CITY OF ATASCADERO
CITY COUNCIL

AGENDA

Tuesday, February 26, 2019

City Hall Council Chambers, 4th floor
6500 Palma Avenue, Atascadero, California
(Entrance on Lewis Ave.)

City Council Closed Session:	**5:00 P.M.**
City Council Regular Session:	**6:00 P.M.**

CITY COUNCIL CLOSED SESSION: 5:00 P.M.

1. **CLOSED SESSION -- PUBLIC COMMENT**
2. **COUNCIL LEAVES CHAMBERS TO BEGIN CLOSED SESSION**
3. **CLOSED SESSION -- CALL TO ORDER**
    a. **Conference with Legal Counsel – Anticipated Litigation**
    Significant exposure to litigation pursuant to subdivision (b)(1) of Government Code Section 54956.9 (One potential case)
4. **CLOSED SESSION – ADJOURNMENT**
5. **COUNCIL RETURNS TO CHAMBERS**
6. **CLOSED SESSION – REPORT**

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

PLEDGE OF ALLEGIANCE: Mayor Pro Tem Bourbeau

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

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.

PRESENTATIONS:

1. **Recognition of Outgoing Commissioners**

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 12, 2019**
   - Recommendation: Council approve the February 12, 2019 Draft City Council Meeting Minutes. [City Clerk]

2. **January 2019 Accounts Payable and Payroll**
   - Fiscal Impact: $2,191, 256.96
   - Recommendation: Council approve certified City accounts payable, payroll and payroll vendor checks for January 2019. [Administrative Services]

3. **Community Facilities District 2005-1, Annexation No. 18 Levy of Special Taxes Authorization**
   - Fiscal Impact: None.
   - Recommendation: Council adopt on second reading, by title only, the Draft Ordinance, authorizing the levy of special taxes in Community Facilities District 2005-1 for certain annexation territory identified as Annexation No. 18. [Community Development]

4. **Council Norms and Procedures - Consideration of Amendments**
   - Fiscal Impact: None.
   - Recommendation: Council review and approve the Council Norms and Procedures for 2019. [City Manager]

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. 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.)

B. PUBLIC HEARINGS: None.

C. MANAGEMENT REPORTS:

1. **Amendment to Agreement for Processing Commingled Recyclables and Organic Waste**
   - Fiscal Impact: The City will receive franchise fees on the increased amounts paid by customers.
   - Recommendations: Council:
     1. Approve Amendment No. 1 to Agreement No. 2014-029 with North San Luis Obispo County Recycling (NSLOCR) to increase the tipping fees charged for residential comingled recyclables loads, commercial commingled recyclables loads and greenwaste loads collected in the City.
     2. Approve the staff recommendation for the distribution of increased fees amongst Atascadero Waste Alternatives Rate Payers.[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. Economic Vitality Corporation, Board of Directors (EVC)
4. SLO Council of Governments (SLOCOG)
5. SLO Regional Transit Authority (RTA)

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

Council Member Fonzi
1. Air Pollution Control District
2. Atascadero Basin Ground Water Sustainability Agency (GSA)
3. City of Atascadero Design Review Committee
4. SLO Local Agency Formation Commission (LAFCo)

Council Member Funk

1. City of Atascadero Finance Committee
2. Homeless Services Oversight Council
3. League of California Cities – Council Liaison

Council Member Newsom

1. California Joint Powers Insurance Authority (CJPIA) Board
2. City / Schools Committee
3. City of Atascadero Design Review Committee
4. Visit SLO CAL Advisory Committee

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

F. 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.

WELCOME TO THE ATASCADERO CITY COUNCIL MEETING

The City Council meets in regular session on the second and fourth Tuesday of each month at 6:00 p.m. Council meetings will be held at the City Hall Council Chambers, 6500 Palma Avenue, Atascadero. Matters are considered by the Council in the order of the printed Agenda. Regular Council meetings are televised live, audio recorded and videotaped for future playback. Charter Communication customers may view the meetings on Charter Cable Channel 20 or via the City's website at www.atascadero.org. Meetings are also broadcast on radio station KPRL AM 1230. Contact the City Clerk for more information at cityclerk@atascadero.org or (805) 470-3400.

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 during City Hall business hours at the Front Counter of City Hall, 6500 Palma Avenue, Atascadero, and on our website, 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 either read into the record or referred to in their statement will be noted in the minutes and available for review in the City Clerk's office.

In compliance with the Americans with Disabilities Act, **if you need special assistance to participate in a City meeting or other services offered by this City**, please contact the City Manager's Office or the City Clerk's Office, both at (805) 470-3400. Notification at least 48 hours prior to the meeting or time when services are needed will assist the City staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

TO SPEAK ON SUBJECTS NOT LISTED ON THE AGENDA
Under Agenda item, "COMMUNITY FORUM", the Mayor will call for anyone from the audience having business with the Council to approach the lectern and be recognized.

1. Give your name for the record (not required)
2. State the nature of your business.
3. All comments are limited to 3 minutes.
4. All comments should be made to the Mayor and Council.
5. No person shall be permitted to make slanderous, profane or negative personal remarks concerning any other individual, absent or present

This is the time items not on the Agenda may be brought to the Council's attention. A maximum of 30 minutes will be allowed for Community Forum (unless changed by the Council). If you wish to use a computer presentation to support your comments, you must notify the City Clerk's office at least 24 hours prior to the meeting. Digital presentations must be brought to the meeting on a USB drive or CD. You are required to submit to the City Clerk a printed copy of your presentation for the record. Please check in with the City Clerk before the meeting begins to announce your presence and turn in the printed copy.

TO SPEAK ON AGENDA ITEMS (from Title 2, Chapter 1 of the Atascadero Municipal Code)
Members of the audience may speak on any item on the agenda. The Mayor will identify the subject, staff will give their report, and the Council will ask questions of staff. The Mayor will announce when the public comment period is open and will request anyone interested to address the Council regarding the matter being considered to step up to the lectern. If you wish to speak for, against or comment in any way:

1. You must approach the lectern and be recognized by the Mayor
2. Give your name (not required)
3. Make your statement
4. All comments should be made to the Mayor and Council
5. No person shall be permitted to make slanderous, profane or negative personal remarks concerning any other individual, absent or present
6. All comments limited to 3 minutes

The Mayor will announce when the public comment period is closed, and thereafter, no further public comments will be heard by the Council.

CITY OF ATASCADERO
CITY COUNCIL

DRAFT MINUTES

Tuesday, February 12, 2019

City Hall Council Chambers, 4th floor
6500 Palma Avenue, Atascadero, California
(Entrance on Lewis Ave.)

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 Fonzi led the Pledge of Allegiance.

ROLL CALL:

Present: Council Members Fonzi, Funk, Newsom, Mayor Pro Tem Bourbeau and Mayor Moreno

Absent: None

Also Present: City Treasurer Sibbach

Staff Present: City Manager Rachelle Rickard, Administrative Services Director Jeri Rangel, Public Works Director Nick DeBar, Police Chief Jerel Haley, Community Development Director Phil Dunsmore, Fire Chief Casey Bryson, City Attorney Brian Pierik and Deputy City Manager/City Clerk Lara Christensen.

APPROVAL OF AGENDA:

MOTION: By Mayor Pro Tem Bourbeau and seconded by Council Member Fonzi 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.

PRESENTATIONS:

1. **Employee Recognition**

City Manager Rickard presented the following employees with Service Awards:

- **5 Years:** Jeanine Walters, Account Clerk I
  Cindy Chavez, Deputy Administrative Services Director
- **10 Years:** Luke Knight, IT Manager

2. **WineSpeak Presentation**

Macey Cox and Christine Curtis gave a brief presentation on the 2019 WineSpeak event (Exhibit A).

A. CONSENT CALENDAR:

1. **City Council Draft Action Minutes – January 22, 2019, January 25-26, 2019 and January 30, 2019**
   - Recommendation: Council approve the Draft City Council Meeting Minutes for the Regular Meeting held on January 22, 2019 and the Special Meetings held January 25-26, 2019 and January 30, 2019. [City Clerk]

2. **December 2018 Investment Report**
   - Fiscal Impact: None
   - Recommendation: Council receive and file the City Treasurer's report for quarter ending December 2018. [Administrative Services]

Deputy City Manager/City Clerk Christensen noted that a revision was made to Consent Calendar Item A#1 - Draft Minutes for January 25-26, 2019 to amend the language under *Section 5. Trends* from *"The Facilitators led the Council through an exercise ..."* to *"The Facilitators led the Council, staff and public through an exercise…"* A hard copy of the revised Minutes was made available at the dais and included in the public review binder.

MOTION: By Mayor Pro Tem Bourbeau and seconded by Council Member Fonzi to approve the Consent Calendar.
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 during Community Forum: Bob Kerwin (Exhibit B), Tim Mahoney, Chris Agar (Exhibit C) and Kim.

Mayor Moreno closed the COMMUNITY FORUM period.

B. PUBLIC HEARINGS:

1. Community Facilities District 2005-1 - Annexation No. 18

- Ex-Parte Communications:
- Fiscal Impact: None.
- Recommendations: Council:
  1. Conduct the public hearing for the proposed annexation.
  2. Adopt Draft Resolution A; authorizing the territory identified in City Council Resolution 2019-002 to be annexed into Community Facilities District No. 2005-1, authorizing the levy of a special tax and submitting the levy of a special tax to qualified electors.
  3. Direct the City Clerk to conduct a landowner vote of annexation and collect and count the ballots.

     Council to recess until ballots are counted

  4. Adopt Draft Resolution B, declaring the results of a special annexation landowner election, determining the validity of prior proceedings and directing the recording of an amendment to the notice of special tax lien.
  5. Adopt Draft Ordinance, authorizing the levy of special taxes in Community Facilities District 2005-1 for certain annexation territory identified as Annexation No. 18. [Community Development]

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

PUBLIC COMMENT:

The following citizens spoke on this item: None.

Mayor Moreno closed the Public Comment period.

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

1. **Adopt Draft Resolution A, authorizing the territory identified in City Council Resolution 2019-002, to be annexed into Community Facilities District No. 2005-1, authorizing the levy of a special tax and submitting the levy of a special tax to qualified electors.**
2. **Direct the City Clerk to conduct a landowner vote of annexation and collect and count the ballots.**

Motion passed 5:0 by a roll-call vote. (Resolution No. 2019-007)

Deputy City Manager/City Clerk Christensen announced that two votes (one ballot) were received and were all in favor.

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

1. **Adopt Draft Resolution B, declaring the results of a special annexation landowner election, determining the validity of prior proceedings and directing the recording of an amendment to the notice of special tax lien.**
2. **Introduce for first reading, by title only, Draft Ordinance, authorizing the levy of special taxes in Community Facilities District 2005-1 for certain annexation territory identified as Annexation No. 18.**

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

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AUTHORIZING THE LEVY OF SPECIAL TAXES IN COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES), INCLUDING CERTAIN ANNEXATION TERRITORY

Motion passed 5:0 by a roll-call vote. (Resolution No. 2019-008)

C. MANAGEMENT REPORTS: None.

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:

Mayor Moreno
1. SLO Council of Governments (SLOCOG)

Mayor Moreno reported that she has been in discussions with Mayor Martin, Paso Robles, regarding homelessness and ways the two cities can partner together on efforts to address the issue.

Mayor Pro Tem Bourbeau
1. Integrated Waste Management Authority (IWMA)

Council Member Fonzi
1. Air Pollution Control District

Council Member Funk
1. Homeless Services Oversight Council

Council Member Funk reported on updates from Transitional Food and Shelter and possibilities for joint application on the part of Paso Robles and Atascadero for HEAP funding.

Council Member Newsom

1. City of Atascadero Design Review Committee

E. INDIVIDUAL DETERMINATION AND / OR ACTION:

1. City Council – Mayor Moreno discussed community engagement. She proposed "Talk on the Block" for the City Council and staff to engage with neighborhoods in the community to discuss issues and concerns. Mayor Moreno noted that the Chamber of Commerce has offered to partner with the City to help put the meetings together. The Council discussed various possible structures for these meetings.

   Christie Steele, Chamber of Commerce, provided the Council with an informational handout (Exhibit D) on the proposed Talk on the Block event and noted the Chamber's excitement to be involved in this community outreach program.

   There was Council consensus for the Mayor to work together with the City Manager and the City Attorney to detail the specifics of the program and report back to Council.

2. City Clerk – Deputy City Manager/City Clerk Christensen asked the City Council for confirmation of appointments to the Design Review Committee. Appointments are necessary for the two members of the Planning Commission and one at-large member resident of the City.

   Mayor Moreno announced Duane Anderson, Mark Dariz and Jamie Jones and the Council unanimously ratified the appointments by a voice vote.

F. ADJOURN

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

MINUTES PREPARED BY:

_____

Lara K. Christensen
Deputy City Manager / City Clerk

Exhibit A – WineSpeak Presentation
Exhibit B – SCORE San Luis Obispo handouts
Exhibit C – Cannabis Market information
Exhibit D – Talk on the Block program handout

APPROVED:

Atascadero City Council

Staff Report - Administrative Services Department

January 2019 Accounts Payable and Payroll

RECOMMENDATION:

Council approve certified City accounts payable, payroll and payroll vendor checks for January 2019.

DISCUSSION:

Attached for City Council review and approval are the following:

Payroll			
Dated 1/10/19	Checks # 34193 - 34209	$	11,902.23
	Direct Deposits		296,011.11
Dated 1/24/19	Checks # 34210 - 34234		16,984.13
	Direct Deposits		263,576.23
Accounts Payable			
Dated 1/1/19 - 1/31/19	Checks # 159106 - 159356 & EFTs 3187 - 3216		1,603,783.26
	TOTAL AMOUNT	$	2,192,256.96

FISCAL IMPACT:

Total expenditures for all funds is $ 2,192,256.96

CERTIFICATION:

The undersigned certifies that the attached demands have been released for payment and that funds are available for these demands.

Jeri Rangel, Director of Administrative Services

ATTACHMENT:

January 2019 Eden Warrant Register in the amount of $ 1,603,783.26

Check Number	Check Date	Vendor	Description	Amount
3187	01/02/2019	EMPLOYMENT DEV DEPARTMENT	Payroll Vendor Payment	14,310.60
3188	01/02/2019	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	2,009.66
3189	01/02/2019	RABOBANK, N.A.	Payroll Vendor Payment	49,359.34
159106	01/04/2019	4LEAF,INC.	Accounts Payable Check	3,212.85
159107	01/04/2019	ALLIANT INSURANCE SERVICES INC	Accounts Payable Check	314.00
159108	01/04/2019	ALLSTAR FIRE EQUIPMENT, INC.	Accounts Payable Check	8,036.19
159109	01/04/2019	ALTHOUSE & MEADE, INC.	Accounts Payable Check	605.00
159110	01/04/2019	AMERICAN WEST TIRE & AUTO INC	Accounts Payable Check	108.73
159111	01/04/2019	ASSOCIATED TRAFFIC SAFETY	Accounts Payable Check	196.41
159112	01/04/2019	AT&T	Accounts Payable Check	763.14
159114	01/04/2019	ATASCADERO MUTUAL WATER CO.	Accounts Payable Check	6,719.15
159115	01/04/2019	ATASCADERO NEWS	Accounts Payable Check	2,074.98
159116	01/04/2019	ATASCADERO PICKLEBALL CLUB,INC	Accounts Payable Check	111.30
159117	01/04/2019	KEITH R. BERGHER	Accounts Payable Check	412.50
159118	01/04/2019	JOE BERGQUIST	Accounts Payable Check	87.00
159119	01/04/2019	BIG RED MARKETING, INC.	Accounts Payable Check	2,750.00
159120	01/04/2019	CASEY BRYSON	Accounts Payable Check	110.00
159121	01/04/2019	CA ASSC.OF CODE ENF. OFFICERS	Accounts Payable Check	95.00
159122	01/04/2019	CA CODE CHECK, INC.	Accounts Payable Check	2,492.00
159123	01/04/2019	CARQUEST OF ATASCADERO	Accounts Payable Check	69.50
159124	01/04/2019	CASEY PRINTING, INC.	Accounts Payable Check	5,848.19
159125	01/04/2019	CASH	Accounts Payable Check	200.00
159126	01/04/2019	CCI OFFICE TECHNOLOGIES	Accounts Payable Check	41.54
159127	01/04/2019	CHARTER COMMUNICATIONS	Accounts Payable Check	4,252.56
159128	01/04/2019	DAN BIDDLE PEST CONTROL SERVIC	Accounts Payable Check	135.00
159129	01/04/2019	NICHOLAS DEBAR	Accounts Payable Check	300.00
159130	01/04/2019	PATRICIA DEIRMENJIAN	Accounts Payable Check	57.89
159131	01/04/2019	DEKRA-LITE	Accounts Payable Check	9,356.96
159132	01/04/2019	DEPARTMENT OF JUSTICE	Accounts Payable Check	1,085.00
159133	01/04/2019	DEPENDABLE FIRE PROTECTION	Accounts Payable Check	75.17
159134	01/04/2019	DEPT. OF THE CA HIGHWAY PATROL	Accounts Payable Check	785.02
159135	01/04/2019	DESTINATION TRAVEL NETWORK	Accounts Payable Check	190.00
159136	01/04/2019	DIAMONDBACK FIRE & RESCUE, INC	Accounts Payable Check	170.00
159137	01/04/2019	DIVISION OF STATE ARCHITECT	Accounts Payable Check	255.20
159138	01/04/2019	ASHLEY DONOVAN	Accounts Payable Check	53.86
159139	01/04/2019	DRIVE CUSTOMS	Accounts Payable Check	32,400.72
159140	01/04/2019	PHILIP DUNSMORE	Accounts Payable Check	300.00
159141	01/04/2019	CHRISTOPHER J. EDWARDS	Accounts Payable Check	625.00
159142	01/04/2019	JENNIFER S. EICKEMEYER	Accounts Payable Check	32.40
159143	01/04/2019	ESCROW CLEANING SERVICE	Accounts Payable Check	425.00

Check Number	Check Date	Vendor	Description	Amount
159144	01/04/2019	FENCE FACTORY ATASCADERO	Accounts Payable Check	825.00
159145	01/04/2019	FOOD FOR LESS	Accounts Payable Check	518.55
159146	01/04/2019	GAS COMPANY	Accounts Payable Check	2,021.06
159147	01/04/2019	BRADLEY A. HACKLEMAN	Accounts Payable Check	565.20
159148	01/04/2019	JEREL HALEY	Accounts Payable Check	230.00
159149	01/04/2019	HART IMPRESSIONS PRINTING	Accounts Payable Check	1,102.67
159150	01/04/2019	HELIXSTORM, INC.	Accounts Payable Check	6,760.56
159151	01/04/2019	HINDERLITER, DE LLAMAS	Accounts Payable Check	1,882.72
159152	01/04/2019	IAFC MEMBERSHIP	Accounts Payable Check	285.00
159153	01/04/2019	IMAGE TREND, INC.	Accounts Payable Check	3,160.00
159154	01/04/2019	INGLIS PET HOTEL	Accounts Payable Check	4,103.17
159155	01/04/2019	IRON MOUNTAIN RECORDS MGMNT	Accounts Payable Check	90.16
159156	01/04/2019	J. CARROLL CORPORATION	Accounts Payable Check	4,658.27
159157	01/04/2019	JB DEWAR INC	Accounts Payable Check	204.45
159158	01/04/2019	JK'S UNLIMITED	Accounts Payable Check	698.13
159159	01/04/2019	JOE A. GONSALVES & SON	Accounts Payable Check	3,000.00
159160	01/04/2019	AMIK B. JONES	Accounts Payable Check	42.00
159161	01/04/2019	KIDZ LOVE SOCCER	Accounts Payable Check	2,293.20
159162	01/04/2019	KPRL 1230 AM	Accounts Payable Check	300.00
159163	01/04/2019	MADRONE LANDSCAPES, INC.	Accounts Payable Check	200.00
159164	01/04/2019	MARIACHI MEXICANISIMO	Accounts Payable Check	800.00
159165	01/04/2019	MEDPOST URGENT CARE-ATASCADERO	Accounts Payable Check	615.00
159166	01/04/2019	MID-COAST GEOTECHNICAL, INC.	Accounts Payable Check	190.00
159167	01/04/2019	MID-COAST MOWER & SAW, INC.	Accounts Payable Check	108.35
159168	01/04/2019	MINER'S ACE HARDWARE	Accounts Payable Check	196.45
159169	01/04/2019	MISSION UNIFORM SERVICE	Accounts Payable Check	129.84
159170	01/04/2019	RICKY D. MONTIJO	Accounts Payable Check	450.00
159171	01/04/2019	OFFICE DEPOT INC.	Accounts Payable Check	639.54
159172	01/04/2019	CHRISTOPHER J. OLIVAS	Accounts Payable Check	1,700.00
159174	01/04/2019	PACIFIC GAS AND ELECTRIC	Accounts Payable Check	18,564.70
159175	01/04/2019	PLACEWORKS, INC.	Accounts Payable Check	2,555.00
159176	01/04/2019	PROSOUND BUSINESS MEDIA, INC.	Accounts Payable Check	323.00
159177	01/04/2019	SHIRLEY L. RADCLIFF-BRUTON	Accounts Payable Check	394.20
159178	01/04/2019	RANCHO LOS SANTOS ENTERTAINMNT	Accounts Payable Check	1,800.00
159179	01/04/2019	JERI RANGEL	Accounts Payable Check	300.00
159180	01/04/2019	RACHELLE RICKARD	Accounts Payable Check	500.00
159181	01/04/2019	MICHELLE R. ROGERS	Accounts Payable Check	224.00
159182	01/04/2019	ROSSI TRANSPORT SERVICE	Accounts Payable Check	2,637.72
159183	01/04/2019	SAN LUIS POWERHOUSE, INC.	Accounts Payable Check	270.00
159184	01/04/2019	JOHN C. SIEMENS	Accounts Payable Check	233.80

Check Number	Check Date	Vendor	Description	Amount
159185	01/04/2019	SLO COUNTY HEALTH AGENCY	Accounts Payable Check	73,241.75
159186	01/04/2019	SO. BAY REG. PUBLIC SAFETY	Accounts Payable Check	890.00
159187	01/04/2019	SOUTH COAST EMERGENCY VEH SVC	Accounts Payable Check	465.69
159188	01/04/2019	SPEAKWRITE, LLC.	Accounts Payable Check	240.03
159189	01/04/2019	STATE WATER RES CONTROL BOARD	Accounts Payable Check	18,633.00
159190	01/04/2019	SUNLIGHT JANITORIAL, INC.	Accounts Payable Check	961.00
159191	01/04/2019	SUPERION, LLC	Accounts Payable Check	1,128.60
159192	01/04/2019	TEMPLETON GLASS CO., INC.	Accounts Payable Check	79.08
159193	01/04/2019	THOMA ELECTRIC, INC.	Accounts Payable Check	650.00
159194	01/04/2019	TRIBUNE	Accounts Payable Check	2,602.66
159195	01/04/2019	VERIZON WIRELESS	Accounts Payable Check	1,910.72
159196	01/04/2019	WEST COAST AUTO & TOWING, INC.	Accounts Payable Check	675.79
159197	01/04/2019	WEX BANK - 76 UNIVERSL	Accounts Payable Check	9,506.00
159198	01/04/2019	WEX BANK - WEX FLEET UNIVERSAL	Accounts Payable Check	5,669.24
159199	01/04/2019	WILKINS ACTION GRAPHICS	Accounts Payable Check	327.19
159200	01/04/2019	KAREN B. WYKE	Accounts Payable Check	235.80
159201	01/08/2019	ANTHEM BLUE CROSS HEALTH	Payroll Vendor Payment	166,249.43
159202	01/08/2019	LINCOLN NATIONAL LIFE INS CO	Payroll Vendor Payment	1,542.24
159203	01/08/2019	MEDICAL EYE SERVICES	Payroll Vendor Payment	1,615.39
159204	01/08/2019	PREFERRED BENEFITS INSURANCE	Payroll Vendor Payment	8,485.70
3190	01/10/2019	ANTHEM BLUE CROSS HSA	Payroll Vendor Payment	17,924.53
159205	01/10/2019	ATASCADERO MID MGRS ORG UNION	Payroll Vendor Payment	80.00
159206	01/10/2019	ATASCADERO POLICE OFFICERS	Payroll Vendor Payment	1,127.25
159207	01/10/2019	ATASCADERO PROF. FIREFIGHTERS	Payroll Vendor Payment	993.60
159208	01/10/2019	MASS MUTUAL WORKPLACE SOLUTION	Payroll Vendor Payment	5,885.50
159209	01/10/2019	NATIONWIDE RETIREMENT SOLUTION	Payroll Vendor Payment	226.35
159210	01/10/2019	NAVIA BENEFIT SOLUTIONS	Payroll Vendor Payment	1,467.03
159211	01/10/2019	SEIU LOCAL 620	Payroll Vendor Payment	845.53
159212	01/10/2019	VANTAGEPOINT TRNSFR AGT 106099	Payroll Vendor Payment	349.12
159213	01/10/2019	VANTAGEPOINT TRNSFR AGT 304633	Payroll Vendor Payment	4,290.40
3191	01/11/2019	STATE DISBURSEMENT UNIT	Payroll Vendor Payment	209.54
159214	01/11/2019	HVS CONVENTION,SPORTS &	Accounts Payable Check	13,000.00
3192	01/14/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	22,171.51
3193	01/14/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	39,287.48
3194	01/14/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,459.67
3195	01/14/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,752.09
3196	01/14/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	4,751.48
3197	01/14/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,885.44
3198	01/14/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	9,567.62
3199	01/14/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	10,536.81

Check Number	Check Date	Vendor	Description	Amount
3200	01/15/2019	RABOBANK, N.A.	Payroll Vendor Payment	56,160.54
3201	01/15/2019	EMPLOYMENT DEV DEPARTMENT	Payroll Vendor Payment	18,198.41
3202	01/15/2019	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	2,511.82
159215	01/18/2019	A & J REFRIGERATION	Accounts Payable Check	787.93
159216	01/18/2019	A & R CONSTRUCTION	Accounts Payable Check	5,914.00
159217	01/18/2019	A SUPERIOR CRANE, LLC	Accounts Payable Check	480.00
159218	01/18/2019	AGP VIDEO, INC.	Accounts Payable Check	1,865.00
159219	01/18/2019	AIRGAS USA, LLC	Accounts Payable Check	281.04
159220	01/18/2019	AK & COMPANY	Accounts Payable Check	1,750.00
159221	01/18/2019	ALAMEDA ELECTRICAL DISTRIBUTOR	Accounts Payable Check	240.78
159222	01/18/2019	ALL SIGNS AND GRAPHICS, LLC	Accounts Payable Check	258.60
159223	01/18/2019	ALLIANT INSURANCE SERVICES INC	Accounts Payable Check	141.00
159224	01/18/2019	ALLSTAR FIRE EQUIPMENT, INC.	Accounts Payable Check	791.37
159225	01/18/2019	ALTHOUSE & MEADE, INC.	Accounts Payable Check	560.00
159226	01/18/2019	AMERICAN MARBORG	Accounts Payable Check	265.24
159227	01/18/2019	AMERICAN WEST TIRE & AUTO INC	Accounts Payable Check	2,222.52
159228	01/18/2019	ANTECH DIAGNOSTICS	Accounts Payable Check	369.51
159231	01/18/2019	AT&T	Accounts Payable Check	1,584.78
159232	01/18/2019	AT&T	Accounts Payable Check	33.38
159233	01/18/2019	ATASCADERO CHAMBER OF COMMERCE	Accounts Payable Check	61,174.00
159234	01/18/2019	ATASCADERO GIRLS SOFTBALL	Accounts Payable Check	227.50
159235	01/18/2019	ATASCADERO HAY & FEED	Accounts Payable Check	2,340.10
159236	01/18/2019	BELL'S PLUMBING REPAIR, INC.	Accounts Payable Check	835.00
159237	01/18/2019	BERRY MAN, INC.	Accounts Payable Check	2,005.20
159238	01/18/2019	BROOKFIELD ZOO	Accounts Payable Check	782.54
159239	01/18/2019	BURKE,WILLIAMS, & SORENSON LLP	Accounts Payable Check	11,256.96
159240	01/18/2019	CA CODE CHECK, INC.	Accounts Payable Check	2,078.25
159241	01/18/2019	CA DEPT OF TAX AND FEE ADMIN.	Accounts Payable Check	2,544.00
159242	01/18/2019	CALLBACK STAFFING SOLUTION,LLC	Accounts Payable Check	189.46
159243	01/18/2019	CALPORTLAND COMPANY	Accounts Payable Check	2,804.35
159244	01/18/2019	CHRISTOPHER M. CARNES	Accounts Payable Check	80.00
159245	01/18/2019	CARQUEST OF ATASCADERO	Accounts Payable Check	131.31
159246	01/18/2019	CCC-ICC	Accounts Payable Check	150.00
159247	01/18/2019	CENTRAL COAST URGENT CARE, INC	Accounts Payable Check	150.00
159248	01/18/2019	CHARTER COMMUNICATIONS	Accounts Payable Check	1,816.75
159249	01/18/2019	CIO SOLUTIONS, LP	Accounts Payable Check	1,600.00
159250	01/18/2019	CITY OF ATASCADERO	Accounts Payable Check	36.72
159251	01/18/2019	CJAA	Accounts Payable Check	40.00
159252	01/18/2019	CLEARS, INC.	Accounts Payable Check	100.00
159253	01/18/2019	COASTAL COPY, INC.	Accounts Payable Check	448.59

Check Number	Check Date	Vendor	Description	Amount
159254	01/18/2019	MIGUEL A. CORDERO	Accounts Payable Check	72.00
159255	01/18/2019	CORNERS LIMITED	Accounts Payable Check	1,605.14
159256	01/18/2019	CRYSTAL SPRINGS WATER	Accounts Payable Check	213.42
159257	01/18/2019	CULLIGAN/CENTRAL COAST WTR TRT	Accounts Payable Check	250.00
159258	01/18/2019	DCS TESTING & EQUIPMENT, INC.	Accounts Payable Check	2,468.75
159259	01/18/2019	DOCUTEAM	Accounts Payable Check	138.96
159260	01/18/2019	EL CAMINO VETERINARY HOSP	Accounts Payable Check	26.00
159261	01/18/2019	ESCUELA DEL RIO	Accounts Payable Check	1,105.00
159262	01/18/2019	FARM SUPPLY COMPANY	Accounts Payable Check	603.78
159263	01/18/2019	FERGUSON ENTERPRISES, INC.	Accounts Payable Check	1,974.00
159264	01/18/2019	FERRAVANTI GRADING & PAVING	Accounts Payable Check	300,297.94
159265	01/18/2019	FERRELL'S AUTO REPAIR	Accounts Payable Check	168.30
159266	01/18/2019	FRESNO CITY COLLEGE	Accounts Payable Check	272.00
159267	01/18/2019	BULMARO GARCIA	Accounts Payable Check	115.00
159268	01/18/2019	GARRY BRILL PRODUCTIONS	Accounts Payable Check	150.00
159269	01/18/2019	GAS COMPANY	Accounts Payable Check	929.47
159270	01/18/2019	ALEX GENTILLY	Accounts Payable Check	65.00
159271	01/18/2019	GORDON SAND CO.	Accounts Payable Check	896.50
159272	01/18/2019	GUARDIAN EMS	Accounts Payable Check	26.59
159273	01/18/2019	AMELIA L. GUZMAN	Accounts Payable Check	48.00
159274	01/18/2019	CHRISTIAN P. GUZMAN	Accounts Payable Check	48.00
159275	01/18/2019	HANLEY AND FLEISHMAN, LLP	Accounts Payable Check	3,885.00
159276	01/18/2019	HART IMPRESSIONS PRINTING	Accounts Payable Check	699.12
159277	01/18/2019	HELIXSTORM, INC.	Accounts Payable Check	10,750.00
159278	01/18/2019	INVISIO COMMUNICATIONS, INC.	Accounts Payable Check	5,817.60
159279	01/18/2019	JIFFY LUBE	Accounts Payable Check	100.20
159280	01/18/2019	JK'S UNLIMITED	Accounts Payable Check	1,248.85
159281	01/18/2019	NICHOLAS JOHNSTON	Accounts Payable Check	32.00
159282	01/18/2019	JOURNAL PLUS MAGAZINE	Accounts Payable Check	650.00
159283	01/18/2019	JOCELYN KATZAKIAN	Accounts Payable Check	115.95
159284	01/18/2019	KNECHT'S PLUMBING & HEATING	Accounts Payable Check	607.04
159285	01/18/2019	KTU+A	Accounts Payable Check	7,438.75
159286	01/18/2019	LEE WILSON ELECTRIC CO. INC	Accounts Payable Check	1,752.04
159287	01/18/2019	LIFE ASSIST, INC.	Accounts Payable Check	701.56
159288	01/18/2019	MAINLINE UTILITY CO.	Accounts Payable Check	700.00
159289	01/18/2019	BECKY MAXWELL	Accounts Payable Check	56.53
159290	01/18/2019	MCMASTER-CARR SUPPLY CO.	Accounts Payable Check	294.35
159291	01/18/2019	MEDINA LIGHT SHOW DESIGNS	Accounts Payable Check	1,200.00
159292	01/18/2019	MEDPOST URGENT CARE-PASO ROBLE	Accounts Payable Check	440.00
159293	01/18/2019	LEVI K. MEEKS	Accounts Payable Check	60.00

Check Number	Check Date	Vendor	Description	Amount
159294	01/18/2019	MINER'S ACE HARDWARE	Accounts Payable Check	574.11
159295	01/18/2019	MISSION UNIFORM SERVICE	Accounts Payable Check	394.52
159296	01/18/2019	KATIE MULDER	Accounts Payable Check	119.65
159297	01/18/2019	AMANDA MUTHER	Accounts Payable Check	59.23
159298	01/18/2019	MV TRANSPORTATION, INC.	Accounts Payable Check	10,177.87
159299	01/18/2019	NBS	Accounts Payable Check	6,553.65
159300	01/18/2019	NEOFUNDS	Accounts Payable Check	2,000.00
159301	01/18/2019	KELLYE R. NETZ	Accounts Payable Check	562.00
159302	01/18/2019	NORTH COAST ENGINEERING INC.	Accounts Payable Check	1,855.00
159303	01/18/2019	OFFICE DEPOT INC.	Accounts Payable Check	261.31
159304	01/18/2019	ONTRAC	Accounts Payable Check	17.54
159305	01/18/2019	PACIFIC GAS AND ELECTRIC	Accounts Payable Check	26,719.76
159306	01/18/2019	SCOTT E. PIPAN	Accounts Payable Check	77.00
159307	01/18/2019	PLACEWORKS, INC.	Accounts Payable Check	4,547.73
159308	01/18/2019	MICHAEL W. PORTER II	Accounts Payable Check	60.00
159309	01/18/2019	PRAXAIR DISTRIBUTION, INC.	Accounts Payable Check	49.45
159310	01/18/2019	PROCARE JANITORIAL SUPPLY,INC.	Accounts Payable Check	765.61
159311	01/18/2019	PVP COMMUNICATIONS, INC.	Accounts Payable Check	53.20
159312	01/18/2019	QUINCY ENGINEERING, INC.	Accounts Payable Check	14,538.54
159313	01/18/2019	RAINSCAPE, A LANDSCAPE SVC CO.	Accounts Payable Check	2,038.19
159314	01/18/2019	RECOGNITION WORKS	Accounts Payable Check	29.85
159315	01/18/2019	RICK ENGINEERING COMPANY	Accounts Payable Check	1,847.99
159316	01/18/2019	JOHN ROSSETTI	Accounts Payable Check	1,021.54
159317	01/18/2019	ERIN RUSSELL	Accounts Payable Check	200.00
159318	01/18/2019	SAN LUIS POWERHOUSE, INC.	Accounts Payable Check	540.00
159319	01/18/2019	SCOTT O'BRIEN FIRE & SAFETY CO	Accounts Payable Check	315.80
159320	01/18/2019	SERVICE SYSTEMS ASSC, INC.	Accounts Payable Check	4,000.00
159321	01/18/2019	SHORE-TEK, INC.	Accounts Payable Check	436.03
159322	01/18/2019	SLO CO AUDITOR CONTROLLER	Accounts Payable Check	730.00
159323	01/18/2019	SO. BAY REG. PUBLIC SAFETY	Accounts Payable Check	395.00
159324	01/18/2019	SOUZA CONSTRUCTION, INC.	Accounts Payable Check	127,780.76
159325	01/18/2019	STATE WATER RES CONTROL BOARD	Accounts Payable Check	155.00
159326	01/18/2019	SUNLIGHT JANITORIAL, INC.	Accounts Payable Check	1,700.00
159327	01/18/2019	TEMPLETON UNIFORMS, LLC	Accounts Payable Check	102.55
159328	01/18/2019	THOMA ELECTRIC, INC.	Accounts Payable Check	975.00
159329	01/18/2019	CHRISTOPHER DANIEL THOMAS	Accounts Payable Check	72.00
159330	01/18/2019	STEVE TIROTTA	Accounts Payable Check	120.16
159331	01/18/2019	TRIMOTION MEDIA	Accounts Payable Check	500.00
159336	01/18/2019	U.S. BANK	Accounts Payable Check	25,340.54
159337	01/18/2019	ULTREX BUSINESS PRODUCTS	Accounts Payable Check	43.76

City of Atascadero
Disbursement Listing

ITEM NUMBER: A-2
DATE: 02/26/19
ATTACHMENT: 1

For the Month of January 2019

Check Number	Check Date	Vendor	Description	Amount
159338	01/18/2019	ULTREX LEASING	Accounts Payable Check	273.80
159339	01/18/2019	VERDIN	Accounts Payable Check	12,873.36
159340	01/18/2019	VERIZON WIRELESS	Accounts Payable Check	583.41
159341	01/18/2019	WALLACE GROUP	Accounts Payable Check	2,199.75
159342	01/18/2019	WELL SEEN SIGN CO., LLC	Accounts Payable Check	601.68
159343	01/18/2019	ZOO MED LABORATORIES, INC.	Accounts Payable Check	171.72
159344	01/18/2019	ZOOM IMAGING SOLUTIONS, INC.	Accounts Payable Check	871.64
3203	01/23/2019	ANTHEM BLUE CROSS HSA	Payroll Vendor Payment	1,067.71
159345	01/24/2019	ATASCADERO MID MGRS ORG UNION	Payroll Vendor Payment	80.00
159346	01/24/2019	ATASCADERO POLICE OFFICERS	Payroll Vendor Payment	1,127.25
159347	01/24/2019	ATASCADERO PROF. FIREFIGHTERS	Payroll Vendor Payment	993.60
159348	01/24/2019	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	291.00
159349	01/24/2019	ICMA-RC	Payroll Vendor Payment	125.00
159350	01/24/2019	MASS MUTUAL WORKPLACE SOLUTION	Payroll Vendor Payment	5,885.50
159351	01/24/2019	NATIONWIDE RETIREMENT SOLUTION	Payroll Vendor Payment	465.02
159352	01/24/2019	NAVIA BENEFIT SOLUTIONS	Payroll Vendor Payment	1,467.03
159353	01/24/2019	SEIU LOCAL 620	Payroll Vendor Payment	818.78
159354	01/24/2019	VANTAGEPOINT TRNSFR AGT 106099	Payroll Vendor Payment	349.12
159355	01/24/2019	VANTAGEPOINT TRNSFR AGT 304633	Payroll Vendor Payment	4,290.40
159356	01/24/2019	VANTAGEPOINT TRNSFR AGT 706276	Payroll Vendor Payment	60.00
3204	01/25/2019	ANTHEM BLUE CROSS HSA	Payroll Vendor Payment	9,802.98
3205	01/25/2019	STATE DISBURSEMENT UNIT	Payroll Vendor Payment	209.54
3206	01/25/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	21,356.40
3207	01/25/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	33,285.76
3208	01/25/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,572.27
3209	01/25/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	1,752.09
3210	01/25/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,651.08
3211	01/25/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	2,988.17
3212	01/25/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	5,363.91
3213	01/25/2019	CALIF PUBLIC EMPLOYEES RETIREMENT SYSTEM	Payroll Vendor Payment	10,313.87
3214	01/29/2019	RABOBANK, N.A.	Payroll Vendor Payment	44,272.26
3215	01/29/2019	EMPLOYMENT DEV DEPARTMENT	Payroll Vendor Payment	12,760.79
3216	01/29/2019	EMPLOYMENT DEV. DEPARTMENT	Payroll Vendor Payment	1,979.68
				$ 1,603,783.26

Atascadero City Council

Staff Report – Community Development Department

Community Facilities District 2005-1, Annexation No. 18
Levy of Special Taxes Authorization

RECOMMENDATION:

Council adopt on second reading, by title only, the Draft Ordinance, authorizing the levy of special taxes in Community Facilities District 2005-1 for certain annexation territory identified as Annexation No. 18.

DISCUSSION:

This action consists of authorizing the levy of special taxes in Community Facilities District 2005-1 to a newly annexed area known as the Annex Residential Development (Annexation No. 18). This is a second reading of the proposed Ordinance and is required to formalize the annexation.

On February 12, 2019, the City Council held a public hearing on annexing the territory identified as Annexation No. 18 into the City's Community Facilities District (CFD) 2005-1. After the close of the public hearing, the City Council adopted Resolution No. 2019-007, on a 5-0 vote, authorizing the annexation. A landowner election was held, and the owner elected to authorize a special CFD tax and approved the annexation. The Council then introduced a Draft Ordinance, for first reading, on a 5-0 vote, authorizing the levy of a CFD fee to all future property owners residing in Annexation No. 18 territory.

The Special Tax levied against Single-Family Residential parcels for Fiscal Year 2018-2019 was $648.08 per parcel, which is subject to an annual escalator to pay for the service expansion needed to serve these additional residential units. The money collected can only be used to fund new public services authorized to be funded by the State Mello-Roos Act and identified within the Rate and Method of Apportionment, and cannot be used to support existing services. Adoption of this Ordinance, on second reading, will complete the CFD process and allow for the Final Map to be recorded.

ATTACHMENT:

Draft Ordinance

DRAFT ORDINANCE

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ATASCADERO, CALIFORNIA, AUTHORIZING THE LEVY OF SPECIAL TAXES IN COMMUNITY FACILITIES DISTRICT NO. 2005-1 (PUBLIC SERVICES), INCLUDING CERTAIN ANNEXATION TERRITORY

WHEREAS, the City of Atascadero (the "City") has conducted proceedings pursuant to the "Mello-Roos Community Facilities Act of l982", being Chapter 2.5, Part l Division 2, Title 5 of the Government Code of the State of California (the "Act") and the City of Atascadero Community Facilities District No. 2005-1 (Public Services) Ordinance enacted pursuant to the powers reserved by the City of Atascadero under Sections 3, 5, and 7 of Article XI of the Constitution of the State of California (the "CFD Ordinance") (the Act and the CFD Ordinance may be referred to collectively as the "Community Facilities District Law"), to establish the City of Atascadero Community Facilities District No. 2005-1 (Public Services) (the "District") for the purpose of financing police services, fire protection and suppression services, and park services (the "Services") as provided in the Act; and

WHEREAS, the rate and method of apportionment of special tax for the District is set forth in Exhibit B to the City Council Resolution entitled "A Resolution of the City Council of the City of Atascadero, California, For the Formation of Community Facilities District No. 2005-l (Public Services" (the "Resolution of Formation"), which was adopted on May 24, 2005; and

WHEREAS, the City has conducted proceedings to annex territory into the District and, with respect to the proceedings, following an election of the qualified electors in the territory proposed for annexation (the "Annexation Territory"), the City Council, on February 12, 2019, adopted a Resolution entitled "Resolution of the City Council of the City of Atascadero, California, Declaring the Results of Special Annexation Landowner Election, Determining Validity of Prior Proceedings, and Directing the Recording of an Amendment to Notice of Special Tax Lien."

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

SECTION 1. The above recitals are true and correct.

SECTION 2. By the passage of this Ordinance, the City Council hereby authorizes and levies the special tax within the District, including the Annexation Territory, pursuant to the Community Facilities District Law, at the rate and in accordance with the rate and method of apportionment of special tax set forth in the Resolution of Formation, which rate and method is on file in the City Clerk's Office and incorporated herein by reference. The special tax has previously been levied in the original territory of the District beginning in Fiscal Year 2006-07 pursuant to Ordinance No. 478 passed and adopted by the City Council on July 12, 2005 and the special tax is hereby levied commencing in Fiscal Year 2019-20 in the District, including the Annexation Territory, and in each fiscal year thereafter to pay for the Services for the District and all costs of administering the District.

SECTION 3. The City's Finance Director or designee or employee or consultant of the City is hereby authorized and directed each fiscal year to determine the specific special tax to be levied for the next ensuing fiscal year for each parcel of real property within the District, including the Annexation Territory, in the manner and as provided in the Resolution of Formation.

SECTION 4. Exemptions from the levy of the special tax shall be as provided in the Resolution of Formation and the applicable provisions of the Community Facilities District Law. In no event shall the special tax be levied on any parcel within the District in excess of the maximum special tax specified in the Resolution of Formation.

SECTION 5. All of the collections of the special tax shall be used as provided in the Community Facilities District Law and in the Resolution of Formation, including, but not limited to, the payment of the costs of the Services, the payment of the costs of the City in administering the District, and the costs of collecting and administering the special tax.

SECTION 6. The special tax shall be collected in the same manner as ordinary ad valorem taxes are collected and shall have the same lien priority, and be subject to the same penalties and the same procedure and sale in cases of delinquency as provided for ad valorem taxes; provided, however, that the City Council may provide for other appropriate methods of collection by resolution(s) of the City Council. The Finance Director of the City is hereby authorized and directed to provide all necessary information to the auditor/tax collector of the County of San Luis Obispo in order to effect proper billing and collection of the special tax, so that the special tax shall be included on the secured property tax roll of the County of San Luis Obispo for Fiscal Year 2019-20 and for each fiscal year thereafter until no longer required to pay for the Services or until otherwise terminated by the City.

SECTION 7. If for any reason any portion of this Ordinance is found to be invalid, or if the special tax is found inapplicable to any particular parcel within the District, including the Annexation Territory, by a court of competent jurisdiction, the balance of this Ordinance and the application of the special tax to the remaining parcels within the District, including the Annexation Territory, shall not be affected.

SECTION 8. A summary of this ordinance, approved by the City Attorney, together with the ayes and noes, shall be published twice: at least five days prior to its final passage in the Atascadero News, a newspaper published and circulated in the City of Atascadero, and; before the expiration of fifteen (15) days after its final passage, in the Atascadero News, a newspaper published and circulated in the City of Atascadero. A copy of the full text of this ordinance shall be on file in the City Clerk's Office on and after the date following introduction and passage and shall be available to any interested member of the public.

SECTION 9. This Ordinance shall take effect 30 days from the date of final passage.

INTRODUCED at a regular meeting of the City Council held on February 12, 2019 and **PASSED** and ADOPTED by the City Council of the City of Atascadero, State of California, on February 26, 2019.

CITY OF ATASCADERO

_____
Heather Moreno, Mayor

ATTEST:

_____
Lara K. Christensen, City Clerk

APPROVED AS TO FORM:

_____
Brian A. Pierik, City Attorney

Atascadero City Council

Staff Report - City Manager's Office

Council Norms and Procedures
Consideration of Amendments

RECOMMENDATION:

Council review and approve the Council Norms and Procedures for 2019.

DISCUSSION:

The Council Norms and Procedures is a document originally created by the City Council as a guide relating to Council Member behavior. Each year, during the Council's Strategic Planning session, this document is reviewed by the current Council, amended if the Council desires, and then approved.

The City Council reviewed and suggested changes to the Council Norms and Procedures at the Council's Strategic Planning session held in January 2019. The Council directed staff to bring the document back to a regular Council meeting to allow the Council to review and approve the changes to the document for 2019.

The attached Draft Council Norms and Procedures include Council's suggested changes to the document from the Strategic Planning session, and can now be reviewed by Council for additional changes if desired, and approved for 2019.

FISCAL IMPACT:

None.

ATTACHMENT:

Draft Council Norms and Procedures (2019)

CITY OF ATASCADERO

COUNCIL NORMS AND PROCEDURES (20197)

GENERAL

- Council should primarily focus on vision, mission and policy. Staff should primarily focus on implementation and keeping the Council informed.
- To take courageous action when necessary to keep the City of Atascadero a well-run, well managed innovative City.
- Council provides leadership and participates in regional, state and national programs and meetings.
- Council looks to Commissions and Committees for independent advice.
- Other community leaders are consulted in the decision making process when appropriate.
- Council will encourage citizen participation on City programs and documents.
- Serving the City of Atascadero is the City Council's top priority.
- It is expected that each Council Member will represent the City of Atascadero as a member of various boards and committees, and will be participate in meetings as feasible.
- We stress training for staff, Council, and Commission members.
- Council Members will inform the City Manager's Administrative Assistant when they will be out of town as early as possible and it will be put on the Council Calendar.
- Council Members get the same information as much as possible: citizen complaints, letters, background, etc.
- Council Members will determine which specific Commission packets they want to receive.
- Use technology to improve information flow and communications.

- Individual Council Members may use the City letterhead as long as they clarify in the document that any opinions expressed are their own.

COUNCIL VALUES

- The Council and City Manager are a participatory team.
- The Council values high energy, open mindedness, and achievement.
- Council Members will care and have respect for each other as individuals.
- Council Members will be straightforward; with no hidden agendas.
- The City Council values humor.

COUNCIL INTERACTION AND COMMUNICATION

- Individuals are responsible to initiate resolution of problems A.S.A.P. and not let them fester.
- City Council will not direct cheap shots at each other during public meetings, in the press, or any other place/time.
- Relationships are informal, but not casual in public [beware of impact on, and perception of, public].
- Council Members will be flexible in covering responsibilities for each other.
- Council Members that are the Complainant on an issue before the Council must declare their involvement in the issue before the item is reviewed by the Council.
- Council Committees:
    - Committee areas belong to the whole Council; they are not seen as territorial.
    - Committees are responsible to keep rest of Council informed, and other members are responsible for letting committee know if they want more information or to give input.
    - Before committees start moving in new direction, they will get direction from the rest of Council.
    - Committee reports will be made under Council Reports, when appropriate.
    - Committee summaries will be sent on an interim basis to update other Council Members on:
        - Issues being discussed

- Options being considered
- Progress

- Council and committees will give clear and focused direction as early as possible.

COUNCIL INTERACTION AND COMMUNICATION WITH STAFF

City Manager

- Council Members are encouraged to discuss City business with the City Manager.

- When a Council Member is unhappy about a department, he/she should always talk it over with the City Manager and/or her designee - not the department head.

- Concerns about a department head must be taken to the City Manager only.

- Critical information will be passed to all City Council Members by appropriate personnel.

- Requests by Council Members for information that will take more than one hour of staff time must be approved by a majority of the City Council at a Council meeting.

- Documents generated by Council Member requests for information, will be passed to all City Council Members by appropriate personnel.

- The Council will provide ongoing feedback, information, and perceptions to the City Manager, including some response to written communications requesting feedback.

- The City Manager or the Deputy City Manager deals with issues that cross department boundaries.

- Avoid giving direction individually to the City Manager; the majority of the Council should give the City Manager direction as a formal body.

- The Council and staff will not blind side each other in public (if there is an issue or a question a Council Member has on an agenda item, that member will contact the City Manager prior to the meeting).

Staff in General

- Council should work through the City Manager if asking for information, assistance or follow up as it pertains to an item on the upcoming Council agenda.

If needed, the City Manager may arrange for Council Members to meet with a department head.

- Individual Council Members can talk directly with appropriate staff members when they have routine individual business dealings with the City of Atascadero. Council Members should inform the City Manager in advance of any individual business requiring staff discretion, other City business dealings that may put staff in awkward position, or any staff contacts that may give the perception of favorable treatment.

- Council will always be informed by staff when an unusual event occurs that the public would be concerned about, i.e., anyone wounded by gunfire, area cordoned off by police or fire, etc.

- Department heads will generally attend every Council meeting; other staff attendance at Council meetings is at the City Manager's discretion.

- City Clerk will proactively inform the City Council of new or relevant information related to matters concerning the City Clerk's Office, such as meeting notifications, changes to laws regarding the Brown Act, FPPC requirements and ethics and harassment training.

- Individual Council Members may reach out directly to the City Clerk for clarification and advice on matters concerning the City Clerk's Office.

City Attorney

- Contract Attorney will routinely forward relevant new legislation to the City Council.

- City Attorney shall be pro-active with Council, Manager and Staff when and where appropriate.

- City Attorney shall regularly consult with Council on items of concern on an upcoming agenda at the earliest time possible.

- City Attorney will track Commissions' actions, agenda of City Council and committees for needed input.

- City Attorney to pro-actively inform and protect City Council Members from and Council Members to contact and inform the City Attorney of potential violations and conflicts.

- Where an individual Council Member requests guidance or research from the City Attorney, and it will require more than one hour of time, three Council Members must agree to the request.

COUNCIL ELECTRONICEMAIL COMMUNICATIONS

- Think carefully before responding to any e-mail; never reply when angry or in a bad mood. Do not make derogatory personal comments.
- Do not reply to an e-mail if the reply will be directed to a majority of the Council.
- Do not take a position or make a commitment on matters yet to be decided by the Council. Remember, even if you don't do it, your e-mail can be forwarded by others to a majority of the Council.
- Do not give instructions via email or otherwise to Staff under the managerial control of the City Manager.
- If e-mailing the entire Council, do so only to provide information, and do not solicit a response.
- City business will be conducted through your City email account. If an e-mail is received on an account other than your City email account, you should forward that email to your City email account and/or request that the person reaching out send their message through your City email account.
- If a Council Member will have a social media presence, they should meet with the City Clerk and/or City Attorney to discuss.

COUNCIL OPTIONS FOR KEEPING INFORMED

- Read Commission Minutes in order to find out what is being worked on.
- Read documents on Planning items.
- City Manager will discuss future Agenda topics with Council Members.
- Council Members will do their homework.
- Regularly meet with City Manager
- Council Members who are appointed to regional Boards will keep other Council Members informed by communicating updates to the City Manager to be shared with the entire City Council.

MAYOR'S ROLE

- Each Mayor is unique; the role is defined by the person, based on that person's style.

- The Mayor is the spokesperson for the City.

- The Mayor will inform the Council of any informal correspondence sent out to anyone in relation to City business - use e-mail whenever possible.

- The Mayor communicates with commission chairs.

- The Mayor will appoint Councilmembers to committees, allowing Councilmembers a chance to discuss the appointments at a meeting and the opportunity to vote confirming all of the appointments.

- The Mayor may appoint an ad hoc committee or a liaison for a specific purpose.

- The Mayor will work with the City Manager's Office to determine Proclamations and Certificates of Recognition for presentation at a City Council meeting. Any Council Member is welcome to write letters of recognition.

CITIZEN COMPLAINTS

- All citizen complaints will be sent by Council to the City Manager's Office for official response. Council may respond to acknowledge receipt of complaint.

- Staff will inform Council of staff responses to citizen complaints received by the Council.

- By City Manager discretion, Council will be informed of significant, urgent and repetitive complaints.

- Staff will draft a response for Council's use for responding to the public.

- Council may respond but should not attempt to fix Citizens' problems on their own; it will be referred to the City Manager.

- Responses to citizens are customized.

- If a Council Member wants action based on a citizen's complaint, they should go through the City Manager's office to ensure it gets into the tracking system.

- The level of detail in written responses will be selective.

- Generally, communications are acknowledged with discretion.

PUBLIC MEETINGS

- City Manager sets the Agenda for regular City Council meetings – per the Ordinance

- Public comment shall be received on all action items.
- Any Council Member ~~can~~ may place an item on the agenda under ~~Council Announcements and Reports.~~Individual Determination.
- City Council Members will treat everyone equally and with courtesy.
- Corrections to minutes are passed to the City Clerk before the meeting.
- Each member may share his/her views about the issue and the reasons for his/her vote.
- When feasible, audio or video tape all public City Council meetings.
- Public Comment
  - Procedure will include: Staff Report, questions from Council, applicant report, public comment, close Public Hearing, any staff response, and bring item back to Council for discussion.
  - Once public comment is closed, further public input will not be allowed unless re-opened by Mayor.
  - Applicant's comments shall be limited to a reasonable time.
  - Public comments shall be limited to 3 minutes per speaker; per Municipal Code.
  - It is acceptable to ask questions of a speaker for clarification.
  - Each speaker will be thanked.
  - Council will not respond until all public comment has been reviewed.
  - Mayor normally allows other members to speak first and then gives his/her views and summarizes.
  - Keep Community Forum to 30 minutes with additional time to be given at the Mayor's discretion.
- Consent Calendar
  - The Consent Calendar will be used for items such as minutes, routine City business, and things already approved in the budget.
  - If a Council Member has a question on a Consent Calendar item for their information only, they are to ask staff ahead of time, rather than having it pulled off for discussion during the meeting.

- Staff is prepared to report on every agenda item.

- Voting
  - Everyone has an opportunity to speak~~s~~ before a motion.
  - Attempts will be made to get consensus on significant policy issues.
  - Council Member discussions will not be redundant if they concur with what has already been said.

- Closed Session
  - Council will get written reports for Closed Session items when necessary; these reports are to be turned in at the end of the meeting.
  - City Manager will ask for pre-meeting closed sessions if it will save the City money (due to consultant fees, etc.); to be held no earlier than 5:00 p.m.
  - No violation of Closed Session confidentiality.

- Special Meetings
  - Special meetings may be called by Mayor, or a majority of the Council, pursuant to the Brown Act.

COMMISSIONS

Council shall consider holding a joint session with each Commission at least once every two years.

- Commission needs:
  - To know Council vision, community vision, and General Plan 2025
  - Understanding of their roles and authority.
  - To know annual prioritized goals of the City Council.
  - All commissioners receive an annual training.

- Criteria for commissioner for re-appointment (and in extreme cases, removal) shall include:
  - Issues of conflicts of interest.
  - Attendance (missing two meetings without excuse).
  - Support of General Plan.
  - Respect for staff/public.
  - Working for community versus personal purposes.

Atascadero City Council

Staff Report – City Manager's Office

AMENDMENT TO AGREEMENT FOR PROCESSING COMMINGLED RECYCLABLES AND ORGANIC WASTE

RECOMMENDATIONS:

Council:

1. Approve Amendment No. 1 to Agreement No. 2014-029 with North San Luis Obispo County Recycling (NSLOCR) to increase the tipping fees charged for residential comingled recyclables loads, commercial commingled recyclables loads and greenwaste loads collected in the City.

2. Approve the staff recommendation for the distribution of increased fees amongst Atascadero Waste Alternatives Rate Payers.

REPORT-IN-BRIEF:

Solid waste collection, recycling, and landfill disposal within the City of Atascadero are currently provided through agreements with three separate companies, namely:

1. Atascadero Waste Alternatives (AWA) provides solid waste collection for the City.
2. North San Luis Obispo County Recycling, Inc. (NSLOCR) provides processing of recycled materials and green waste.
3. Chicago Grade Landfill, Inc. (CGLF) operates the landfill disposal.

North San Luis Obispo County Recycling, Inc. is the City's designated Materials Recycling Facility (MRF) and all materials collected by AWA from Atascadero's recycling program (curbside blue bins) and greenwaste program (green bins) are required by contract to be deposited at NSLOCR. In accordance with the various contracts, AWA pays NSLOCR a fixed amount per ton to "tip" the materials from these programs at NSLOCR. NSLOCR will then process the greenwaste materials into saleable products such as mulch and wood chips and sort the recycling material into its various components (such as paper, card board, glass by color, various plastic categories, aluminum, etc.). NSLOCR has

then historically sold these sorted recyclable materials, deriving the bulk of its operational revenues from the sales of these materials.

The export of recyclable materials is a key component of California's recycling infrastructure. Recent changes to international policies restricting foreign imports of recyclable materials, coupled with the need to reduce contamination levels in recycling streams and a declining global market value for some recyclables, have resulted in significant challenges for the solid waste and recycling industry, local governments, and Californians.

Each year, California exports about a third of the recyclable material it collects. Historically, most of that material—particularly unsorted mixed paper and mixed plastics—went to China for processing and manufacturing into new products. With drastically reduced market demand, due to China's strict contamination limits and ever increasing import bans, MRFs are being forced to stockpile material and the surplus of materials is driving prices for recyclables to historic lows, which has impacted the ability of operators to offset their costs with revenues generated from the sales of recyclables, as they have done historically. As the MRF's ability to generate revenues from the sale of recyclable materials diminish, MRFs must look to drastically increased tipping fees in order to stay in business.

The City's commingled recyclables and organic waste processor, NSLOCR is no different and has requested a significant rate adjustment to absorb the additional recycling costs. The proposed rate adjustments is charged by NSLOCR to Atascadero Waste Alternatives (AWA) the City's franchised waste hauler. The rate adjustment to NSLOCR is a pass through rate for AWA and would be reflected on the customers trash bill from AWA. The proposal would result in an estimated adjustment in the standard monthly residential service rate for a 32 gallon cart from $22.41 to $26.49 ($4.08 increase per month). The rate for a standard three-cubic yard commercial bin for recycling service is estimated to change from $161.90 to $171.80 ($9.90 increase per month). Proposed rates are provided in Attachment #3.

DISCUSSION:

Background/Analysis

Markets

China processed over 60 percent of California's recyclables in 2016 and U.S. MRFs and recyclers have historically relied on demand from the Chinese market to sustain operations. In July 2017, the Chinese government filed a notification with the World Trade Organization (WTO) of its intent to ban certain recyclable materials through a national policy known as "National Sword". The policy limits imports of recyclable commodities to China, imposes strict contamination limits on recyclables and increases inspections. The policy took effect January 1, 2018, with a follow up enforcement policy dubbed "Blue Sky 2018", taking effect March 1, 2018. In July 2018, the Chinese Government declared its intent to implement a full recyclable ban by 2020. Since China is the world's top destination for recyclables, this policy change in the Chinese import

market is having a profound impact on the global recycling industry, causing disruption in processing the flow of recyclable materials. The National Sword policy effectively bans certain materials and imposes a strict 0.5 percent contamination limit for other recyclable materials (up to 10 percent contamination was previously acceptable). For United States recyclable exports, the immediate impact is on mixed paper and plastics. Meeting the contamination limits has increased operational costs for Material Recovery Facilities (MRFs), and locating alternative markets for recyclables has been challenging for haulers and MRF's statewide. This has especially impacted the City's contract commingled recyclables and organic waste processor, NSLOCR.

Many of the State's solid waste diversion targets were developed around longstanding import/export practices and the flow of these materials. Domestic recycling markets are currently not developed enough to absorb the material historically shipped to China, and expanding domestic markets and infrastructure will take many years. Under new market conditions, some MRFs and recyclers have been forced to landfill recyclable materials to control costs. The City has opted to avoid this practice which has negative societal and environmental impacts, and would compromise the City's ability to maintain compliance with State diversion requirements.

The California Department of Resources Recycling and Recovery (CalRecycle) is closely monitoring the impacts of the National Sword policy issued a statement recognizing the challenges this policy imposes on jurisdictions, MRFs, and waste haulers (Attachment #2). It has indicated that it will consider market conditions when assessing whether a jurisdiction is incompliance with State waste diversion mandates; however, it is anticipated that it will be incumbent upon all jurisdictions to make good faith efforts to reach State diversion rates.

Tipping

The tipping fees charged by NSLOCR were last approved by City Council on December 9, 2014, when the contract with NSLOCR was approved. Tipping fees are fees charged to a waste hauler to "tip" or off-load the materials collected from the City's recycling program (curbside blue bins, etc.) and the City's greenwaste program (green bins). NSLOCR charges AWA a set price per ton of $7 for the recycling program and a set price of $27 per ton for the greenwaste program. These fees are then passed through to the customer as part of the solid waste rates charged by AWA.

Just under 5,000 tons of Atascadero commingled recycling are tipped annually at NSLOCR by AWA. Of this, approximately 80% is from the City's residential curbside program, with the remaining 20% from the City's commercial recycling program. An additional 5,500 tons are received by NSLOCR annually from the City's greenwaste program.

Contamination

Since 2014, there have been changes in the composition of the recycling materials tipped at NSLOCR. The items tipped at NSLOCR include everything that has been placed in a blue bin or other recycling container and picked up by AWA. Some of the materials placed in these blue bins are actually recyclable and others are not. Those items that are not recyclable, but collected as part of the recycling program are called

"residuals" or "contamination". The current 2014 contract with NSLOCR requires that the residuals/contamination not exceed 10% of the amounts tipped as part of the recycling program. Unfortunately, current contamination levels are estimated to be around 22%-25%, well out of the contamination level called for in the contract.

There are several reasons for the increased contamination including:

- Wishful recycling: These are items that are put in the recycling container because the customer believes that the item is recyclable (ie, plastic bags, various non-recyclable plastics, etc.).
- Willful contamination: The customer has run out of room in the garbage cart and thus throws any excess garbage into the recycling bin rather than hold the trash until the following week, or obtain a larger trash container.
- Changes in the Recyclable Market: Some things that once may have been considered recyclable, no longer are desired in the market for recyclable materials and are now considered residual or contamination.

Contamination and the increased level of contamination have caused the following:

- Increased labor costs and slowing down of the sorting line in order to sort out the increased contamination in the materials tipped.
- Increased costs to bring the residual materials to the landfill.
- Increased sorting line maintenance and downtime as items such as plastic bags, hoses, and string jam the equipment.
- **The City exceeds the contamination rates allowed** under its agreement with NSLOCR.

The increased contamination rates are not unique to Atascadero, but there are steps that AWA and the City can take to reduce the likelihood of contamination and to eliminate "incentives" that increase contamination. The City has been working with NSLOCR and AWA for over a year now on potential programs to reduce contamination of the recycling program and to adjust tipping fees in accordance with contract provisions.

Proposed Contract Amendments

While it was hoped that the market for recyclable materials would re-bound, it has become clear that the downturn in the recycle market is not reversing itself soon. In January 2019, NSLOCR was forced to notify the City that it would no longer be able to accept its recycling materials effective February 15, 2019, unless the City significantly increased the tipping fees paid to NSLOCR by AWA. The City was able to work with NSLOCR to extend the deadline to March 1, 2019, but if an agreement for increased tipping fees is not reached by that date, NSLOCR will no longer accept materials from Atascadero's recycling, greenwaste or food waste programs.

Based on discussions with NSLOCR a draft amendment to the existing agreement is proposed and contains the following items:

- Residential Recycling Program:
    - $75 per ton tipping fee for all materials received from the residential recycling program
    - Contamination rate not to exceed 25%

- Commercial Recycling Program:
  - $50 per ton tipping fee for all materials received from the commercial recycling program
  - Contamination rate not to exceed 10%
- Greenwaste Program:
  - $35 per ton tipping fee for all materials received from the commercial recycling program
  - Contamination rate not to exceed 1%
- Other:
  - New rates effective March 1, 2019
  - Term through December 31, 2020
  - CPI rate increase effective January 1, 2020
  - Additional rate increase effective March 1, 2020. Rate increase is based on a formula that calculates the change in the market costs for mixed paper and for cardboard (OCC). These changes are then applied to the tons of these commodities received and then divided by the total tons tipped to arrive at the increase in tipping fees.
  - Ability for the City to terminate the contract effective February 29, 2020 if the new rate per the formula is not acceptable to the City.
  - Allows NSLOCR to dispose of residuals at the landfill of its choice, rather than limiting them to Chicago Grade Landfill. If they dispose of the residuals at a landfill outside of the County, they will still be required to pay the IWMA fees.
  - Extends the hours NSLOCR is available to receive materials to 4:00 pm (previously 3:00pm)
  - Minor clerical changes

The proposed substantial increase (about 10 times the current rate for the recycling program) in tipping fees is daunting, but not necessarily unique. Other local jurisdictions are also seeing substantial implemented and proposed increases to their MRF tipping fees. Rates, services and contract terms vary by city and hauler, so a like-for-like comparison is not possible. In addition, some cities have incorporated annual CPI adjustments and other provisions concurrently, but it is anticipated that all of the agencies in the County have, or will have to implement residential and commercial rate adjustments to help offset increased costs from the National Sword policy.

MRFs and recycling processors in the vicinity (Cold Canyon Landfill- full scale MRF and landfill operating in South San Luis Obispo; Buckeye Processing- Material pre-sorting and transfer facility in North Paso Robles; and Waste Management- Current waste hauler that operates several MRFs in the state including a facility in Santa Maria) were contacted to determine if they would be able to process the City's recycling materials beginning March 1st, and what the price would be to process that material. When factoring in the costs of transporting the materials to a facility some distance away from Atascadero the total cost per ton included in the short-term proposals by the other MRFs exceeded the new cost proposed by NSLOCR making NSLOCR the most cost effective method of processing the materials from the City's recycling program. Greenwaste rates from NSLOCR are also the most cost effective.

While the markets may change and allowing the other MRFs additional time to come up with long-term transportation strategies may result in proposals that are more competitive, for the current year, the rates proposed by NSLOCR are the most cost effective method of processing the materials from the City's recycling and green waste programs and meeting the State diversion requirements.

Customer Rates

What does this substantial increase to the recycling tipping rate mean to the rates paid by Atascadero residents? All residents have the same size recycling cart, regardless of the size of their garbage cart. In Atascadero, the majority (64%) of the residential customers use/pay for a 32 gallon cart, compared to Templeton and other jurisdictions where a 60 gallon cart is the norm for a family home. Currently, it costs a customer $15.29 a month more to have a 60 gallon garbage cart, as opposed to the 32 gallon cart. As such, customers are incentivized to use the smaller cart. While this is good if the customer is achieving the smaller cart through careful consumer choices and limiting their waste; that is often not the case. Those customers with the smaller carts are much more likely to contaminate the recycling either through willful contamination or wishful recycling. Therefore, in discussions with various waste professionals, it is recommended as a best practice to reduce contamination, that the cost differential between different size garbage carts should be minimized.

Because a significant portion of the increased tipping fee is related to increased contamination, it is recommended that the fees for the 32 gallon garbage cart be increased a larger dollar amount than the fee for the larger garbage carts. It is proposed that the increased recycling cost be imposed so that the dollar per month increase to 32 gallon rate be the largest, the dollar increase to the 60 gallon rate be about half of the increase for the 32 gallon can, and the dollar increase for the 90 gallon garbage cart be about half of the increase for the 60 gallon cart.

Based on this proposal, it is estimated the monthly rate increase due to increased recycling tipping fees would be as follows under this allocation method (Attachment 3):

Garbage Can Size	# of customers	Recycling Increase	10% Franchise Fee Increase	Total Estimated Recycling Increase
32 gallon	5281	$ 3.32	$ 0.33	$ 3.65
60 gallon	2095	$ 1.66	$ 0.17	$ 1.83
90 gallon	839	$ 0.83	$ 0.08	$ 0.91

These figures are currently being verified by AWA and are subject to modification. The final numbers will be presented prior to any motion by the City Council on this item.

In the alternative, if the increase is instead distributed evenly amongst all Atascadero garbage rate payers, each residential rate payer would see an approximate $2.90 monthly increase in their garbage collection fee for the recycling program (Attachment 4).

It is recommended that the increase in tipping fees for the greenwaste cans should be equally distributed amongst each customer since the processor does not typically see the “willful contamination” in the greenwaste carts that we have seen in the recycling carts. The effects of the increase in greenwaste tipping fees will be approximately $0.43 per month for each customer.

ALTERNATIVES:

1. Council may reject the amendment terminating the contract with NSLOCR and requiring AWA to secure processing of recyclables and organics waste.
2. Council may approve the amendment and direct staff to advise AWA to spread the proposed rate adjustment equally amongst all residential rate payers.

FISCAL IMPACT:

The tipping fee increase is a pass through rate to the customer, charged to Atascadero Waste Alternatives by North San Luis Obispo County Recycling. Increases are estimated to range between $1.34 and $4.08 per month per residential customer. While this is a pass through from NSLOCR to AWA, the City receives 10% franchise fees from AWA to recover costs and administer the various contracts. The City will receive franchise fees on the increased amounts paid by customers.

ATTACHMENTS:

1. Amendment to Agreement with North San Luis Obispo County Recycling
2. CalRecycle Letters
3. Proposed draft rate increase
4. Alternative draft rate increase - flat distribution

FIRST AMENDMENT TO AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR PROCESSING COMMINGLED RECYCLABLES AND GREENWASTE

This First Amendment to Agreement for Services of Independent Contractor Processing Commingled Recyclables and Organic Waste (hereafter "First Amendment") is effective as of March 1, 2019, by, and between North San Luis Obispo County Recycling Inc., (hereinafter referred to as "CONTRACTOR"), and the City of Atascadero, a Municipal Corporation, (hereinafter referred to as "CITY").

RECITALS

WHEREAS the CITY and CONTRACTOR are parties to that certain Agreement for Services of Independent Contractor Processing Commingled Recyclables and Greenwaste (the "Existing Agreement") dated December 10, 2014, which was approved by the CITY Council; and

WHEREAS CITY and CONTRACTOR desire to amend the Existing Agreement, as set forth herein with all other provisions of the Existing Agreement still in full force and effect; and

WHEREAS, to address the changing market and contamination rates CITY and CONTRACTOR desire to amend the Existing Agreement, as set forth herein with all other provisions of the Existing Agreement still in full force and effect; and

WHEREAS, this Amendment has been developed by and is satisfactory to the parties.

THEREFORE, the parties hereto, in consideration of the mutual covenants contained herein, hereby agree to the following terms and conditions:

1. The title of the Existing Agreement is amended as follows:

   Agreement for Services of Independent Contractor Processing Commingled Recyclables and Organic Waste."

2. Section 1.03, EXTENSION, of the Existing Agreement is deleted in its entirety.

3. Section 3.01, COOPERATION, of the Existing Agreement is deleted in its entirety and replaced with the following.

"Upon notification by the CONTRACTOR that the facility in Templeton is ready to receive material, CITY agrees to direct its franchised waste hauler to delivery for processing commingled recyclables and organic waste to the CONTRACTOR. The franchised waste hauler or any other party shall not remove any recyclables from the commingled recyclables prior to delivery of the commingled recyclables to the CONTRACTOR. Commingled recyclables include the following: paper products (newspaper, magazines, mail, office paper, telephone books, cardboard, chipboard, etc.), plastic (soda bottles, milk and water jugs and other rigid plastic containers with number 1 through 7 plastic), glass (food and beverage containers), cans (aluminum cans, tin cans, aluminum foil, metal food trays). CONTRACTOR will make good faith efforts to recycle all these products, however if there is no longer a market for any of these items in the future they will become residual. CITY and CONTRACTOR agree to arbitrate any disagreement regarding marketability of any of these items with the Integrated Waste Management Authority.

The density of the commingled recyclables delivered to the CONTRACTOR shall not exceed 375 pounds per cubic yard. Greenwaste includes grass clipping, leaves, weeds, brush, non treated wood, Christmas trees and branches collected in greenwaste containers. Food waste includes animal, fruit or vegetable matter that results from the preparation, consumption, decay, dealing in or storage of meats, fish, fowls, fruits or vegetables. Organic waste includes both greenwaste and food waste which may be collected separately from one another. The franchised waste hauler may deliver food waste from residential customers as part of greenwaste and pursuant to AB 1826, the franchised waste hauler will deliver food waste from certain identified commercial customers separately."

4. Section 4.00, TERMINATION OF AGREEMENT, of the Existing Agreement is amended to add the following:

   4.04 BY CITY
   As detailed in Section 5.6 below, CONTRACTOR must provide CITY written request for an annual rate adjustment and provide all supporting documents for the adjustment calculation to CITY by January 10, 2020. CITY will review the written request and, if the CITY determines, in its sole discretion, that the annual rate adjustment is not acceptable, CITY has the right to terminate this Agreement by giving written notice of termination to the CONTRACTOR on or before February 1, 2020 with termination effective March 1, 2020.

5. Section 5.06, RATE ADJUSTMENT, of the Existing Agreement is amended to delete CPI Adjustment in its entirety and replace with the following:

   CPI Adjustment

   Commencing on January 1, 2020, the rates set forth in Exhibit B shall be automatically adjusted by a percentage equal to 70% of the annual percent change in the Consumer Price Index ("CPIU") for All Urban Consumers – All Items, for the Los Angeles – Long Beach - Anaheim metropolitan area (1982-84 = 100) as published by the Bureau of Labor

Statistics for the 12-month period ending September 30. At least (30) days prior to January 1, 2020., CITY will notify CONTRACTOR of the CPI adjustment to take effect on January 1, 2020 and shall provide CONTRACTOR with its computation therefore.

6. Section 5.06, RATE ADJUSTMENT, of the Existing Agreement is further amended to add the following:

Annual Rate Adjustment

The rates set by this Agreement are calculated to pay certain expenses and costs that are of a contingent and uncertain nature. Therefore, in addition to the CPI adjustment and extraordinary rate adjustment provisions above, the rates under this Agreement shall, upon written request of CONTRACTOR subject to review by CITY, be further adjusted as of March 1, 2020 for decreased change in income associated with performance of the services hereunder due to material changes in mixed waste paper and OCC cardboard market conditions. The material changes in the market condition must equal a loss greater than 4 percent for any increase to be effective.

Adjustment Calculation

All supporting documentation for the adjustment calculation will be provided to CITY by January 10, 2020. The adjustment will be calculated as follows:

$$\text{OCC change} = \frac{[(\$92.54 - 2019\text{OCC}) \times \text{OCCtons}]}{2019\text{tons}}$$

$$\text{Mixed Paper change} = \frac{[(\$-13.27 - 2019\text{MP}) \times \text{MPtons}]}{2019\text{tons}}$$

The following definitions apply:

$92.54= 2018 OCC weighted average sales price as determined by taking the total OCC revenue earned divided by the total OCC tons sold for the period of 7/1/18 through 12/31/18

2019OCC= 2019OCC weighted average sales price as determined by taking the total OCC revenue earned divided by the total OCC tons sold for the period of 7/1/19 through 12/31/19

2019Tons= total Atascadero recycling tonnage tipped at the NCR facility during 7/1/19 through 12/31/19

$-13.27= 2018 Mixed paper weighted average sales price as determined by taking the total Mixed paper revenue earned divided by the total Mixed paper tons sold for the period of 7/1/18 through 12/31/18

2019MP= 2019 Mixed paper weighted average sales price as determined by taking the total Mixed paper revenue earned divided by the total Mixed paper tons sold for the period of 7/1/19 through 12/31/19

OCCtons= 21.5% of 2019Tons

MPtons= 27.5% of 2019Tons

The OCC change and the Mixed paper change will be added to the tipping fee rate for residential and commercial processing costs in Exhibit B, section B "Payment Arrangements".

7. Exhibit A and Exhibit B of the Existing Agreement are deleted in their entirety and replaced as attached.

IN WITNESS WHEREOF, the partied have executed this First Amendment to be effective on the date executed by CITY.

CITY OF ATASCADERO	CONTRACTOR:
By: _____ Rachelle Rickard City Manager Date: _____ ATTEST By: _____ Lara K. Christensen City Clerk APPROVED AS TO FORM By: _____ Brian A. Pierik City Attorney	By: _____ Brad Goodrow, CEO Date: _____

EXHIBIT A:

SCOPE OF SERVICES

PROCESSING AND MARKETING OF

COMMINGLED RECYCLABLES AND ORGANIC WASTE

I. Processing

A. The CONTRACTOR shall supply all labor and equipment necessary to receive, process and market all commingled recyclables and organic waste resulting from this contract. For purposes of this Agreement, "commingled recyclables" and "organic waste" are defined as all material delivered to the CONTRACTOR's facility located at 3360 La Cruz Way, Templeton California, collected pursuant to the CITY's source separated residential and commercial recycling, greenwaste, and food waste programs. Organic waste is comprised of greenwaste and food waste, which may be collected separately from one another. Clean separated cardboard collected from commercial customers in the CITY is not included in commingled recyclables. CONTRACTOR shall divert all commingled recyclables and organic waste in a manner that is acceptable for diversion credit under AB939. CONTRACTOR shall not landfill, burn or convert for burning the materials diverted, unless otherwise authorized by CITY in writing.

B. The CONTRACTOR shall receive and process commingled recyclables and organic waste without limitation as to amount, weight or periodic variances in quantity generated. The exact quantity, quality, mix or percentage of recyclables and organic waste to be delivered under the contract cannot be guaranteed.

C. All residual from CITY delivered commingled recyclables and organic waste shall be delivered and disposed of in accordance with all existing and future CITY, county, state and federal laws and regulations at a CalRecycle permitted solid waste facility during the term of this contract.

1. If the CONTRACTOR delivers Garbage to a landfill which does not collect the San Luis Obispo County AB 939 Tipping Fee Surcharge and Waste Management Program Fund Fee, pursuant to County Resolution No. 90-383, the CONTRACTOR will make, on a monthly basis, the equivalent payment directly to the County's Waste Management Tipping Fee - AB 939 Trust Fund #0159 and Waste Management Tipping Fee Trust - Site Fund # 0160.

2. Payment of the equivalent fees shall be made to County within thirty (30) days after the end of each calendar month, or prorated portion thereof, in which the CONTRACTOR delivers waste to an alternate facility. In the event that Payment is not received by County within thirty (30) days after the date specified, then CONTRACTOR shall pay a penalty of ten percent (10%) on the outstanding balance, and CONTRACTOR shall also pay to County interest on the outstanding balance at a rate of ten percent (10%) per annum, or the maximum legal rate of interest, whichever is greater, from the date of CONTRACTOR's failure to pay.

3. As of March 1, 2007 the Tipping Fee Surcharge for Fund # 0159 is $3.00 per ton and the Waste Management Program Fund Fee for Fund # 0160 is $0.40 per ton. Payments made by the CONTRACTOR shall be sent to the County Franchise Coordinator along with an itemized statement regarding how the payment was calculated. Payments shall be adjusted to reflect any future changes in the amount of these fees.

The residual weight shall not exceed 10% of the gross weight of all inbound tons for commercial comingled recyclables loads. Residual weight shall not exceed 25% of the gross weight of all inbound tons for residential comingled recyclables loads. The residual weight shall not exceed 1% of the gross weight of all inbound tons for greenwaste loads.

CONTRACTOR will conduct an annual waste characterization study at the North San Luis Obispo County Recycling facility to assess the compliance with the maximum residual goal. CONTRACTOR will notify CITY and CITY's franchised hauler prior to any waste characterization study. CITY and CITY's franchised hauler to participate in the study as necessary.

D. CONTRACTOR's facility shall be required to be available to receive commingled recyclables and organic waste Monday through Friday between 7:00 am and 4:00 p.m., holiday shift days and other times as mutually agreed.

E. The CITY and CONTRACTOR must agree, in writing, to any changes to the commingled recyclables and organic waste collected and processed prior to the addition of the materials to a CITY route and prior to any notification to the customers of such additions or deletions of materials.

F. CONTRACTOR will assume all liability, ownership and control for the CITY's commingled recyclables and organic waste, including inadvertent hazardous waste contamination, and the disposal of such materials. Nothing in this Agreement is meant to limit the CONTRACTOR ability to seek recovery or reimbursement from the CITY franchised hauler.

II. Compost Materials

The CONTRACTOR shall make available to the CITY in an amount no more than 100 cubic yards of composted mulch each year from its Creston Processing Facility. The CITY will be solely responsible to arrange for pick-up and transportation cost of the material from the Creston Facility back to the City of Atascadero at CITY expense.

III. Liability and Permits

A. CONTRACTOR warrants that it possesses, and will possess throughout the term of this contract, all federal, state, and local permits needed to operate the facility that will accept and process the recyclables. CONTRACTOR shall provide current copies of its certifications and permits for MRF operations to the CITY for the term of this contract.

B. In the case that the CONTRACTOR or the CONTRACTOR's facility is unable to accept commingled recyclables or organic waste for any reason (equipment failure, permit problems, failure to open facility, etc.), the CONTRACTOR will divert commingled recyclables or organic waste to an alternate location arranged by the CONTRACTOR and approved by the CITY. The CONTRACTOR shall pay for all transportation costs and fees charged at the alternate facility arranged by the CONTRACTOR.

C. In the event that the CONTRACTOR is responsible for transporting processed or unprocessed commingled recyclables or organic waste and for any reason is unable to do so, the CONTRACTOR will arrange for alternative transportation arrangements and pay for costs charged by the alternate transporter.

IV. Reporting, Record Keeping and Invoices

A. CONTRACTOR shall have a certified truck scale on-site to weigh all loads of materials. The weigh scales shall be calibrated in accordance with procedures established by the applicable state and local authorities. Each vehicle shall be weighed upon entering and exiting (for those vehicles without tare weight) the CONTRACTOR's processing facility with a certified weight receipt given to driver after tipping the commingled recyclables, greenwaste and food waste. A copy of the weigh slip shall be submitted to the CITY with each monthly invoice in a form approved by the CITY. CONTRACTOR shall maintain a daily log of the sequential ticket number, vehicle number, gross vehicle weight, and tare vehicle weight. Copies of this information will be available to the CITY when requested.

B. CONTRACTOR shall be required to document, in a form approved by the CITY, the average amount of contamination and process loss in each load as determined in an annual waste characterization study. A random sort audit of the collected commingled recyclables and organic waste may be conducted at the CONTRACTOR's facility when requested by the CITY to verify contamination rates and will be observed by a CITY designated representative.

C. On a monthly basis, CONTRACTOR shall submit an invoice, including a compilation of the weight logs as well as the contamination and process loss logs, to the franchised waste hauler with a copy to the CITY representative designated in the contract by the fifteenth of the month following the service period. CONTRACTOR shall also submit a report on the City of Atascadero processed commingled recyclables, greenwaste and food waste which will include the commodity and gross tonnage for each commodity, percentage of mixture to the total tonnage, residue tonnage, total tonnage, recycled tonnage, and invoice to the franchised waste hauler with a copy to the CITY for the recycled tonnage in accordance with EXHIBIT B, Section B.

D. CONTRACTOR will prepare all paperwork and provide the CITY with all necessary information to allow CITY to prepare necessary reports to State for AB939 reporting.

EXHIBIT B

PAYMENT ARRANGEMENTS

A. Payment for delivery of commingled recyclables and organic waste shall be based upon the scope of services contained in Exhibit A.

B. Monthly, CONTRACTOR shall invoice the CITY's franchised hauler for the gross materials received from the CITY's residential and commercial commingled recycling and organic waste program over the period specified. The CITY's franchised hauler will be charged $75 per ton for delivered commingled recyclables from the CITY's residential recycling program and $50 per ton for delivered commingled recyclables from the CITY's commercial recycling program delivered in the CITY's franchised hauler's authorized vehicles. The CITY's franchised hauler will be charged $35 per ton for delivered greenwaste from the CITY's residential and commercial greenwaste program, delivered in the CITY's franchised hauler's authorized vehicles. The CITY's franchised hauler will be charged $45 per ton for delivered clean food waste, $50 per ton for delivered dirty food waste, and $75 per ton for delivered exceptionally dirty food waste from the CITY's food waste program, delivered in the CITY's franchised hauler's authorized vehicles. The CITY's franchised hauler shall pay the CONTACTOR within 30 days of receiving an invoice. CONTRACTOR may assess CITY's franchised hauler a 10 percent late fee for each 30-day delinquency period and additional thereafter.

Clean food waste is defined as delivered food waste, which takes CONTRACTOR less than 45 minutes to clean. Dirty food waste is defined as delivered food waste, which takes CONTRACTOR at least 45 minutes but no more than 60 minutes to clean. Exceptionally dirty food waste is defined as delivered food waste, which takes CONTRACTOR more than 60 minutes to clean.

Residual from the CITY's recycling program, processed through the CONTRACTOR's Material Recovery Facility located at 3360 La Cruz Way, Templeton California, shall be disposed in accordance with all in accordance with all existing and future CITY, county, state and federal laws and regulations at a CalRecycle properly permitted solid waste facility. CONTRACTOR will pay the landfill-tipping fee.

The CONTRACTOR will pay every month to the CITY a franchise fee of $2.00 per ton on every ton of the gross materials received that month from the CITY's residential and commercial commingled recycling and organic waste programs. This payment will be made within 15 days of receiving payment from the CITY's franchised hauler.

C. CITY's failure to discover or object to any unsatisfactory work or billings prior to payment will not constitute a waiver of CITY's right to require CONTRACTOR to correct such work or billings or seek any other legal remedy.

The Department of Resources Recycling and Recovery (CalRecycle)

Email to Recycling Coordinators

January 16, 2018

To: Recycling Coordinators

Last year, China announced a new policy called National Sword that bans the import of 24 recyclable commodities in 2018, increases enforcement, and limits contamination levels for imported bales of plastic and mixed paper. Since California exports an estimated 60 to 80 percent of recyclables generated in California, this has significant implications for California's waste management system.

This letter provides information on the China's import restrictions and impacts to California's local governments. In addition, the letter outlines examples of CalRecycle's efforts to develop California's recycling markets as well as responses to the ban from cities and counties throughout the state.

China's Import Restrictions

The export of baled recyclable materials has been a key component of California's recycling infrastructure. Currently, CalRecycle estimates that California exports a third of all recyclable material generated in the state annually to foreign markets; of that, 62 percent goes to China. This movement of materials has been critical in assisting the state and local jurisdictions in reaching their recycling and diversion goals. However, recent changes to China's policies on imported recyclable materials, which set strict new limits and contamination standards, are impacting cities and counties in California.

In 2013, China implemented Operation Green Fence, which aimed to reduce pollution by limiting the import of contaminated recyclable commodities and increasing inspections of recyclable commodity imports. While this initiative resulted in slightly cleaner, less contaminated imported material, it did not meet China's goals for restricting waste imports. In California, the Green Fence policy resulted in backups at shipping ports and a reduction of exports to China.

In July 2017, China announced a revision to the Green Fence initiative and called the new policy National Sword. China notified the World Trade Organization (WTO) of the 24 recyclable commodities banned from entering the country starting January 2018 (see Table 1 at end). The notice also increased enforcement and limited contamination rates to 0.3 percent for plastic and mixed paper. In November 2017, China revised standards to a 0.5 percent contamination rate and changed the effective date to March 1, 2018. The National Sword policy also included restrictions in waste import licenses and more stringent inspections of imported materials. China developed this policy to protect human health, protect the environment, and improve domestic solid waste reuse and recovery.

Categories under the restrictions include cardboard, newspaper, mixed paper, and low-grade plastics. In 2016, California exported approximately 9 million tons of paper and 500 thousand tons of plastic to China. The restricted materials are listed at the end of this memo.

Impacts on Jurisdictions

The pending National Sword policy has adversely affected numerous cities and counties in the United States. Given our dependence on China as a primary consumer of our recyclable materials, their import policies are of critical importance. Recycling facilities throughout the United States are doing what they can to reduce contamination by slowing down their processing lines, hiring more employees to sort materials, and investing in new equipment and machinery to ensure higher quality materials. Recycling and solid waste facilities are experiencing challenges with moving materials to markets, thus resulting in

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the storage of processed materials on site. In some cases, facilities are landfilling recyclable materials instead of processing them for recycling.

What can be done?

Waste Prevention

Efforts to eliminate the generation of waste before it enters the waste stream are a key component of a waste management approach. In addition to reducing costs and conserving resources, waste prevention has the potential to reduce reliance on foreign markets, as there is no need to export what California has not generated. Waste prevention activities can range from reusing transport packaging (such as cardboard boxes and plastic film) to avoiding single-use carryout containers.

Examples of what some cities and counties are doing to foster waste prevention include:

- Banning single use plastic bags.
- Banning polystyrene and other non-recyclable plastic food packaging.
- Installing water systems to encourage reusable beverage containers.
- Promoting reuse or repurposing of materials through incentives or other programs.
- Procuring products that use less packaging.

Collection and Contamination

China's ongoing efforts to limit the amount of contamination in material imports dating back to the 2013 "Green Fence" highlight the need for recyclers to produce high-quality material. This means making a concerted effort to reduce contamination in the recycling stream. It is critical to educate businesses and residents regarding the need to generate high-quality recyclable material. Cities and counties are addressing contamination in the following ways:

- Providing new educational material in 2018. To reduce contamination, new flyers will be more specific as to what materials residents and businesses can place in recycling containers, instead of telling them, "When in doubt, recycle."
- Revisiting what materials are recyclable and acceptable through collection programs, resulting in modifying and updating educational materials to reflect clearly what is acceptable as recyclable materials accordingly.
- Educating collection drivers to recognize contamination and investing in on-board cameras to assist with identification.
- Implementing or increasing "tagging" or notification for customers regarding unwanted materials in recycling receptacles.
- Establishing a penalty process on generators for contamination to encourage proper material management.
- Establishing single-commodity collection programs when and where appropriate; e.g., white paper for office buildings, separate food waste collection to reduce paper contamination, and color-sorted glass at a restaurant.
- Applying a variable container rate system that matches recycling containers to amounts generated so residents and businesses do not place excess garbage in a recycling cart.

Processing

Implementing new practices or modifying existing procedures to improve the processing of materials after they are collected will also create higher quality recyclable materials. Examples of what some cities and counties are doing to produce cleaner bales of recyclables include:

- Increasing the processing of recyclables to remove contaminants. This can be in the form of slowing down the sorting lines at the material recovery facility, hiring more sorters, running recyclables across the sorting lines more than one time, and so on.
- Breaking apart and examining finished bales to determine which materials were inappropriately included in the bales to prompt calibration of sorting equipment and education for line sorters.
- Reducing what material types are recycled through collection programs.
- Working with local enforcement officials to allow safe stockpiling of materials until facility operators can find new markets, which can reduce landfilling of recyclable materials.
- Sorting higher value materials multiple times.

State Assistance

A more robust recycling processing infrastructure in California could help reduce transportation costs and uncertainty related to availability in foreign markets. Although the state has limited resources and authority to address the adverse impacts of the National Sword policy, the state offers programs to support recycling manufacturing. CalRecycle provides funding through its greenhouse gas (GHG) grant and loan programs and Recycling Market Development Zone loan program. The intent of these funding programs is to help California recycling manufacturers increase their processing capabilities and create additional markets for recycled-content products.

These funding programs have supported the expansion of California recycling manufacturing. Funded projects include mattress repair and refurbishing, edible food recovery projects combined with anaerobic digestion and/or composting, recycling plastic into new products, and so on. See CalRecycle's Greenhouse Gas Reduction Grant and Loan Programs webpage for more information. However, to date this funding has been relatively small and unpredictable. CalRecycle estimates that California needs at least $2-3 billion in infrastructure development. While most of this will have to come from the private sector, many are looking to the state to make substantial investments to stimulate further private sector investment.

CalRecycle also works closely with the Governor's Office of Business and Economic Development (GO-Biz) to assist manufacturers that want to site or expand their operations in the state. In addition to CalRecycle's funding programs there are a lot of other programs, such as the California Competes tax credit. GO Biz also provides no cost site selection services.

To close the recycling loop completely, California would need significant growth in the purchasing of recycled content products. One mandate that CalRecycle has promoted to help drive in-state markets is the State Agency Buy Recycled Campaign (SABRC), which requires state agencies to purchase recycled-content products. SABRC and related programs will be key to assisting CalRecycle in achieving its 75 percent statewide recycling goal and developing California's recycled content manufacturing infrastructure.

Next Steps:

CalRecycle continues to monitor the evolving impacts of China's proposed policy on California and serve as a clearinghouse for this information. This includes coordinating with local enforcement agencies on permit conditions and with jurisdictions to share examples of local actions. In addition, CalRecycle will continue its ongoing efforts to develop a statewide policy for packaging materials management and to complete regulations surrounding the management of organic waste under SB 1383.

CalRecycle will be presenting on these impacts at the January 23 monthly public meeting.

Table 1: Catalogue of Solid Wastes Forbidden to Import Into China:	
Type	Description of Solid Waste
Plastic	Waste and scrap of ethylene polymer
	Aluminum – plastic composite film
	Styrene scrap
	Waste and scrap of vinyl chloride polymer
	PET waste scrap and scrap, not including PET beverage bottle (brick)
	Waste PET drink bottle (brick)
	Other plastic waste scrap and scrap, not including scrap disk broken material
	Scrap disk broken material
Paper	Other recovered paper or paperboard (including unsorted waste and scrap)

DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

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May 8, 2018

In light of recent changes to China's import policies, I'm writing to share an update on California's recycling markets, answer questions regarding jurisdiction compliance, emphasize the importance of health and safety at solid waste facilities, and discuss what lies ahead.
On May 4th, China stopped accepting any imports of recyclable materials from the United States for one month. This decision follows China's implementation of its National Sword policy on March 1st, banning the imports of 24 categories of scrap materials including low grade plastics and unsorted mixed paper, and setting strict contamination standards for allowable bales of recyclable material. The exporting of recyclable commodities to China, primarily our traditional curbside materials, has historically been a key component of California's recycling infrastructure. Approximately two thirds of curbside collected material is exported to foreign markets. In 2016, 62 percent of the exported recyclable materials were sent to China. However, China's implementation of National Sword is a major disruption in recycling commodities markets, a signal that California can no longer be primarily reliant on exports to manage our recyclable materials.

These new policies provide California with an opportunity to take a couple of important steps: first, to reduce our waste, and second, to work together to build infrastructure and domestic markets to successfully and responsibly manage our recyclable materials. Each of these will take investment and collaboration across state and local governments, the solid waste industry, manufacturers, and rate-payers. These are critical steps to improve the environment and economy here in California and beyond, although they will take time.

We're already witnessing the effect of China's new policy. Material flow is significantly disrupted and the economics of recycling are unfavorable for many recyclable commodities, challenging what recycling means to Californians.

This letter is intended to address concerns I have been hearing from local governments and industry about the impacts of China's import policies. I would like to reassure local governments that we have existing statutory policies to address the impact of markets when determining whether or not a jurisdiction has made a good faith effort to implement its diversion programs for compliance with AB 939. I am aware that facilities are having a hard time moving recyclable materials and are keeping them on site in significant quantities. If facilities are temporarily storing materials for longer periods, public health and safety should be their number one priority. Finally, looking toward the long-term, we will need more domestic infrastructure to manufacture products using California's recycled content feedstock. This valuable infrastructure will not only support the domestic recyclable commodities market but also support SB 1383's goal to reduce disposal of organic waste by 75 percent.

Let me expand on these points.

Considering Market Factors When Evaluating Jurisdiction Performance

Given shifting markets for recyclable commodities, it is important to clarify that CalRecycle takes market conditions into consideration when evaluating a jurisdiction's compliance with the following state recycling laws; AB 939, mandatory commercial recycling, and mandatory organics recycling. I have heard many stakeholders express concerns that CalRecycle will not take market factors – e.g., the precipitous drop in ability to get collected materials to market at an adequate price or even at all – into consideration when we evaluate jurisdiction programs. Jurisdictions are concerned that this could lead to potential penalties for situations that jurisdictions cannot control. This is not what statute dictates. Specifically, under existing statute, regulations, and policy, CalRecycle already takes market conditions into consideration when determining "good faith effort" in evaluating each jurisdiction's program implementation. CalRecycle recognizes that over the short term, lack of markets is not indicative of a jurisdiction's efforts to implement its programs fully. Additionally, a jurisdiction's achievement of its 50 percent requirement is not determinative for assessing compliance. Instead, CalRecycle's jurisdictional review focuses on program implementation and includes the assessment of barriers a jurisdiction is facing, including a lack of markets.

The following is an overview of the applicable statutes, regulations, and policies utilized when evaluating a jurisdiction's performance. I am providing you with this level of detail because it is descriptive of how we have reviewed jurisdiction program implementation in the past and how we will continue to do so in light of National Sword.

California Public Resources Code 41825(e)(3) establishes that CalRecycle must consider the enforcement criteria included in its enforcement policy, known as the Countywide Integrated Waste Management Plan (CIWMP) Enforcement Policy Part II. This is the guiding process for determining compliance for a number of programs. CalRecycle periodically revises this policy to incorporate the goals of new statutes, as it did for AB 341 and AB 1826. Staff uses the criteria delineated in the policy to determine the extent to which a jurisdiction has implemented, or shown a good faith effort to implement, its selected diversion programs. Staff also uses the identified criteria to assist local jurisdictions who may need help in identifying why implementation of diversion programs is failing to achieve the results expected, or is failing to meet the diversion requirements. We want jurisdictions to be successful in implementing diversion programs.

The CIWMP Enforcement Policy Part II specifically includes consideration of markets for AB 939 Source Reduction and Recycling Element (SRRE), Mandatory Commercial Recycling (AB 341) and Mandatory Commercial Organics Recycling (AB 1826) compliance review. The following are some of our current review processes and the factors we consider when determining if a jurisdiction has met their diversion goals.

AB 939 review: As part of the review process, CalRecycle investigates the extent to which a jurisdiction has tried to meet the diversion requirements through its selected diversion programs, and the reasons it has failed to implement some or all of those diversion programs. Staff uses the criteria in the Enforcement Policy to assess the specific conditions that may have prevented a jurisdiction from meeting its 50 percent equivalent per capita disposal target, and whether a good faith effort was made by the jurisdiction to meet the requirements. The analysis for a jurisdiction that is not meeting its 50 percent target includes considering availability of markets and specific criteria can be found here: CIWMP Enforcement Policy Part II, pages 4 and 11.

Mandatory Commercial Recycling (MCR) and Mandatory Commercial Organics Recycling (MORe) review: CalRecycle also reviews jurisdictions' implementation of their MCR and MORe

programs. If a jurisdiction has not been able to implement a commercial recycling program that is appropriate for the jurisdiction and meets the needs of its businesses, CalRecycle looks at a number of factors in assessing whether the jurisdiction has made a good faith effort to implement these programs. These factors include the impact of markets and the efforts the jurisdiction has made to investigate local and regional marketing options and recycling opportunities with the private sector. More specifics can be found in the CIWMP Enforcement Policy Part II, page 22 re: MCR and 28-29 re: MORe , and PRC 42649.3(i)(5) and 42649.82(h)(6) and 14 California Code of Regulations §18839.

Health and Safety Considerations Associated with Storage

We understand that National Sword is causing back-ups and longer storage times of processed recycled materials at solid waste facilities and recycling centers. Solid waste facility operators can discuss potential permitting options or request a Solid Waste Local Enforcement Agency to grant a temporary waiver of storage restrictions. The waiver would allow additional amounts of recyclables and longer timeframes to store recyclables at the solid waste site as long as the additional storage does not create public health and safety or environmental issues. The process for requesting and processing a temporary waiver is found in state solid waste regulations. In addition, public health and safety is a priority at solid waste facilities and recycling centers. Several industry sources have published best management practices for the storage of baled recyclable materials. We've provided a synopsis of these practices below:

Have a Storage Management Operations Plan describing procedures for receiving, storing, and shipping baled recyclables.

- Unload baled recyclables by forklift and stack in a specific storage area in a configuration that provides for long-term stability. If applicable, stacked bales may be overlapped or staggered to improve the stability of the stacks. Height of the bales should be no greater than four bales high.
- The bale storage area should allow forklift operators to safely move materials and allow for the safe loading of trailers that are picking up bales of materials.

To prevent contact with storm water, and to control vectors and nuisance, the following may be employed:

- Limit bale contact with the ground (e.g., on pallets and/or tarps)
- Maintain facility cleaning, housekeeping and litter control
- Remove putrescible material, if observed
- Maintain heavy equipment to ensure no oil or fuel leakage occurs; clean up spills or leaks immediately
- Establish a first in/first out material handling process
- Where necessary, place berms or other structures to divert storm water from coming into contact with bales

Fire Hazard Mitigations:

- Consult with your local fire district to employ fire hazard mitigations
- Keep adequate heavy equipment available on-site: (e.g., front loaders, bulldozers, water trucks, bobcats), fire hoses, dedicated fire pump and water tanks, and fire extinguishers.
- Identify a maximum size of the storage area including length/width/height.
- Maintain appropriate spacing between piles and the perimeter, maintain fire lanes
- Inspect piles daily for potential fire hazards
- Monitor pile temperatures at least once a week

Coordinate with the Local Enforcement Agency and any local or state authorities responsible for the regulatory oversight of the facility.

For further information on best practices for storing materials, here are some additional resources from Waste 360 and Environmental Protection Authority, Victoria.

Reducing Waste and Increasing Domestic Infrastructure

Reducing the generation of waste before it enters the waste stream reduces costs and conserves resources. Manufacturers, consumers, and governments all have a role to play in reducing waste. For example, manufacturers can reduce unnecessary packaging on products, consumers can choose to use reusable instead of single use, disposable products, and local government can procure products with recycled content. Waste prevention has the potential to reduce reliance on foreign markets, as there is no need to export what California has not generated. We will continue to work with you and all stakeholders to develop waste prevention opportunities and policies. With that said, we will continue to generate a significant amount of materials in California. Upstream solutions will need to be paired with the development of domestic processing and manufacturing for us to successfully manage our recyclables.

Building infrastructure to handle the materials we collect now, and the even greater amounts we will need to collect when SB 1383 goes into effect, is a daunting long-term task that will take years to achieve. Given the unpredictability of the marketplace, it's even more important that state and local governments and the private sector begin making siting and investment decisions now to develop more domestic (California and the U.S.) infrastructure for manufacturers using recycled content feedstock.

As CalRecycle communicated in January, we are committed to using our available resources to help build a more robust materials processing infrastructure in California. CalRecycle currently provides funding through its greenhouse gas (GHG) grant and loan programs and Recycling Market Development Zone program (RMDZ), and we work closely with the Governor's Office of Business and Economic Development (GO-Biz) to assist manufacturers that want to site or expand their operations in the state. Over the past four years, the GHG grant program has provided $86 million in funding to 31 recycling projects and the GHG loan program has provided $1.5 million in funding for two projects for construction, renovation, and expansion of new in-state capacity. The RMDZ loan program has provided $145 million in funding to 192 recycling manufacturers in the state, since inception of the RMDZ loan program in FY 1993-94. There is increasing enthusiasm from companies interested in utilizing California's waste stream to make new products such as compost, biofuels, fibers and plastics. I urge you to take advantage of these.

Another opportunity to support manufacturers using recycled content feedstock is for jurisdictions to ensure their General Plan includes these types of facilities in their land use element. Just last year the California Governor's Office of Planning and Research (OPR) completed the first comprehensive update to the General Plan Guidelines (GPG) since 2003 (General Plan Guidelines Update, Completed August 2, 2017). One of the major changes includes an expanded section addressing the need for additional recycling, anaerobic digestion, composting, and manufacturing facilities in the land use element. This new guidance provides examples for local jurisdictions to use when updating their General Plans. Additional information is on the OPR General Plan Guidelines website. You can stay informed about GPG-related information by signing up for the GPG email list.

Next Steps

CalRecycle will host a workshop in Sacramento in early June to encourage dialogue and share information about the impacts of China's import policies. Workshop details will be posted on our National Sword website. We will use this convening as an opportunity to discuss changing market dynamics, impacts on facilities, domestic capacity for processing and manufacturing using recycled content, and to identify other short and long-term solutions to the current recycling challenges. This is not the first time the international recycling commodities market has faced a major disruption and it won't be the last. California must capitalize on these disruptions and turn them into an opportunity to strengthen our environmental resilience and our economy. This will require us to reassess product design, materials collection, and processing systems. I look forward to working with you to build a more sustainable recycling infrastructure in California.

Scott Smithline
Director

Proposed Draft Rate Increase

Waste Management / Atascadero Waste Alternatives

Franchised Service Rates Effective March 1, 2019

Residential Cart Service

Service Level	Rate	
19 Gallon	$ 22.84	*
32 Gallon	$ 26.49	*
60 Gallon	$ 41.56	*
90 Gallon	$ 52.18	*
32 Gallon	$ 26.67	**
60 Gallon	$ 42.01	**
90 Gallon	$ 52.82	**

** with $0.30/month IWMA Fee*

*** with 2% IWMA Fee*

Commercial Cart Service

Service Level	Rate
32 Gallon	$ 32.85
60 Gallon	$ 46.56
90 Gallon	$ 51.69

Commercial Bin Service

MSW Rate	1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
1CY	$ 116.76	$ 211.36	$ 309.51	$ 407.58	$ 505.58	N/A
1.5CY	$ 119.29	$ 212.56	$ 311.09	$ 409.52	$ 507.91	N/A
2CY	$ 136.64	$ 244.25	$ 357.97	$ 472.15	$ 586.14	N/A
3CY	$ 171.80	$ 305.45	$ 448.92	$ 596.47	$ 741.53	$ 897.53
4CY	$ 207.19	$ 371.99	$ 545.33	$ 722.04	$ 896.67	$ 1,069.32
6CY	$ 268.62	$ 476.46	$ 648.54	$ 931.44	$ 1,159.05	$ 1,480.57

Commercial Bin Service - Recycle (Comingled Recyclables & Green Waste)

REC Rate	1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
1CY	$ -	$ 64.43	$ 112.03	$ 158.80	$ 205.15	N/A
1.5CY	$ -	$ 75.23	$ 130.22	$ 184.57	$ 239.89	N/A
2CY	$	$ 85.25	$ 148.38	$ 211.45	$ 274.59	N/A
3CY	$ -	$ 103.95	$ 184.83	$ 264.24	$ 343.87	$ 423.45
4CY	$ -	$ 124.91	$ 222.22	$ 317.17	$ 414.38	$ 513.89
6CY	$ 139.00	$ 262.30	$ 386.89	$ 511.33	$ 635.84	$ 760.48

Organics (food waste) Service - Atascadero

Service Level	1st Cart	Add'l Cart
32 Gallon	$ 29.33	$ 26.49
64 Gallon	$ 43.76	$ 39.56

Additional Charges

Add'l GW cart	$ 7.64	Lock Fee	$ 18.59
Add'l REC cart	$ 10.57	Lock Bar/Lock & Key	$ 61.01
Appliances	$ 39.96	Mattress/Full	$ 35.07
Bin Pickup fee	$ 50.92	Mattress/King & Queen	$ 38.30
Billing fee	$ 8.81	Mattress/Twin	$ 29.61
Container PU	$ 50.92	Overage Fee: 1-3 yard	$ 75.64
Container Del	$ 50.92	Overage Fee: 4-6 yard	$ 126.71
Drive-in 100'-200'	$ 9.22	Pull-out Fee	$ 28.15
Drive-in 200'-300'	$ 18.17	Refrig/Freezer	$ 78.52
Drive-in >-300'	$ 27.31	Returned Ck Chg	$ 17.32
Eco Bag	$ 5.72	Tire	$ 8.81
Extra P/U Call-in	$ 7.18	Tire with Rim	$ 12.08
Extra P/U Driver	$ 7.18	Unreturned 32G Cart	$ 69.72
Extra Yard Call-in	$ 20.14	Unreturned 64G Cart	$ 87.11
Extra Yard Driver	$ 20.14	Unreturned 96G Cart	$ 104.72
Go Back/Comm	$ 11.20	Walk-in Service	$ 11.11
Go Back/Resi	$ 6.08	Water Heater	$ 39.96
Labor/Per hour	$ 104.72	Roll out Fee	$ 27.09
Lock Bar	$ 50.52	Carry out Fee	$ 27.09

Alternative Draft Rate Increase - Flat Distribution

Waste Management / Atascadero Waste Alternatives
Franchised Service Rates Effective March 1, 2019

Residential Cart Service

Service Level	Rate	
19 Gallon	$ 22.84	*
32 Gallon	$ 25.74	*
60 Gallon	$ 42.64	*
90 Gallon	$ 54.17	*
32 Gallon	$ 25.91	**
60 Gallon	$ 43.11	**
90 Gallon	$ 54.85	**

** with $0.30/month IWMA Fee*

*** with 2% IWMA Fee*

Commercial Cart Service

Service Level	Rate
32 Gallon	$ 32.84
60 Gallon	$ 46.55
90 Gallon	$ 51.69

Commercial Bin Service

MSW Rate	1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
1CY	$ 116.76	$ 211.36	$ 309.51	$ 407.58	$ 505.58	N/A
1.5CY	$ 119.29	$ 212.56	$ 311.09	$ 409.52	$ 507.91	N/A
2CY	$ 136.64	$ 244.25	$ 357.97	$ 472.15	$ 586.14	N/A
3CY	$ 171.80	$ 305.45	$ 448.92	$ 596.47	$ 741.53	$ 897.53
4CY	$ 207.19	$ 371.99	$ 545.33	$ 722.04	$ 896.67	$ 1,069.32
6CY	$ 268.62	$ 476.46	$ 648.54	$ 931.44	$ 1,159.05	$ 1,480.57

Commercial Bin Service - Recycle (Comingled Recyclables & Green Waste)

REC Rate	1 x week	2 x week	3 x week	4 x week	5 x week	6 x week
1CY	$ -	$ 64.43	$ 112.03	$ 158.80	$ 205.15	N/A
1.5CY	$ -	$ 75.23	$ 130.22	$ 184.57	$ 239.89	N/A
2CY	$ -	$ 85.25	$ 148.38	$ 211.45	$ 274.59	N/A
3CY	$ -	$ 103.95	$ 184.83	$ 264.24	$ 343.87	$ 423.45
4CY	$ -	$ 124.91	$ 222.22	$ 317.17	$ 414.38	$ 513.89
6CY	$ 139.00	$ 262.30	$ 386.89	$ 511.33	$ 635.84	$ 760.48

Organics (food waste) Cart Service

Service Level	1st Cart	Add'l Cart
32 Gallon	$ 29.33	$ 26.49
64 Gallon	$ 43.76	$ 39.56

Additional Charges

Add'l GW cart	$ 7.64	Lock Fee	$ 18.59
Add'l REC cart	$ 9.89	Lock Bar/Lock & Key	$ 61.01
Appliances	$ 39.96	Mattress/Full	$ 35.07
Bin Pickup fee	$ 50.92	Mattress/King & Queen	$ 38.30
Billing fee	$ 8.81	Mattress/Twin	$ 29.61
Container PU	$ 50.92	Overage Fee: 1-3 yard	$ 75.64
Container Del	$ 50.92	Overage Fee: 4-6 yard	$ 126.71
Drive-in 100'-200'	$ 9.22	Pull-out Fee	$ 28.15
Drive-in 200'-300'	$ 18.17	Refrig/Freezer	$ 78.52
Drive-in >-300'	$ 27.31	Returned Ck Chg	$ 17.32
Eco Bag	$ 5.72	Tire	$ 8.81
Extra P/U Call-in	$ 7.18	Tire with Rim	$ 12.08
Extra P/U Driver	$ 7.18	Unreturned 32G Cart	$ 69.72
Extra Yard Call-in	$ 20.14	Unreturned 64G Cart	$ 87.11
Extra Yard Driver	$ 20.14	Unreturned 96G Cart	$ 104.72
Go Back/Comm	$ 11.20	Walk-in Service	$ 11.11
Go Back/Resi	$ 6.08	Water Heater	$ 39.96
Labor/Per hour	$ 104.72	Roll out Fee	$ 27.09
Lock Bar	$ 50.52	Carry out Fee	$ 27.09