

## **RESOLUTION NO. 19-**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMECULA APPROVING SOLID WASTE AND RECYCLING RATES FOR FISCAL YEAR 2019-20**

THE CITY COUNCIL OF THE CITY OF TEMECULA DOES HEREBY RESOLVE AS  
FOLLOWS:

Section 1. The City of Temecula and CR&R Incorporated entered into an exclusive solid waste Franchise Agreement on May 28, 1991, as amended on August 27, 1996, June 24, 1997, July 25, 2000, June 13, 2006, and October 27, 2015 ("Franchise Agreement"), for the collection, transportation, recycling, composting, and disposal of solid waste and construction debris and for providing temporary bin/roll off services in the City.

A. The Franchise Agreement specifically provides for annual rate adjustments based on certain predefined criteria, specifically the annual average change in Consumer Price Index ("CPI"), and changes to the County of Riverside landfill tipping fees.

B. The Franchise Agreement further provides that a formula be used to calculate the rate adjustments on an annual basis using the following factors:

1. The annual average CPI from January through December of the previous fiscal year. For the 2018 calendar year, the CPI increased by 3.07% and will be applied to the Fiscal Year 2019-20 rate calculation.

2. The Riverside County Department of Waste Resources landfill tipping fee increased by 3.05% from the previous fiscal year and will be applied to the Fiscal Year 2019-20 rate calculation.

B. Item #22 of Exhibit D of the Franchise Agreement with CR&R allows CR&R to request extraordinary increase or decreases in its cost of collection, subject to City Council approval.

1. China's actions limiting the import of recyclables into China, known as China Sword, and which went into effect in January of 2018, has substantially reduced the ability of CR&R to offset the revenue from the sale of recyclable materials, resulting in CR&R's request for an extraordinary cost adjustment.

2. The requested extraordinary cost adjustment amounts to \$0.54 per home per month and will be applied to the Fiscal Year 2019-2020 rate calculation.

C. The Franchise Agreement provides that the solid waste rate adjustments are to be adopted by the City Council by Resolution based upon the application of the formula set forth in the Franchise Agreement.

Section 2. The City of Temecula City Council approves the solid waste and recycling rate adjustments as shown in Exhibit D for Fiscal Year 2019-20, as set forth in the Franchise Agreement.

Section 3. The City Clerk shall certify to the passage and adoption of the Resolution.

**PASSED, APPROVED, AND ADOPTED** by the City Council of the City of Temecula this 11<sup>th</sup> day of June, 2019.

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Michael S. Naggar, Mayor

ATTEST:

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Randi Johl, City Clerk

[SEAL]

STATE OF CALIFORNIA       )  
COUNTY OF RIVERSIDE     ) ss  
CITY OF TEMECULA         )

I, Randi Johl, City Clerk of the City of Temecula, do hereby certify that the foregoing Resolution No. 19-       was duly and regularly adopted by the City Council of the City of Temecula at a meeting thereof held on the 11<sup>th</sup> day of June, 2019, by the following vote:

AYES:                   COUNCIL MEMBERS:

NOES:                   COUNCIL MEMBERS:

ABSTAIN:               COUNCIL MEMBERS:

ABSENT:                COUNCIL MEMBERS:

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Randi Johl, City Clerk