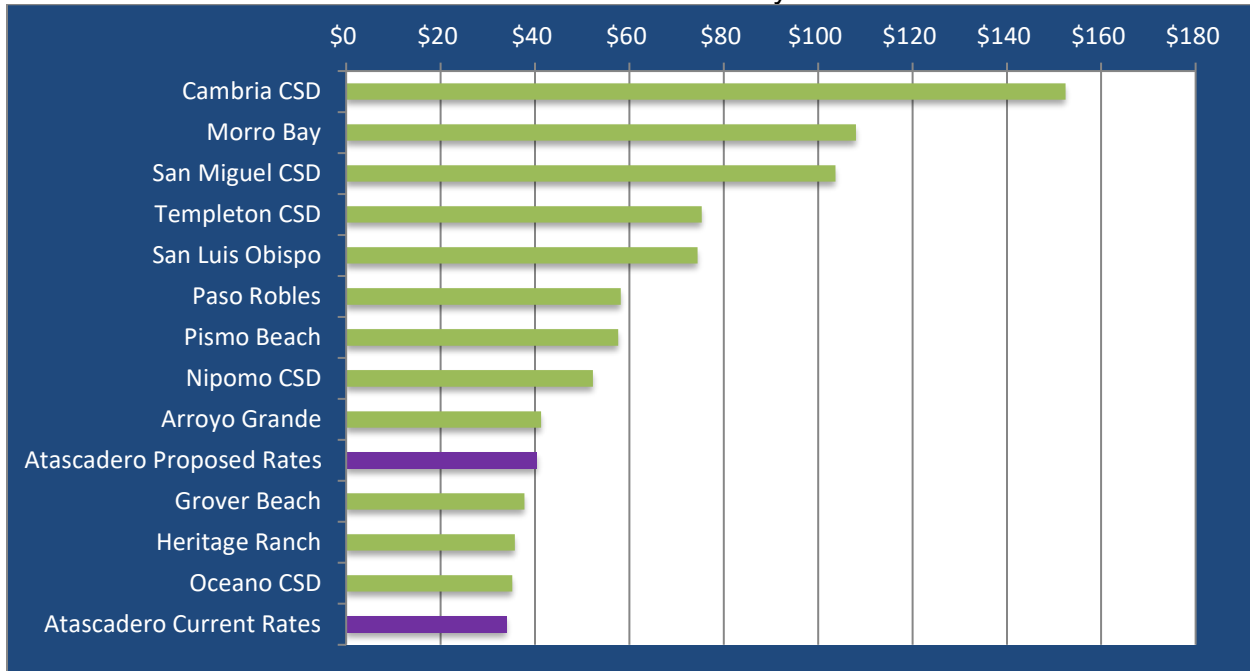
<sup>1</sup> Proposed Rates effective July 1, 2022

<sup>2</sup> Unlisted uses are determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

<sup>3</sup> EDU = Equivalent Dwelling Unit is the average daily flow and strength of wastewater discharge from single family residence (240 gallons per day with BOD<sub>5</sub>=250 ml/L and SS=250 ml/L).

Tuckfield & Associates conducted a wastewater rate survey for neighboring communities to the City of Atascadero. The following chart compares the City’s monthly sewer service charge for an SFR to those neighboring communities at the same use for rates in effect February 2022. As the chart depicts, the current and proposed monthly sewer service bills for Atascadero customers is among the lowest in San Luis Obispo County.

**Comparison of Single-family Residential Monthly Wastewater Bills**  
For Rates in Effect February 2022



A new wastewater fee study is recommended in the near future to incorporate updated capital improvement costs, which are expected to increase. A large portion of these costs are associated with the WRF Retrofit and Secondary Improvements to meet new Water Board effluent limitations. An alternative analysis is nearly completion that will identify which treatment methods are recommended to meet these new requirements, which can vary significantly in costs. Upon completion of the alternative analysis and some preliminary cost estimates, staff will bring this item back to Council for consideration.

Proposition 218 Process

Sanitary sewer rate increases must follow the Proposition 218 majority protest process that requires certain procedures be followed with regard to “property-related” fee increases imposed by governmental agencies. Those rate increases are subject to a “majority protest” process that provides if a majority of the parcels subject to the City fee protest the proposed rate increase, the City cannot impose the increase.

Proposition 218 requires that the City provide all properties receiving the sewer service for which the fee is charged with a minimum of 45 days written notice prior to the City Council holding a Public Hearing on a proposed rate increase. The property owners (and record owners) have the ability to "protest" the proposed rate increase until the close of the Public Hearing. If a majority of the parcels file written protests with the City prior to the close of the Public Hearing, the Proposition states that the City cannot implement the

proposed increase. If a majority of the parcels do not protest the proposed increase, the City Council has the authority to implement the proposed rate increase.

The majority protest process is part of the California Constitution (Article XIID) and it is mandatory that the City adhere to this voter-enacted process. As reference, the specific relevant text from Proposition 218 is included below:

*ARTICLE 13D (ASSESSMENT AND PROPERTY-RELATED FEE REFORM)*

*SEC. 6. Property Related Fees and Charges. (a) Procedures for New or Increased Fees and Charges. An agency shall follow the procedures pursuant to this section in imposing or increasing any fee or charge as defined pursuant to this article, including, but not limited to, the following:*

*(1) The parcels upon which a fee or charge is proposed for imposition shall be identified. The amount of the fee or charge proposed to be imposed upon each parcel shall be calculated. The agency shall provide written notice by mail of the proposed fee or charge to the record owner of each identified parcel upon which the fee or charge is proposed for imposition, the amount of the fee or charge proposed to be imposed upon each, the basis upon which the amount of the proposed fee or charge was calculated, the reason for the fee or charge, together with the date, time, and location of a public hearing on the proposed fee or charge.*

*(2) The agency shall conduct a public hearing upon the proposed fee or charge not less than 45 days after mailing the notice of the proposed fee or charge to the record owners of each identified parcel upon which the fee or charge is proposed for imposition. At the public hearing, the agency shall consider all protests against the proposed fee or charge. If written protests against the proposed fee or charge are presented by a majority of owners of the identified parcels, the agency shall not impose the fee or charge.*

The Council created a majority protest process on May 14, 2019 (Resolution 2019-033) that establishes procedures for the submission and tabulation of protests in connection with rate hearings conducted pursuant to the requirements of Proposition 218. This provides clarity and transparency in the City’s compliance with this process, and could avoid invalidating proposed rate increases from minor technicalities or other challenges.

The City levies the sewer service charges to property taxes and the parcel owner is billed by the County twice annually. Every party listed on the parcel ownership will be mailed a notice. However, the City is only required to count one protest per parcel. Accordingly, even if all parties listed on an individual parcel file a protest, only one protest shall be counted for purposes of determining whether there is a majority protest.

Listed in the table below is the proposed schedule to implement the proposed rates:

March 08, 2022	Direct staff to administer the Proposition 218 process
March 09 – March 18, 2022	Obtain current parcel owner data from County, prepare and print Notices, and ready Notices for mailing
March 25, 2022 or before	Mail Notices to wastewater parcel (and record) owners
March 25 – May 9, 2022	45 day requirement prior to election

May 10, 2022	Public Hearing and Protest Results; Council adopts New Rates
June 14, 2022	Council adopts Resolution to levy sewer service charges
July 1, 2022	New rates become effective (30+ days after adoption of new rates)
July 15, 2022	County deadline to levy sewer service charges to property tax rolls

In accordance with Title 7, Chapter 10 of the Municipal Code, the wastewater rates are adopted by resolution. To avoid confusion, the City Attorney’s office recommends that the new rates are not effective for 30 days following adoption.

**Conclusion**

The City has operated the wastewater collection and treatment systems in a very economical manner for nearly 40 years with only four increases to sewer service rates during that time. The sewer service rates have not kept up with the increasing costs of maintaining, operating and replacing the wastewater collection and treatment systems. The 2019 rate study shows that the City will have to continue to incrementally increase the sewer service rates in order to continue operating, and replacing the existing system.

As discussed at this time last year, this proposed rate increase is intended to phase-in the necessary higher sewer service rates needed to align revenues and expenses in the wastewater system. With this increase the proposed wastewater will still be among the lowest in San Luis Obispo County.

**FISCAL IMPACT:**

Administering the Proposition 218 process will cost approximately \$5,000. If approved the rate increase will generate an estimated \$650,000 in additional sewer service charge revenue.

**ALTERNATIVES:**

1. If the Proposition 218 majority protest process results in a non-majority protest, the Council may reduce the proposed sewer service charge rate increase for FY22/23, but cannot increase the rate over that proposed.
2. Council may direct staff to include proposed rate increases through FY23/24 as described in the study. However, staff recommends waiting until the City has completed the volumetric analysis of the water use patterns of the various groups of connection user classifications and a new fee study is completed with updated CIP costs (estimated March 2023).
3. Council could take no action.

**ATTACHMENT:**

Report on Wastewater Rate Study (May 2019)





# Report on Wastewater Rate Study

May 2019



Prepared For:  
**City of Atascadero**

6500 Palma Avenue  
Atascadero, CA 93422  
(805) 470-3456

Submitted By:  
**Tuckfield & Associates**

2549 Eastbluff Dr, #450B  
Newport Beach, CA 92660  
(949) 760-9454  
[www.tuckfieldassociates.com](http://www.tuckfieldassociates.com)



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## Tuckfield & Associates

2549 Eastbluff Drive, Suite 450B, Newport Beach, CA 92660  
Phone (949) 760-9454 Fax (949) 760-2725  
Email [ctuckfield@tuckfieldassociates.com](mailto:ctuckfield@tuckfieldassociates.com)

May 10, 2019

Mr. Nick DeBar  
Public Works Director/City Engineer  
City of Atascadero  
6500 Palma Avenue  
Atascadero, CA 93422

Dear Mr. DeBar:

I am pleased to submit this report on the Wastewater Rate Study (Study) for the City of Atascadero (City). The wastewater service charges presented in this report have been developed based on industry methods that result in fair and equitable rates for the users of the wastewater utility in accordance with Proposition 218.

The Study included a review and analysis of the wastewater enterprise revenue and revenue requirements, number of equivalent dwelling units, and current rate structure. This report presents the findings and recommendations for the City's wastewater service charges to meet the on-going operational needs of the wastewater enterprise and the funding of the capital infrastructure requirements. Tables and figures throughout the report are provided to demonstrate the calculations.

It has been a pleasure working with the City on this project. If there are any questions regarding this report, please contact me at (949) 760-9454.

Very Truly Yours,

TUCKFIELD & ASSOCIATES



G. Clayton Tuckfield  
President/Project Consultant

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# Executive Summary

The City of Atascadero (City) engaged Tuckfield & Associates to conduct a comprehensive Wastewater Rate Study (Study) for its wastewater system (System). This Study includes development of a pro forma statement of revenues and revenue requirements for the wastewater enterprise and design of wastewater service charges for implementation.

The last time that wastewater service charges were increased was in 1994, or about 25 years ago. It is recommended that the City conduct an update to this Study at least every three to five years for prudent rate planning

## Wastewater Financial Plan

Current wastewater charges consist of monthly fixed charges which are collected through the county of San Luis Obispo tax rolls. Fixed charges for all customers are established as a multiple of the single-family residential (SFR) dwelling unit fixed charge. The City currently serves about 8,400 Equivalent Dwelling Units (EDUs) and the number of EDUs is expected to increase by 115 annually.

The City has prepared a five-year capital improvement program (CIP) spending plan for the wastewater utility. The capital expenditures consist of various repair, replacement, and rehabilitation projects in addition to two large projects consisting of Water Reclamation Facility (WRF) Process Improvements and the Lift Station #13 and Force Main Project estimated to cost about \$23.15 million and \$5.8 million respectively. The WRF Process Improvements are planned to be financed with proposed debt issues in FY 2021-22 and in FY 2023-24. The Lift Station #13 and Force Main Project is partially financed with the FY 2021-22 debt issue. Debt service related to the projects is estimated to be \$919,000 beginning in FY 2021-22 and an additional \$707,100 in FY 2023-24.

A forward looking financial plan was created that identifies the revenue and revenue requirements of the wastewater enterprise. Annual revenue includes wastewater service charge revenue and miscellaneous revenue. Annual revenue requirements include operation and maintenance (O&M) expense, annual capital replacement, and new debt service. Future O&M expenses were projected recognizing escalation in expenses as well as changes in operations staffing.

From the analysis of the financial plan, revenue increases are recommended to adequately meet future obligations and cash reserve targets. These proposed revenue adjustments include 19 percent annual increases beginning August 8, 2019 and then on each July 1 for the next four years July 2020 and continuing through July 2023. The wastewater financial plan is presented in Table 7.

## Current Wastewater Service Charges

The City's current wastewater service charges consist of monthly fixed charges to residential and non-residential customers. All customers are charged a fixed charge as a multiple of the single-family residential (SFR) charge. The fixed charge EDU methodology is used since the City is not the public water supplier for Atascadero and does not have access to individual customer's water consumption data.

The wastewater service charge for an SFR dwelling unit is defined as one EDU. One EDU is the sewer flow and strength of a single-family residence stated in terms of maximum discharge flow in gallons per day (gpd) and

strength consisting of bio-chemical oxygen demand (BOD) and suspended solids (SS). Service charges for other customers are based on their proportion of flow and strength relative to the single-family residence. The current wastewater charges are presented in Table 3.

## Proposed Wastewater Service Charges

Table ES-1 presents the wastewater service charges to be implemented by the City to meet future operations and capital spending needs of the System. The current charges are also shown for comparison purposes. The wastewater service charges reflect the forecast of the cost of providing wastewater service presented in this Study.

Where a new wastewater customer does not fit the wastewater classifications identified in Table ES-1, it is recommended that the City reserve the right to calculate the monthly service charge through the use of fixture units using the California Uniform Plumbing Code, or by means deemed appropriate by the City Engineer.

**Table ES-1  
 Current and Proposed Wastewater Service Charges**

Description	Unit of Measure	Current	Date of Increase				
			Aug 8, 2019	July 1, 2020	July 1, 2021	July 1, 2022	July 1, 2023
<b>Residential Fixed Charges</b>							
Single Family	Dwelling Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Apartment, Condo	Dwelling Unit	\$15.13	\$18.00	\$21.43	\$25.50	\$30.34	\$36.11
Mobile Home	Spaces	\$15.13	\$18.00	\$21.43	\$25.50	\$30.34	\$36.11
Senior Apt Unit	Dwelling Unit	\$7.06	\$8.40	\$10.00	\$11.90	\$14.16	\$16.85
<b>Non-Residential Fixed Charges</b>							
Financial Institutions	Unit	\$40.36	\$48.03	\$57.15	\$68.01	\$80.94	\$96.31
Bars	Unit	\$30.27	\$36.02	\$42.87	\$51.01	\$60.70	\$72.23
Carwash	Unit	\$151.35	\$180.11	\$214.33	\$255.05	\$303.51	\$361.17
Churches/Meeting Halls							
< 150 seats	Seats	\$26.83	\$31.93	\$37.99	\$45.21	\$53.80	\$64.03
150 to 250 seats	Seats	\$53.67	\$63.87	\$76.00	\$90.44	\$107.63	\$128.08
> 250 seats	Seats	\$60.63	\$72.15	\$85.86	\$102.17	\$121.58	\$144.68
Commercial Unit	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Funeral Home	Unit	\$181.62	\$216.13	\$257.19	\$306.06	\$364.21	\$433.41
Gas Station	Unit	\$40.35	\$48.02	\$57.14	\$68.00	\$80.92	\$96.29
Grocery Store > 10,000 sf	1,000 sf	\$161.41	\$192.08	\$228.57	\$272.00	\$323.68	\$385.18
Gymnasium	Unit	\$201.77	\$240.11	\$285.73	\$340.01	\$404.62	\$481.49
Laundry	Unit	\$181.62	\$216.13	\$257.19	\$306.06	\$364.21	\$433.41
Motel (per room)	Room	\$6.66	\$7.93	\$9.43	\$11.22	\$13.36	\$15.89
Office Unit	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Rest Home (per bed)	Bed	\$7.06	\$8.40	\$10.00	\$11.90	\$14.16	\$16.85
Restaurants							
< 40 seats	Seats	\$80.71	\$96.04	\$114.29	\$136.01	\$161.85	\$192.60
41 to 60 seats	Seats	\$121.06	\$144.06	\$171.43	\$204.01	\$242.77	\$288.89
61 to 100 seats	Seats	\$161.41	\$192.08	\$228.57	\$272.00	\$323.68	\$385.18
> 100 seats	Seats	\$201.77	\$240.11	\$285.73	\$340.01	\$404.62	\$481.49
School (per student on 3/1)	Student	\$1.01	\$1.20	\$1.43	\$1.70	\$2.03	\$2.41
Theater	Unit	\$80.71	\$96.04	\$114.29	\$136.01	\$161.85	\$192.60
Veterinarians	Unit	\$60.54	\$72.04	\$85.73	\$102.02	\$121.40	\$144.47
Unlisted Uses [1]	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16

[1] Determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

## Wastewater Residential Bill Impacts

Table ES-2 presents the impacts to SFR bills from the implementation of the proposed August 8, 2019 wastewater service charges. The table shows that the wastewater bill of an SFR customer will increase from \$20.18 to \$24.01, an increase of \$3.83, or 19 percent.



**Table ES-2**  
**Comparison of Current Residential Monthly Bill with**  
**Proposed Monthly Bill Using August 2019 Proposed Wastewater Charges**

Residential Classification	Current Bill	Aug 2019 Proposed Bill	Dollar Change	Percent Change
Single Family	\$20.18	\$24.01	\$3.83	19.0%
Apartment, Condo	\$15.13	\$18.00	\$2.87	19.0%
Mobile Home	\$15.13	\$18.00	\$2.87	19.0%
Senior Apt Unit	\$7.06	\$8.40	\$1.34	19.0%

## Wastewater Rate Survey

Chart ES-1 has been prepared to compare the City’s SFR wastewater bill with those of other communities at the same consumption where appropriate. The chart indicates that with the implementation of the August 2019 wastewater service charges, an SFR customer will experience a bill that is among the lowest in San Luis Obispo County.

**Chart ES-1**  
**Comparison of Single-family Residential Monthly Wastewater Bills**  
**For Rates in Effect April 2019**



Note: Above table uses wastewater rates in effect April 2019. City’s August 2019 bill is based on the wastewater service charges in Table 8. San Luis Obispo, Cambria, Paso Robles, Arroyo Grande, and Los Osos have a variable wastewater rate component and an average water consumption of 15 HCF and an average winter water use of 7 HCF have been assumed.

## Capacity Charges

Capacity charges, sometimes referred to as connection fees, are one-time charges paid by a new customer connecting to the wastewater system for capacity in the System. Capacity charges are also charged to existing customers that require increased capacity from changes in their development.

The capacity charges determined in this report follow industry standard methods and are based the current value of the City's existing facilities and include the cost of future replacement facilities and future facilities that that serve new development. Capacity charges for implementation by the City are provided in Table 12 of this report and include capacity charges for other residential and non-residential development types.

# Introduction

The City of Atascadero (City) engaged Tuckfield & Associates to conduct a comprehensive Wastewater Rate Study (Study) for its wastewater system (System). This Study includes development of a pro forma statement of revenues and revenue requirements of the wastewater enterprise and design of new wastewater service charges for implementation.

## Background

The City of Atascadero was incorporated in 1979 and is located approximately 15 miles north of the City of San Luis Obispo. The City provides wastewater collection and treatment service to a portion of the City's population serving an area consisting of about 1,900 acres out of the total 5,000 acres within the City limits. Customers of the System include residential, commercial, and light industrial customers.

The wastewater collection system consists of about 63 miles of sewer pipe, 7 miles of sewer force main, and twelve lift stations that conveys wastewater to the City owned wastewater treatment plant. The treatment plant facilities consist of flow metering, headworks, lagoons, ponds, aeration facilities, percolation basins, and sludge drying beds. Facilities also include public works buildings, RV waste receiving station, and an irrigation well to serve a mixture of treated effluent and groundwater to Chalk Mountain Golf Course.

Current wastewater charges consist of monthly fixed charges collected through the county of San Luis Obispo tax rolls. Fixed charges for all customers are established as a multiple of the single-family residential (SFR) dwelling unit fixed charge. For example, a multifamily dwelling unit is charge 0.75 times that of the SFR charge whereas a restaurant with less than 40 seats is charged 4 times the SFR charge.

## Objectives

The objectives of this Study are to (1) review the current and future financial status of the wastewater enterprise, (2) make any adjustments to the revenue being received to ensure that financial obligations are being met now and in the future, including adequate reserves and debt service coverage, and (3) design rates and charges that generate the required revenue while being fair and equitable for its customers. Additionally, the Study also sought to provide the following.

- Revenue sufficiency to fund operating and capital needs
- Appropriate levels of operating and capital reserves
- Rates and charges that are consistent with industry practice
- Stable revenue stream similar to the existing rate structure
- Ease of understanding and administration

## Scope of the Study

This Study includes the findings and recommendations of analyzing the wastewater enterprise financial status and related capital improvement program (CIP) financing of the System. Historical trends were analyzed from data supplied by the City including current year's budget showing revenue and revenue requirements, financial audits, System master plans, and capital improvement plans.

Revenue requirements include operation and maintenance expense, annual replacement, and additions to reserves. Changing conditions such as additional facilities, utility growth, employee additions/reductions, and non-recurring maintenance expenditures are recognized. Inflation for ongoing expenditures is included to reflect cost escalation.

The financial plans and rates developed herein are based on funding of the capital improvement plan as stated as well as estimates of operation and maintenance expenses developed from information provided by the City. Deviation from the planning assumptions, financial plans, construction cost estimates and funding requirements, major operational changes, or other financial policy changes that were not foreseen, may result in the need for lower or higher revenue than anticipated. It is recommended that the City conduct an update to the rate study at least every three to five years for prudent rate planning.

# Assumptions

## Planning Factors

Several assumptions and planning factors were used to conduct the Study for the period FY 2019-20 to FY 2023-24. The assumptions include customer growth rates, expense inflation factors, debt terms, and other assumptions. Assumptions and financial planning factors are provided in Table 1.

Table 1  
 Assumption and Planning Factors

Description	Value
<b>Account Growth</b>	
Annual Account & Demand growth (EDUs) [1]	115
<b>Interest Earnings Rate</b>	
Interest earnings on fund reserves (annual)	1.5%
<b>Escalation Factors</b>	
Salaries and Wages [2]	5.0%
Benefits, Insurance, Taxes	10.0%
Electrical Power	3.0%
Chemicals	3.0%
All Other Operations and Maintenance	3.0%
Capital	3.0%
<b>New Revenue Bond Debt</b>	
Interest Rate	5.0%
Repayment Period (Term) - years	30
Bond Proceeds as a % of Issue Amount	92.0%
Bond Reserve (1 year's payment)	7.1%
Cost of Issuance	1.5%

[1] Growth in number of Equivalent Dwelling Units (EDUs) is based on October 2014 Wastewater Treatment Plant Master Plan Update.

[2] Escalation in a City personnel position is 5% percent annually.

## City Reserve Policy

A reserve policy provides a basis to deal with unanticipated reductions in revenues, changes in the costs of providing services, fixed asset repair and replacement, natural disaster, and other issues. It also provides guidelines to maintain the financial health and stability of the enterprise fund. The City’s goal is to maintain appropriate reserves related to wastewater operations and capital spending developed in this Study. These reserve types and their targets are described below.

**Operating Reserve** – The purpose of the Operating Reserve is to provide working capital to meet cash flow needs during normal operations and support the operation, maintenance and administration of the utility. This reserve ensures that operations can continue should there be significant events that impact cash flows. The target balance to be maintained is 180 days of annual O&M expense. Since O&M expense increases each year, the reserve to be maintained will increase annually also.

**Capital Replacement Reserve** – The Capital Replacement Reserve is used to fund future replacement of assets and capital projects. The City currently provides reserves related to capital spending by earmarking 26 percent of the revenue received from wastewater service charges as capital related, which is available for annual capital spending or accumulation as a capital reserve. This policy is utilized in this Study and the minimum reserve level used is average annual replacement expenditures, excluding the WRF Process Improvements and Lift Station #5 and #13 projects, is estimated at \$1,600,000.

**Capital Emergency Reserve** – The purpose of the emergency capital reserve is to provide protection against catastrophic loss and to provide a cushion for inaccuracy in long range replacement program. The Target reserve is established at 5 percent of the value of current capital fixed asset value. The amount is currently estimated at \$800,000 and will increase as CIP is booked into fixed assets.

## City Beginning Balances

From the City’s 2017 – 2019 Budget, the estimated beginning cash balances as of June 30, 2019 is \$10,112,000 shown in Table 2. This amount has been separated into beginning balances by reserve type as stated below. The City has accumulated capital replacement reserves for the specific purpose of their use towards the capital improvements identified in this Study. The operating and capital cash balances are used in the development of the financial plans for the System with the intent to meet the Target Reserves. Target Reserves are also shown below for the first year of the financial plan.

**Table 2**  
**Wastewater Enterprise Reserves**

Reserve Type	Est. Reserve Balance June 30, 2019	Target Reserve
Operating	\$826,000	\$826,000
Capital Replacement	\$8,486,000	\$1,600,000
Capital Emergency	\$800,000	\$800,000
Total [1]	\$10,112,000	\$3,226,000

[1] Estimated Reserve Balance from FY 17-19 Budget, page C-10.

# Wastewater Financial Planning

This section discusses the current wastewater service charges, user classifications, revenues and revenue requirements, planned capital improvement expenditures and associated financing sources, used in developing the wastewater utility financial plan. Revenue adjustments are discussed and proposed to sustain the wastewater enterprise.

## Existing Wastewater Service Charges

The City's current wastewater service charges consist of monthly fixed charges to residential and non-residential customers. All customers are charged a fixed charge as a multiple of the SFR charge. The fixed charges can be adjusted annually and are billed through the San Luis Obispo County tax rolls.

The charge for an SFR dwelling unit is defined as one Equivalent Dwelling Unit (EDU). One EDU is the sewer flow and strength of a single-family residence stated in terms of maximum discharge flow in gallons per day (gpd) and strength consisting of bio-chemical oxygen demand (BOD) and suspended solids (SS). Service charges for other customers are based on their proportion of flow and strength relative to the single-family residence. The current wastewater charges are presented in Table 3.

## Wastewater User Classifications

### Number of Customers

Wastewater customers are currently classified as Residential and Non-Residential. The Residential classification is further separated into single-family residential, multifamily residential (apartment and condo), mobile home, and senior apartment. Non-Residential classifications consist of 18 separate classifications shown in Table 3.

### Number of Equivalent Dwelling Units

The total number of EDUs are deduced from City information. Since each customer classification is charged a multiple of the SFR dwelling unit charge as listed in Table 3, the total number of EDUs can be determined from the revenue received from wastewater service charges and the current SFR dwelling unit charge.

From the City's FY 2017-19 Budget, the City expects to generate wastewater service charge revenue of \$2,038,500 in FY 2019-20. Dividing this revenue by the SFR monthly charge of \$20.18, or \$242.16 annually, the total number of EDUs is about 8,418 EDUs. The number of EDUs are planned to increase by 115 annually following the planning factors shown in Table 1.

Table 3  
 Current Monthly Wastewater Service Charges

Description	Current Charge	EDU Multiple	Unit of Measure
<b>Residential Fixed Charges</b>			
Single Family	\$20.18	1.00	Dwelling Unit
Apartment, Condo	\$15.13	0.75	Dwelling Unit
Mobile Home	\$15.13	0.75	Spaces
Senior Apt Unit	\$7.06	0.35	Dwelling Unit
<b>Non-Residential Fixed Charges</b>			
Financial Institutions	\$40.36	2.00	Unit
Bars	\$30.27	1.50	Unit
Carwash	\$151.35	7.50	Unit
Churches/Meeting Halls			
< 150 seats	\$26.83	1.33	Seats
150 to 250 seats	\$53.67	2.66	Seats
> 250 seats	\$60.63	3.00	Seats
Commercial Unit	\$20.18	1.00	Unit
Funeral Home	\$181.62	9.00	Unit
Gas Station	\$40.35	2.00	Unit
Grocery Store > 10,000 sf	\$161.41	8.00	1,000 sf
Gymnasium	\$201.77	10.00	Unit
Laundry	\$181.62	9.00	Unit
Motel (per room)	\$6.66	0.33	Room
Office Unit	\$20.18	1.00	Unit
Rest Home (per bed)	\$7.06	0.35	Bed
Restaurants			
< 40 seats	\$80.71	4.00	Seats
41 to 60 seats	\$121.06	6.00	Seats
61 to 100 seats	\$161.41	8.00	Seats
> 100 seats	\$201.77	10.00	Seats
School (per student on 3/1)	\$1.01	0.05	Student
Theater	\$80.71	4.00	Unit
Veterinarians	\$60.54	3.00	Unit
Unlisted Uses [1]	\$20.18	1.00	Unit

[1] Determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

## Revenues

The City receives revenue from wastewater service charges and miscellaneous revenues. Table 4 presents the projected revenue from current wastewater service charges of the wastewater utility. The revenue is projected by applying the current wastewater charges from Table 3 to the projected number of EDUs.

Table 4  
 Projected Wastewater Service Charge Revenues Using Existing Charges

Description	Estimated			Projected	
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>Service Charge Revenues</b>					
Number of EDUs	8,418	8,533	8,648	8,763	8,878
Charge per EDU	\$20.18	\$20.18	\$20.18	\$20.18	\$20.18
<b>Total Service Charge Revenues</b>	<b>\$2,038,500</b>	<b>\$2,066,400</b>	<b>\$2,094,200</b>	<b>\$2,122,000</b>	<b>\$2,149,900</b>

In addition to revenue from wastewater service charges, the City receives miscellaneous revenue from several sources including sewer connection fees, sewer extension fees, tap-in fees, permit and inspection fees, and other miscellaneous revenue. Table 5 provides the estimated and projected revenue from miscellaneous sources.

Table 5  
 Projected Miscellaneous Revenues

Description	Budget		Projected		
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>Miscellaneous Revenues [1]</b>					
Permits and Inspections	\$5,200	\$5,400	\$5,600	\$5,800	\$6,000
Sewer Extension Fees [2]	138,000	144,900	152,100	159,700	167,700
Sewer Connection Fees [2]	642,000	642,000	642,000	642,000	642,000
Well Water	40,000	40,000	40,000	40,000	40,000
Tap-in Fees	5,500	5,500	5,500	5,500	5,500
<b>Total Miscellaneous Revenues</b>	<b>\$830,700</b>	<b>\$837,800</b>	<b>\$845,200</b>	<b>\$853,000</b>	<b>\$861,200</b>

[1] Interest income is included in Table 8.

[2] FY 2019-20 includes revised Sewer Connection Fees from Table 11.

## Revenue Requirements

Revenue requirements of the wastewater utility include operation and maintenance expense and annual replacement capital spending. Additionally, new debt is proposed to meet the capital improvement spending that is planned by the City. Each of these items are discussed below.

### Operation and Maintenance Expense

Operation and maintenance (O&M) expenses are an on-going obligation of the wastewater utility and such costs are normally met from wastewater service revenue. O&M expenses include the cost to operate and maintain the wastewater collection system, lift stations, and wastewater treatment facilities. Costs also include technical services and other general and administrative expenses.

O&M expense for FY 2019-20 is provided from the City's Budget. Future O&M expense has been projected recognizing the major expense categories of personnel services, electricity, chemicals, and all other expenses. Personnel costs consist of salaries and benefits expense of those personnel directly involved with providing wastewater service. Cost inflation for personnel services costs are projected to increase by 5 percent annually beginning in FY 2020-21.

Annual escalation in electricity, chemicals, and all other expense is projected to increase by 3 percent based on expectations of future expense inflation. Table 6 below summarizes projected O&M expense for the wastewater utility. Table A-1 in Appendix A provides the detailed projections of historical and projected wastewater O&M expense.

### Annual Replacement

The City provides for annual capital replacement by allocating 26 percent of wastewater service charge revenue for this purpose. This amount is spent annually towards replacement, identified in the capital improvement plan discussed below, or is accumulated in the capital reserve for future replacement spending.



Table 6  
 Summary of Projected Operation and Maintenance Expense

Description	Budget		Projected		
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>Operation and Maintenance Expense</b>					
Collection	\$270,400	\$281,300	\$292,600	\$304,400	\$316,600
Treatment	288,100	301,500	315,600	330,200	345,400
General Operations [1]	1,182,600	1,270,500	1,476,700	1,571,100	1,910,300
<b>Total Projected O&amp;M Expense</b>	<b>\$1,741,100</b>	<b>\$1,853,300</b>	<b>\$2,084,900</b>	<b>\$2,205,700</b>	<b>\$2,572,300</b>

[1] Salaries & wages are included in General Operations costs. Includes new Wastewater Operator positions in FY 2021-22 and new Operator and Maintenance worker (1 and 1/2 positions) in FY 2023-24.

## Debt Service

The City does not currently have any outstanding debt. However, new debt is proposed to partially finance certain capital improvements as discussed below. The debt service payments associated with the proposed debt is paid from revenues and is a revenue requirement of the utility. Future debt service payments are expected to include \$919,000 beginning in FY 2021-22 and an additional \$707,100 in FY 2023-24. The debt issue in FY 2021-22 is planned to provide \$13 million in proceeds while the debt issue in FY 2023-24 is expected to provide \$10 million in proceeds. The debt payments assume an interest rate of 5 percent, term of 30 years, 2 percent issuance costs, and a debt service reserve. While the City may be able to secure less expensive financing from other sources, traditional loan financing is assumed for this debt issue to ensure sufficient funds are provided at the appropriate time.

## Wastewater Capital Improvement Program

The City has developed a CIP plan that lists capital expenditures for FY 2019-20 through FY 2028-29. The first five years of the CIP plan is summarized in Table 7 however the complete listing of projects is provided in Appendix A-2. Both tables include 3 percent annual inflation in the project costs to the year of expenditure. The CIP plan consists of various repair, replacement and rehabilitation projects with the largest project consisting of the Water Reclamation Facility (WRF) Process Improvements totaling \$23.15 million in inflated dollars.

Table 7  
 Summary of Capital Improvement Program Expenditures and Sources of Funding

Description	Projected				
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Total Capital Improvement Spending [1]	\$3,079,000	\$4,044,100	\$8,321,600	\$10,065,600	\$10,622,000
<b>Sources and Uses of Capital Funds</b>					
Beginning Year Balance [2]	\$9,286,000	\$7,479,700	\$4,838,400	\$11,076,400	\$2,759,200
Transfer In Annual Capital Replacement	630,700	760,800	917,600	1,106,400	1,334,000
Transfer In Sewer Connection Fees	642,000	642,000	642,000	642,000	642,000
New Bond Proceeds (net of issuance costs)	-	-	13,000,000	-	10,000,000
CIP Project Expenditures	(3,079,000)	(4,044,100)	(8,321,600)	(10,065,600)	(10,622,000)
<b>Sources Less Uses</b>	<b>\$7,479,700</b>	<b>\$4,838,400</b>	<b>\$11,076,400</b>	<b>\$2,759,200</b>	<b>\$4,113,200</b>
Target Capital and Emergency Reserve [3]	2,400,000	2,500,000	2,900,000	3,400,000	3,800,000

[1] Entire list of CIP projects is provided in Appendix A-2.

[2] FY 2019-20 beginning balance includes all sources of available cash except operating reserve of 6 months of annual O&M expense.

[3] Includes Capital Reserve Target equal to average annual replacement and Emergency Capital Reserve equal to 5% of fixed asset value.

Funding provided for the CIP includes capital reserves, annual replacement revenue from wastewater service charges, sewer connection fee revenue, and new debt proceeds. Construction of the WRF Process Improvements is planned to be partially financed with a proposed debt issue providing proceeds as stated above. The capital financing plan in Appendix A-2 shows the funding of future CIP that includes the debt proceeds as well as ending cash balances for a 10-year period.

## Wastewater Financial Plan

The financial plan provides the means of analyzing the impacts of projected revenue and revenue requirements on funding on-going O&M expense and annual capital infrastructure requirements, as well as the impact on reserves. The financial plan includes the revenues, O&M expense, annual replacement, and debt service that were identified above. The plan also incorporates specific financial planning goals to provide guidance to maintain the health of the wastewater utility on an on-going basis. The goals included the following.

- Generate positive levels of income in each year of the Study period
- Maintain operating and capital reserves at or greater than target levels
- Maintain debt service coverage ratios at or greater than the minimum required, estimated at 125%
- Meet annual capital replacement spending from the annual provision from wastewater service revenue

## Proposed Revenue Adjustments

Table 8 shows the pro forma statement of revenue and revenue requirements for the wastewater utility. The table also includes proposed annual revenue increases recommended to meet the financial planning goals for the Study period. The proposed revenue adjustments include annual increases of 19 percent beginning August 8, 2019 and then on each July 1 for the next four years July 2020 and continuing through July 2023. The proposed adjustments are planned to increase revenue over the next five years to fund O&M expense, annual replacement, debt service, and reserves for the Study period.

The combined operating and capital reserve balance initially increases, then decreases with the beginning of the debt service payments from the proposed debt. The combined operating and capital reserve balance remains above the Target Reserve level in all years of the study period. Additionally, Table 8 also shows that the calculated debt service coverage ratio is met in all years.

This Study also proposes increases in sewer connection fees discussed in a later section of this report. Table 8 shows that revenue received from new connection fees is increased from the update to the charges. The revenue received from connection fees can only be spent on capital projects for which the fees were collected. Therefore, the connection fee revenue received is shown as a transfer out in Table 8 to be spent on capital projects where it is shown as a source of funds in Table 7.

**Table 8  
 Wastewater Financial Plan**

Description	Projected				
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
<b>Proposed Rate Increase (Aug 8)</b>	<b>19.0%</b>				
<b>Proposed Rate Increase (July 1)</b>		<b>19.0%</b>	<b>19.0%</b>	<b>19.0%</b>	<b>19.0%</b>
<b>Operating Revenues</b>					
Service Charge Revenues, Existing Rates [1]	\$2,038,500	\$2,066,400	\$2,094,200	\$2,122,000	\$2,149,900
Additional Revenue from Rate Adjustments [2]	355,000	859,800	1,434,900	2,133,400	2,980,700
Miscellaneous Revenues [3]	830,700	837,800	845,200	853,000	861,200
Interest Earnings [4]	140,700	114,800	145,300	132,800	82,000
<b>Total Operating Revenues</b>	<b>\$3,364,900</b>	<b>\$3,878,800</b>	<b>\$4,519,600</b>	<b>\$5,241,200</b>	<b>\$6,073,800</b>
<b>Operating Expenses</b>					
Operation and Maintenance Expense	\$1,740,500	\$1,853,300	\$2,084,900	\$2,205,700	\$2,572,300
New Bond Debt Service [5]	0	0	919,300	919,300	1,626,400
Annual Replacement [6]	622,300	760,800	917,600	1,106,400	1,334,000
Transfer Sewer Connection Fees to Capital	642,000	642,000	642,000	642,000	642,000
<b>Total Operating Expenses</b>	<b>\$3,004,800</b>	<b>\$3,256,100</b>	<b>\$4,563,800</b>	<b>\$4,873,400</b>	<b>\$6,174,700</b>
<b>Net Balance From Operations</b>	<b>\$360,100</b>	<b>\$622,700</b>	<b>(\$44,200)</b>	<b>\$367,800</b>	<b>(\$100,900)</b>
<b>Annual Debt Service Coverage</b>					
Net Revenues [7]	\$1,624,400	\$2,025,500	\$2,434,700	\$3,035,500	\$3,501,500
Total Annual Debt Service	\$0	\$0	\$919,300	\$919,300	\$1,626,400
Coverage	n/a	n/a	265%	330%	215%
<b>Combined Operating and Capital Reserves</b>					
Beginning Available Reserves	\$10,112,000	\$8,657,400	\$6,638,800	\$12,832,600	\$4,883,200
Increase (Decrease) Reserve	(1,454,600)	(2,018,600)	6,193,800	(7,949,400)	1,253,100
Ending Available Reserves	\$8,657,400	\$6,638,800	\$12,832,600	\$4,883,200	\$6,136,300
Target Operating and Capital Reserves	\$3,270,000	\$3,427,000	\$3,942,000	\$4,503,000	\$5,086,000
Above (below) Target	\$5,387,400	\$3,211,800	\$8,890,600	\$380,200	\$1,050,300

[1] Projected using the existing wastewater rates. Changes in rate based revenues are due to customer and demand growth.  
 [2] FY 2019-20 increase effective Aug 8. All other increases are effective July 1.  
 [3] Miscellaneous revenue includes Permits and Inspections, Sewer Extension Fees, Sewer Connection Fees, Well Water, and Tap-in Fees.  
 [4] Interest earnings on the average fund balance calculated at 1.50%.  
 [5] Debt service related to new bond proceeds listed in Table 7. Assumes interest rate of 5.0%, 30 year term, and issuance expenses.  
 [6] Equal to 26% of sewer service charge revenue and additional revenue from rate adjustments.  
 [7] Includes revenue from rates, interest earnings, and miscellaneous revenues less operation and maintenance expense.

## Wastewater Rate Design

This section describes how wastewater service charges are designed and also provides the proposed schedule of wastewater rates for implementation.

### EDU Wastewater Flow

The City's Wastewater Treatment Plant (WWTP) Master Plan provides a residential wastewater flow of 70 gallons per capita per day (gpcd) with a peaking factor of 1.3. Using this information and a persons-per-household (PPH) value of 2.65 from the City's General Plan, a flow estimate for an SFR customer can be calculated. Multiplying 70 gpcd by 2.65 PPH and by the peaking factor of 1.3, results in a flow estimate of 240 gallon per day (gpd) representing maximum month flow. This is the same flow used by the existing wastewater service charge schedule. Therefore, the EDU multiples for each customer classification shown in Table 2 are assumed to be reasonable and will be used to establish the future wastewater service charges for existing customers.

## Strength Factor and EDU Multiple

As discussed in the Existing Wastewater Service Charges section, one EDU is the sewer flow and strength of a single-family residence, stated in terms of maximum discharge flow in gallons per day (gpd) and strength consisting of bio-chemical oxygen demand (BOD) and suspended solids (SS). A Strength Factor can be developed whereby a customer’s proportion of BOD and SS strength relative to the SFR dwelling unit can be calculated and stated separately. The Equivalent Dwelling Unit is the product of the customer’s flow in relation to the SFR flow, multiplied by the Strength Factor. Service charges for wastewater customers are calculated as follows.

$$\text{Wastewater Service Charge} = (\text{Customer Flow/SFR Flow}) \times \text{Strength Factor} \times \text{SFR Service Charge}$$

$$= \text{EDU Multiple} \times \text{SFR Service Charge}$$

Therefore, wastewater service charges for various user groups can be calculated from their estimated flow and Strength Factor which are proportional to the SFR wastewater service charge.

## Proposed Wastewater Service Charges

The revenue increases outlined in Table 8 are applied to the SFR dwelling unit fixed charge to determine the proposed charges in future years. Applying the EDU multiples from the current wastewater service charge schedule shown in Table 3, to the SFR charge provides the wastewater service charges for other residential and non-residential customers. The proposed wastewater service charges are shown in Table 9.

**Table 9**  
**Current and Proposed Wastewater Service Charges**

Description	EDU Multiple	Unit of Measure	Current	Date of Increase				
				Aug 8, 2019	July 1, 2020	July 1, 2021	July 1, 2022	July 1, 2023
<b>Residential Fixed Charges</b>								
Single Family	1.00	Dwelling Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Apartment, Condo	0.75	Dwelling Unit	\$15.13	\$18.00	\$21.43	\$25.50	\$30.34	\$36.11
Mobile Home	0.75	Spaces	\$15.13	\$18.00	\$21.43	\$25.50	\$30.34	\$36.11
Senior Apt Unit	0.35	Dwelling Unit	\$7.06	\$8.40	\$10.00	\$11.90	\$14.16	\$16.85
<b>Non-Residential Fixed Charges</b>								
Financial Institutions	2.00	Unit	\$40.36	\$48.03	\$57.15	\$68.01	\$80.94	\$96.31
Bars	1.50	Unit	\$30.27	\$36.02	\$42.87	\$51.01	\$60.70	\$72.23
Carwash	7.50	Unit	\$151.35	\$180.11	\$214.33	\$255.05	\$303.51	\$361.17
Churches/Meeting Halls								
< 150 seats	1.33	Seats	\$26.83	\$31.93	\$37.99	\$45.21	\$53.80	\$64.03
150 to 250 seats	2.66	Seats	\$53.67	\$63.87	\$76.00	\$90.44	\$107.63	\$128.08
> 250 seats	3.00	Seats	\$60.63	\$72.15	\$85.86	\$102.17	\$121.58	\$144.68
Commercial Unit	1.00	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Funeral Home	9.00	Unit	\$181.62	\$216.13	\$257.19	\$306.06	\$364.21	\$433.41
Gas Station	2.00	Unit	\$40.35	\$48.02	\$57.14	\$68.00	\$80.92	\$96.29
Grocery Store > 10,000 sf	8.00	1,000 sf	\$161.41	\$192.08	\$228.57	\$272.00	\$323.68	\$385.18
Gymnasium	10.00	Unit	\$201.77	\$240.11	\$285.73	\$340.01	\$404.62	\$481.49
Laundry	9.00	Unit	\$181.62	\$216.13	\$257.19	\$306.06	\$364.21	\$433.41
Motel (per room)	0.33	Room	\$6.66	\$7.93	\$9.43	\$11.22	\$13.36	\$15.89
Office Unit	1.00	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16
Rest Home (per bed)	0.35	Bed	\$7.06	\$8.40	\$10.00	\$11.90	\$14.16	\$16.85
Restaurants								
< 40 seats	4.00	Seats	\$80.71	\$96.04	\$114.29	\$136.01	\$161.85	\$192.60
41 to 60 seats	6.00	Seats	\$121.06	\$144.06	\$171.43	\$204.01	\$242.77	\$288.89
61 to 100 seats	8.00	Seats	\$161.41	\$192.08	\$228.57	\$272.00	\$323.68	\$385.18
> 100 seats	10.00	Seats	\$201.77	\$240.11	\$285.73	\$340.01	\$404.62	\$481.49
School (per student on 3/1)	0.05	Student	\$1.01	\$1.20	\$1.43	\$1.70	\$2.03	\$2.41
Theater	4.00	Unit	\$80.71	\$96.04	\$114.29	\$136.01	\$161.85	\$192.60
Veterinarians	3.00	Unit	\$60.54	\$72.04	\$85.73	\$102.02	\$121.40	\$144.47
Unlisted Uses [1]	1.00	Unit	\$20.18	\$24.01	\$28.58	\$34.01	\$40.47	\$48.16

[1] Determined by use of fixture units from the California Plumbing Code or as by means deemed appropriate by the City Engineer.

## Service Charge Variances

It is suggested that the City reserve the right to determine a new wastewater customer’s monthly charge by estimating the wastewater flow through the use of fixture units according to the California Plumbing Code or other methods deemed appropriate by the City Engineer. The resulting wastewater flow would be applied to the formula provided in a previous section. A new wastewater customer classification may be created that is not listed in Table 9.

# Wastewater Bill Impact Analysis

The impact to the single-family customer bill that would occur from the implementation of the proposed wastewater service charges for the August 2019 increase is provided in Table 10 below. The table shows that the wastewater bill of an SFR customer will increase from \$20.18 to \$24.01, an increase of \$3.83, or 19 percent.

**Table 10**  
**Comparison of Current Residential Monthly Wastewater Bill with Proposed Monthly Bill Using August 2019 Wastewater Service Charges**

Residential Classification	Current Bill	Aug 2019 Proposed Bill	Dollar Change	Percent Change
Single Family	\$20.18	\$24.01	\$3.83	19.0%
Apartment, Condo	\$15.13	\$18.00	\$2.87	19.0%
Mobile Home	\$15.13	\$18.00	\$2.87	19.0%
Senior Apt Unit	\$7.06	\$8.40	\$1.34	19.0%

## Wastewater Rate Survey

A wastewater rate survey was conducted for neighboring communities to the City of Atascadero. Chart 1 compares the City’s SFR monthly wastewater bill with those of neighboring communities at the same use. Wastewater bills were calculated assuming a 5/8” meter or 3/4” meter where that is the smallest size available, and a monthly use of 15 hundred cubic feet (HCF) and an average winter water use of 7 HCF where applicable. The rate survey includes rate schedules in effect April 2019 and provides wastewater bills for the City using the current service charges and for the proposed service charges from Table 9 for implementation August 8, 2019.

From reviewing Chart 1, the City’s proposed August 8, 2019 SFR monthly wastewater bill is among the lowest in San Luis Obispo County.

**Chart 1**  
**Comparison of Single-family Residential Monthly Wastewater Bills**  
**For Rates in Effect April 2019**



Note: Above table uses wastewater rates in effect April 2019. City's August 2019 bill is based on the wastewater service charges in Table 9. San Luis Obispo, Cambria, Paso Robles, Arroyo Grande, and Los Osos have a variable wastewater rate component and an average water consumption of 15 HCF and an average winter water use of 7 HCF have been assumed.

## Capacity Charges

Capacity charges, sometimes referred to as connection fees, are one-time charges paid by new customers as a capital contribution for capacity in the wastewater system. These charges can also be assessed to customers requiring increased capacity requirements to serve changes in their development. Proceeds from capacity charges are to be placed into an account separate from all other accounts and are to be used to finance the development of growth related infrastructure. The proceeds are a financing source for future facilities.

Capacity charges are calculated recognizing EDU multiples of the different customer classifications stated in the wastewater service charge schedule in Tables 9. The calculation of the capacity charge is proposed as follows.

$$\begin{aligned} \text{Capacity Charge} &= (\text{Customer Flow} / \text{SFR Flow}) \times \text{Strength Factor} \times \text{SFR Capacity Charge} \\ &= \text{EDU Multiple} \times \text{SFR Capacity Charge} \end{aligned}$$

The SFR capacity charge is calculated following standard methods by identifying the existing fixed asset value, in terms of replacement cost less depreciation, and the CIP value that is related to replacement and to serving future growth. Table 11 provides a summary of the calculations used to determine the capacity charge for an SFR dwelling unit. The capacity charges have been developed using the combination methodology, a combination of the buy-in and incremental cost methodology whereby the charges are based on the value of existing capacity and value of CIP replacement and growth-related projects.

**Table 11**  
**Development of Single-family Residential Capacity Charge**

Line No.	Description	RCLD Value	Contributions/ Debt Principal	Asset Value	Capacity gpd	Capacity Charge \$/gpd
<b>Existing Plant Investment</b>						
1	Collection	\$15,743,199	(\$12,226,755)	\$3,516,444		
2	Pumping and Lift Stations	2,429,453	-	2,429,453		
3	Treatment	7,123,338	-	7,123,338		
4	General Plant	3,068,790	-	3,068,790		
5	<b>Total Existing Plant Investment</b>	<b>\$28,364,780</b>	<b>(\$12,226,755)</b>	<b>\$16,138,025</b>	2,280,000	\$7.08
<b>Capital Improvements (CIP)</b>						
6	Replacement Related	\$39,300,150	(\$22,900,000)	\$16,400,150	2,280,000	\$7.19
7	Growth Related Improvements	\$7,611,850	(5,100,000)	2,511,850	510,000	\$4.93
8	<b>Total CIP</b>	<b>\$46,912,000</b>	<b>(\$28,000,000)</b>	<b>\$18,912,000</b>		
<b>Adjustments</b>						
9	Capital Cash Balance	\$9,286,000		\$9,286,000	2,280,000	\$4.07
10	<b>Total Value</b>	<b>\$84,562,780</b>		<b>\$44,336,025</b>		
11	Unit Valuation of Existing Wastewater System (\$/gpd)					\$23.269
12	Single-family Residential Demand (gpd)					240
13	Connection Fee (Replacement) ((line 5 + line 7 + line 10) * line 13)					\$4,403
14	Connection Fee (Growth-Related) (line 8 * line 13)					\$1,182
15	<b>Single-family Residential Capacity Charge</b>					<b>\$5,584</b>

Using the capacity charge for the SFR dwelling unit and the formula described above, a capacity charge schedule is developed as shown in Table 12 for existing development types. The capacity charges provided in Table 12 should be adjusted annually by the percentage increase in the Engineering News Record Construction Cost Index (ENR-CCI).

**Table 12**  
**Schedule of Capacity Charges**

Development Type	EDU Multiple	Unit of Measure	Capacity Charge
<b>Residential</b>			
Single Family	1.00	Dwelling Unit	\$5,584
Apartment, Condo	0.75	Dwelling Unit	\$4,186
Mobile Home	0.75	Spaces	\$4,186
Senior Apt Unit	0.35	Dwelling Unit	\$1,953
<b>Non-Residential</b>			
Financial Institutions	2.00	Unit	\$11,168
Bars	1.50	Unit	\$8,376
Carwash	7.50	Unit	\$41,880
Churches/Meeting Halls			
< 150 seats	1.33	Seats	\$7,426
150 to 250 seats	2.66	Seats	\$14,853
> 250 seats	3.00	Seats	\$16,752
Commercial Unit	1.00	Unit	\$5,584
Funeral Home	9.00	Unit	\$50,256
Gas Station	2.00	Unit	\$11,168
Grocery Store > 10,000 sf	8.00	1,000 sf	\$44,672
Gymnasium	10.00	Unit	\$55,840
Laundry	9.00	Unit	\$50,256
Motel (per room)	0.33	Room	\$1,842
Office Unit	1.00	Unit	\$5,584
Rest Home (per bed)	0.35	Bed	\$1,954
Restaurants			
< 40 seats	4.00	Seats	\$22,336
41 to 60 seats	6.00	Seats	\$33,504
61 to 100 seats	8.00	Seats	\$44,672
> 100 seats	10.00	Seats	\$55,840
School (per student on 3/1)	0.05	Student	\$279
Theater	4.00	Unit	\$22,336
Veterinarians	3.00	Unit	\$16,752
Unlisted Uses	1.00	Unit	\$5,584

### Capacity Charge Variances

For any new wastewater customer, the City may reserve the right to charge the customer using estimated flow based on fixture units according to the California Plumbing Code, or other method deemed appropriate by the City's engineer. The capacity charge may be calculated using the formula provided above.



# Appendix A

## Wastewater Technical Appendices

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Wastewater Historical and Projected Operation and Maintenance Expense, Capital Improvement Program with Sources and Uses Funding, and the Wastewater Financial Plan are detailed in Appendix A.

Appendix A-1  
 Historical and Projected Operation and Maintenance Expense

Description	Inflationary	Historical				Budget		Projected [1]								
	Escalation	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>COLLECTION</b>																
Electricity	3% [1]	\$64,418	\$67,310	\$76,842	\$78,762	\$68,000	\$71,921	\$76,016	\$80,292	\$84,757	\$89,417	\$94,280	\$99,355	\$104,649	\$110,172	\$115,932
Chemicals	3% [1]	19,777	21,035	33,644	28,427	30,000	31,730	33,537	35,424	37,394	39,450	41,596	43,835	46,171	48,608	51,149
Operating Supplies	3%	16,400	9,291	4,130	7,008	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
Vehicle & Equip Supp & Repair	3%	9,092	49,270	38,232	27,197	75,000	77,250	79,568	81,955	84,413	86,946	89,554	92,241	95,008	97,858	100,794
Contract Services	3%	104,065	101,009	45,777	39,100	70,350	72,461	74,634	76,873	79,180	81,555	84,002	86,522	89,117	91,791	94,545
Other	3%	5,209	5,255	5,989	6,315	6,500	6,709	6,924	7,147	7,376	7,612	7,856	8,108	8,369	8,638	8,915
<b>Total Collection Expense</b>		<b>\$218,962</b>	<b>\$253,170</b>	<b>\$204,614</b>	<b>\$186,809</b>	<b>\$259,850</b>	<b>\$270,371</b>	<b>\$281,288</b>	<b>\$292,618</b>	<b>\$304,375</b>	<b>\$316,573</b>	<b>\$329,229</b>	<b>\$342,360</b>	<b>\$355,982</b>	<b>\$370,115</b>	<b>\$384,774</b>
<b>TREATMENT</b>																
Electricity	3% [1]	\$162,906	\$162,468	\$172,653	\$174,898	\$170,000	\$179,803	\$190,042	\$200,733	\$211,895	\$223,546	\$235,705	\$248,392	\$261,628	\$275,435	\$289,835
Operating Supplies	3%	26,899	26,777	22,426	32,206	37,000	38,110	39,253	40,431	41,644	42,893	44,180	45,505	46,870	48,277	49,725
Vehicle & Equip Supp & Repair	3%	7,303	7,542	16,693	8,321	13,000	13,390	13,792	14,205	14,632	15,071	15,523	15,988	16,468	16,962	17,471
Contract Services	3%	42,444	44,845	46,309	52,325	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	67,196
Other	3%	4,518	5,078	5,271	4,962	5,100	5,253	5,411	5,574	5,740	5,912	6,089	6,273	6,461	6,654	6,854
<b>Total Treatment Expense</b>		<b>\$244,070</b>	<b>\$246,709</b>	<b>\$263,352</b>	<b>\$272,712</b>	<b>\$275,100</b>	<b>\$288,056</b>	<b>\$301,543</b>	<b>\$315,579</b>	<b>\$330,186</b>	<b>\$345,386</b>	<b>\$361,200</b>	<b>\$377,652</b>	<b>\$394,766</b>	<b>\$412,567</b>	<b>\$431,081</b>
<b>GENERAL OPERATIONS</b>																
Salaries and Wages	5% [2]	\$335,262	\$344,379	\$358,567	\$378,829	\$374,145	\$396,905	\$433,473	\$527,672	\$554,059	\$717,394	\$753,262	\$790,924	\$830,472	\$872,002	\$915,602
Benefits	10%	175,224	195,165	209,180	231,496	242,231	274,703	302,172	387,786	426,566	569,772	626,748	689,427	758,370	834,207	917,626
Insurance	3%	(5,503)	15,806	16,451	21,956	16,050	16,532	17,027	17,538	18,064	18,606	19,165	19,739	20,332	20,942	21,570
Operating Supplies	3%	23,482	22,661	42,224	27,381	26,000	26,780	27,583	28,411	29,263	30,141	31,045	31,977	32,936	33,924	34,942
Vehicle & Equipment Repairs	3%	23,688	24,943	22,605	38,333	36,000	37,080	38,192	39,338	40,518	41,734	42,986	44,275	45,604	46,972	48,381
Contract Services	3%	10,702	1,495	4,515	680	11,500	11,845	12,200	12,566	12,943	13,332	13,732	14,144	14,568	15,005	15,455
Franchise Fees		35,865	37,121	38,251	38,636	51,850	48,516	58,524	70,582	85,108	102,612	109,132	116,058	123,396	131,182	139,436
Departmental Service Allocation	3%	79,510	67,240	74,160	72,410	72,320	74,490	76,724	79,026	81,397	83,839	86,354	88,944	91,613	94,361	97,192
Administrative Services	3%	118,340	199,130	202,650	217,520	221,960	228,619	235,477	242,542	249,818	257,312	265,032	272,983	281,172	289,607	298,296
Contingency Reserve	3%	0	0	0	0	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048	13,439
Other	3%	45,038	44,305	59,583	33,535	55,180	56,834	58,543	60,297	62,107	63,968	65,886	67,864	69,899	71,997	74,156
<b>Total G&amp;A Expenses</b>		<b>\$841,608</b>	<b>\$952,245</b>	<b>\$1,028,186</b>	<b>\$1,060,776</b>	<b>\$1,117,236</b>	<b>\$1,182,604</b>	<b>\$1,270,524</b>	<b>\$1,476,685</b>	<b>\$1,571,098</b>	<b>\$1,910,303</b>	<b>\$2,025,283</b>	<b>\$2,148,634</b>	<b>\$2,281,030</b>	<b>\$2,423,247</b>	<b>\$2,576,095</b>
<b>Total O&amp;M Expenses</b>		<b>\$1,304,640</b>	<b>\$1,452,124</b>	<b>\$1,496,152</b>	<b>\$1,520,297</b>	<b>\$1,652,186</b>	<b>\$1,741,031</b>	<b>\$1,853,355</b>	<b>\$2,084,882</b>	<b>\$2,205,659</b>	<b>\$2,572,262</b>	<b>\$2,715,712</b>	<b>\$2,868,646</b>	<b>\$3,031,778</b>	<b>\$3,205,929</b>	<b>\$3,391,950</b>

[1] Expense increases from additional wastewater flow due to growth as well as cost escalation.

[2] Includes a new Wastewater Operator position occurring in year FY 2021-22 and FY 2023-24, and an allocation of a 0.5 FTE in FY 2023-24.

Table A-2  
Capital Improvement Program With Sources and Uses of Funds

Description	Estimated		Projected							
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>Current Capital Improvement Projects (CIP) [1]</b>										
<b>Wastewater Treatment Plant</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WRF Process Improvements and Upgrades	-	309,000	3,026,700	9,759,700	10,052,500	-	-	-	-	-
Percolation Basin Capacity Evaluation	-	36,100	-	-	-	-	-	-	-	-
Dredge Pipe Replacement	-	-	-	38,200	-	-	-	-	-	-
Aerator Replacement Program	19,000	19,600	20,200	-	-	-	-	-	-	-
<b>Lift Stations</b>	-	-	-	-	-	-	-	-	-	-
Lift Station No. 2 Replacement	1,332,000	-	-	-	-	-	-	-	-	-
Lift Station No. 5 and Force Main Replacement	-	-	-	-	-	1,233,500	7,193,000	-	-	-
Lift Station No. 6 and Force Main Upgrades	-	-	-	-	164,300	955,200	-	-	-	-
Lift Station 4, 7, 9 11, 14, 15 Rehabilitation Projects	473,000	-	-	-	-	-	-	-	-	-
Lift Station No. 13 and Force Main Replacement	-	848,700	4,951,200	-	-	-	-	-	-	-
<b>Collection</b>	-	-	-	-	-	-	-	-	-	-
Highway 41 and El Camino Real Sewer Improvements	-	-	-	-	-	-	-	-	281,200	1,641,400
Traffic Way Sewer Improvements	389,000	2,269,100	-	-	-	-	-	-	-	-
Various Locations Sewer Condition Improvements	456,000	-	-	-	-	1,496,600	-	1,587,800	-	-
4x4 Loader	-	-	159,100	-	-	-	-	-	-	-
Asset Management Program and Work Order System	-	103,000	-	-	-	-	-	-	-	-
CCTV Truck	200,000	-	-	-	-	-	-	-	-	-
Combo Truck Storage Structure	15,000	-	-	-	-	-	-	-	-	-
Inflow and Infiltration Study	-	30,900	-	-	33,800	-	-	36,900	-	-
Portable Bypass Pump	-	77,300	-	-	-	-	119,400	-	-	-
Portable Generator (Total of 2)	-	97,900	-	-	-	-	-	123,000	-	-
Service Vehicle Replacement (Total of 6)	35,000	36,100	-	38,200	-	40,600	-	43,000	-	45,700
Skip and Drag	-	97,900	-	-	-	-	-	-	-	-
Annual GIS Maintenance & Modeling Support	15,000	15,500	15,900	16,400	16,900	17,400	17,900	18,400	19,000	19,600
Manhole Rehabilitation & Sewer Line Repairs	100,000	103,000	132,600	136,600	168,800	173,900	209,000	215,200	253,400	261,000
Sewer System Management Plan Audit	15,000	-	15,900	-	16,900	-	17,900	-	19,000	-
Wastewater Fee Study	-	-	-	54,600	-	-	-	61,500	-	-
Wastewater Customer Database Review	-	-	-	21,900	-	-	-	24,600	-	-
Sewer System Management Plan Update	30,000	-	-	-	-	34,800	-	-	-	-
Wastewater Master Plan Update	-	-	-	-	168,800	-	-	-	-	-
<b>Total</b>	<b>\$3,079,000</b>	<b>\$4,044,100</b>	<b>\$8,321,600</b>	<b>\$10,065,600</b>	<b>\$10,622,000</b>	<b>\$3,952,000</b>	<b>\$7,557,200</b>	<b>\$2,110,400</b>	<b>\$572,600</b>	<b>\$1,967,700</b>
<b>Sources and Uses of Capital Funds</b>										
Beginning Year Balance [2]	\$9,286,000	\$7,479,700	\$4,838,400	\$11,076,400	\$2,759,200	\$4,113,200	\$2,221,900	\$1,815,500	\$1,951,200	\$3,726,000
Transfer In Annual Capital Replacement	630,700	760,800	917,600	1,106,400	1,334,000	1,418,700	1,508,800	1,604,100	1,705,400	1,812,700
Transfer In Sewer Connection Fees	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000
Additional Funding from Net Operating Revenues	-	-	-	-	-	-	-	-	-	-
<b>New Bond Proceeds (net of issuance costs)</b>	<b>-</b>	<b>-</b>	<b>13,000,000</b>	<b>-</b>	<b>10,000,000</b>	<b>-</b>	<b>5,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
CIP Project Expenditures	(\$3,079,000)	(\$4,044,100)	(\$8,321,600)	(\$10,065,600)	(\$10,622,000)	(\$3,952,000)	(\$7,557,200)	(\$2,110,400)	(\$572,600)	(\$1,967,700)
<b>Sources Less Uses</b>	<b>\$7,479,700</b>	<b>\$4,838,400</b>	<b>\$11,076,400</b>	<b>\$2,759,200</b>	<b>\$4,113,200</b>	<b>\$2,221,900</b>	<b>\$1,815,500</b>	<b>\$1,951,200</b>	<b>\$3,726,000</b>	<b>\$4,213,000</b>
<b>Target Capital and Emergency Reserve</b>	<b>\$2,400,000</b>	<b>\$2,500,000</b>	<b>\$2,900,000</b>	<b>\$3,400,000</b>	<b>\$3,800,000</b>	<b>\$4,000,000</b>	<b>\$4,300,000</b>	<b>\$4,300,000</b>	<b>\$4,200,000</b>	<b>\$4,200,000</b>

[1] CIP Source: CIP Project list provided by the City.  
[2] The available cash balance reflects the City's FY 2019-20 Budget less Operating Reserve.

Appendix A-3  
Wastewater Financial Plan

Description	Projected									
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
<b>Proposed Rate Increase (Aug 8)</b>	<b>19.0%</b>									
<b>Proposed Rate Increase (July 1)</b>		<b>19.0%</b>	<b>19.0%</b>	<b>19.0%</b>	<b>19.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>	<b>5.0%</b>
<b>Operating Revenues</b>										
Service Charge Revenues, Existing Rates [1]	\$2,038,500	\$2,066,400	\$2,094,200	\$2,122,000	\$2,149,900	\$2,177,700	\$2,205,600	\$2,233,400	\$2,261,300	\$2,289,100
Additional Revenue from Rate Adjustments [2]	355,000	859,800	1,434,900	2,133,400	2,980,700	3,278,900	3,597,300	3,936,400	4,297,800	4,682,700
Miscellaneous Revenues [3]	830,700	837,800	845,200	853,000	861,200	869,800	878,800	888,200	898,100	908,500
Interest Earnings [4]	140,700	114,800	145,300	132,800	82,000	77,800	58,400	53,600	66,800	84,800
<b>Total Operating Revenues</b>	<b>\$3,364,900</b>	<b>\$3,878,800</b>	<b>\$4,519,600</b>	<b>\$5,241,200</b>	<b>\$6,073,800</b>	<b>\$6,404,200</b>	<b>\$6,740,100</b>	<b>\$7,111,600</b>	<b>\$7,524,000</b>	<b>\$7,965,100</b>
<b>Operating Expenses</b>										
Operation and Maintenance Expense	\$1,740,500	\$1,853,300	\$2,084,900	\$2,205,700	\$2,572,300	\$2,715,700	\$2,868,700	\$3,031,800	\$3,205,900	\$3,392,000
New Bond Debt Service [5]	0	0	919,300	919,300	1,626,400	1,626,400	1,980,000	1,980,000	1,980,000	1,980,000
Annual Replacement [6]	622,300	760,800	917,600	1,106,400	1,334,000	1,418,700	1,508,800	1,604,100	1,705,400	1,812,700
Transfer Sewer Connection Fees to Capital	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000	642,000
<b>Total Operating Expenses</b>	<b>\$3,004,800</b>	<b>\$3,256,100</b>	<b>\$4,563,800</b>	<b>\$4,873,400</b>	<b>\$6,174,700</b>	<b>\$6,402,800</b>	<b>\$6,999,500</b>	<b>\$7,257,900</b>	<b>\$7,533,300</b>	<b>\$7,826,700</b>
<b>Net Balance From Operations</b>	<b>\$360,100</b>	<b>\$622,700</b>	<b>(\$44,200)</b>	<b>\$367,800</b>	<b>(\$100,900)</b>	<b>\$1,400</b>	<b>(\$259,400)</b>	<b>(\$146,300)</b>	<b>(\$9,300)</b>	<b>\$138,400</b>
<b>Annual Debt Service Coverage</b>										
Net Revenues [7]	\$1,624,400	\$2,025,500	\$2,434,700	\$3,035,500	\$3,501,500	\$3,688,500	\$3,871,400	\$4,079,800	\$4,318,100	\$4,573,100
Total Annual Debt Service	\$0	\$0	\$919,300	\$919,300	\$1,626,400	\$1,626,400	\$1,980,000	\$1,980,000	\$1,980,000	\$1,980,000
Coverage	n/a	n/a	265%	330%	215%	227%	196%	206%	218%	231%
<b>Combined Operating and Capital Reserves</b>										
Beginning Available Reserves	\$10,112,000	\$8,657,400	\$6,638,800	\$12,832,600	\$4,883,200	\$6,136,300	\$4,246,400	\$3,580,600	\$3,570,000	\$5,335,500
Increase (Decrease) Reserve	(1,454,600)	(2,018,600)	6,193,800	(7,949,400)	1,253,100	(1,889,900)	(665,800)	(10,600)	1,765,500	625,400
Ending Available Reserves	\$8,657,400	\$6,638,800	\$12,832,600	\$4,883,200	\$6,136,300	\$4,246,400	\$3,580,600	\$3,570,000	\$5,335,500	\$5,960,900
Target Operating and Capital Reserves	\$3,270,000	\$3,427,000	\$3,942,000	\$4,503,000	\$5,086,000	\$5,358,000	\$5,734,000	\$5,816,000	\$5,803,000	\$5,896,000
Above (below) Target	\$5,387,400	\$3,211,800	\$8,890,600	\$380,200	\$1,050,300	(\$1,111,600)	(\$2,153,400)	(\$2,246,000)	(\$467,500)	\$64,900

[1] Projected using the existing wastewater rates. Changes in rate based revenues are due to customer and demand growth.  
[2] FY 2019-20 increase effective Aug 8. All other increases are effective July 1.  
[3] Miscellaneous revenue includes Permits and Inspections, Sewer Extension Fees, Sewer Connection Fees, Well Water, and Tap-in Fees.  
[4] Interest earnings on the average fund balance calculated at 1.50%.  
[5] Debt service related to new bond proceeds listed in Table 7. Assumes interest rate of 5.0%, 30 year term, and issuance expenses.  
[6] Equal to 26% of sewer service charge revenue and additional revenue from rate adjustments.  
[7] Includes revenue from rates, interest earnings, and miscellaneous revenues less operation and maintenance expense.



# ***Atascadero City Council***

## ***Staff Report - City Manager***

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### **Virtual Meetings – AB 361 Requirements**

#### **RECOMMENDATION:**

Council adopt Draft Resolution making findings consistent with the requirements of AB 361 to continue to allow for the conduct of virtual meetings.

#### **DISCUSSION:**

On March 4, 2020, Governor Newsom declared a state of emergency due to the novel coronavirus COVID-19. That declaration is still in effect. Since March 12, 2020, Executive Orders from the Governor relaxed various Brown Act meeting requirements relating to teleconferencing rules, temporarily suspending the Brown Act provisions requiring the physical presence of council, board and commission members at public meetings. The most recent extension of those Orders expired on September 30, 2021.

On Friday, September 17, 2021, the Governor signed AB 361. AB 361 amends Government Code section 54953 to provide more clarity on the Brown Act's rules and restrictions surrounding the use of teleconferencing to conduct meetings. The newly enacted Government Code Section 54953(e) creates alternate measures to protect the ability of the public to appear before local legislative bodies.

With the passage of AB 361, local agencies are allowed to continue to conduct virtual meetings during a declared state of emergency, provided local agencies comply with specified requirements. The City Council previously adopted Resolution No. 2021-066 on September 28, 2021, finding that the requisite conditions exist for the legislative bodies of the City of Atascadero to conduct remote teleconference meetings in compliance with AB 361. (Government Code Section 54953(e).) AB 361 requires the City Council to reconsider the circumstances of the state of emergency not later than 30 days after teleconferencing for the first time pursuant to AB 361 and every 30 days thereafter in order to continue to conduct remote teleconference meetings. The City Council previously adopted Resolution No. 2021-069 on October 26, 2021, Resolution No. 2021-073 on November 23, 2021, Resolution No. 2021-074 on December 14, 2021, Resolution No. 2022-001 on January 11, 2022 and Resolution No. 2022-003 on February 8, 2022 making the requisite findings to continue remote teleconferencing.

In order to continue remote teleconferencing, the City Council must make the following findings (Gov. Code § 52953(e)(3)):

- The City Council has reconsidered the circumstances of the state of emergency.
- Any of the following circumstances exist:
  - The state of emergency continues to directly impact the ability of the members to meet safely in person.
  - State or local officials continue to impose or recommend measures to promote social distancing.

Social distancing is the term used for measures that reduce physical contact between infectious and susceptible people during a disease outbreak. While local and state mask mandates have been lifted, and the San Luis Obispo County local health emergency has been terminated, there are still some remaining social distancing measures in place to reduce the spread of COVID.

- The California Department of Public Health continues to strongly recommend masks for all persons, regardless of vaccine status, in indoor public settings and businesses.
- The City remains subject to the State Occupational Safety and Health Administration (CalOSHA) regulations which, among other requirements, continues to obligate an employer to provide training to employees on COVID-19 transmission and risk reduction, including “The fact that particles containing the virus can travel more than six feet, especially indoors, so physical distancing, face coverings, increased ventilation indoors, and respiratory protection decrease the spread of COVID-19, but are most effective when used in combination.” (CCR Section 3205(c)5(D).)
- CDC continues to have quarantine and isolation recommendations for those that have tested positive for COVID, those that have symptoms of COVID and for those that have been exposed to COVID. These isolation and quarantine requirements continue to often prevent employees and community members from attending meetings in person.

Should the Draft Resolution not be adopted, and the City Council (or an individual Council Member) elects to attend virtually, the City must comply with the provisions of Government Code Section 54953(3)(b):

- Agendas shall be posted at all teleconferencing locations
- Each teleconference location shall be identified on the agenda
- Each teleconference location shall be accessible to the public
- At least a quorum of the Council shall participate from locations with the boundaries of the City
- The public shall be provided an opportunity to address the Council directly at each teleconference location

Adoption of the Draft Resolution does not prohibit the conduct of a traditional or hybrid meeting in accordance with state and local regulations. Because CDC measures are still in place that could prevent a member of the public from participating in the meeting in person, it is recommended that if the Council chooses not to adopt the draft resolution, that they direct staff to conduct hybrid meetings that would allow public participation both virtually and in person.

**FISCAL IMPACT:**

None.

**ATTACHMENT:**

Draft Resolution

**DRAFT RESOLUTION**

**RESOLUTION OF THE CITY COUNCIL  
OF THE CITY OF ATASCADERO, CALIFORNIA,  
PROCLAIMING THE CONTINUING NEED TO MEET BY  
TELECONFERENCE PURSUANT TO  
GOVERNMENT CODE SECTION 54953(e)**

**WHEREAS**, all meetings of the City of Atascadero legislative bodies are open and public as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963); and

**WHEREAS**, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

**WHEREAS**, Government Code section 54953(e) was added by AB 361, signed by Governor Newsom on September 17, 2021; and

**WHEREAS**, on March 4, 2020, Governor Newsom declared a State of Emergency as a result of the COVID-19 pandemic; and

**WHEREAS**, on March 17, 2020, the City of Atascadero declared a State of Emergency as a result of the COVID-19 pandemic; and

**WHEREAS**, such State of Emergency remains in effect; and

**WHEREAS**, COVID-19 continues to threaten the health and lives of City of Atascadero residents; and

**WHEREAS**, the Delta and Omicron variants are highly transmissible in indoor settings and breakthrough cases are more common; and

**WHEREAS**, state officials have imposed or recommended measures to promote social distancing to include the wearing of masks indoors, regardless of vaccination status; and

**WHEREAS**, the City Council previously adopted Resolution No. 2021-066 on September 28, 2021, Resolution No. 2021-069 on October 26, 2021, Resolution No. 2021-073 on November 23, 2021, Resolution No. 2021-074 on December 14, 2021, Resolution No. 2022-001 on January 11, 2022 and Resolution No. 2022-003 on February 8, 2022, finding that the requisite conditions exist and continue to exist for the legislative bodies of the City of Atascadero to conduct remote teleconference meetings in compliance with Government Code Section 54953(e); and

**WHEREAS**, Government Code Section 54953(e) requires that the City Council must reconsider the circumstances of the state of emergency every 30 days in order to continue to conduct remote teleconference meetings in compliance with AB 361.



NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Atascadero:

SECTION 1. Recitals. The above recitals are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. Findings. The City Council does hereby find that:

1. The City Council has reconsidered the circumstances of the state of emergency declared as a result of the COVID-19 pandemic.
2. The state of emergency continues to directly impact the ability of the members to meet safely in person.
3. State or local officials continue to impose or recommend measures to promote social distancing.

SECTION 3. Compliance with Government Code Section 54953(e). The City Council and other legislative bodies will continue to meet by teleconference in accordance with Government Code section 54953(e).

SECTION 4. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) 30 days from the date of adoption of this Resolution, or (ii) such time the City Council adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the City of Atascadero may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

**PASSED AND ADOPTED** at a regular meeting of the City Council held on the \_\_\_\_ day of \_\_\_\_\_, 2022.

On motion by Council Member \_\_\_\_\_ and seconded by Council Member \_\_\_\_\_, the foregoing Resolution is hereby adopted in its entirety on the following roll call vote:

AYES:  
NOES:  
ABSENT:  
ADOPTED:

CITY OF ATASCADERO

\_\_\_\_\_  
Heather Moreno, Mayor

ATTEST:  
\_\_\_\_\_  
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:  
\_\_\_\_\_  
Brian A. Pierik, City Attorney