

RESOLUTION NO. 2025-022**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF IMPERIAL BEACH, CALIFORNIA, APPROVING THE INTEGRATED SOLID WASTE MANAGEMENT SERVICES FEE INCREASE BY EDCO DISPOSAL CORPORATION EFFECTIVE JULY 1, 2025 AND AUTHORIZING FUTURE ANNUAL INFLATIONARY ADJUSTMENTS THROUGH JULY 1, 2029**

WHEREAS, the City of Imperial Beach manages solid waste for its residents and businesses, as outlined in Section 8.36 of the Imperial Beach Municipal Code, through a franchise agreement with EDCO; and

WHEREAS, EDCO's services include the collection, transfer, processing, and disposal of all solid waste, recyclables, and organic waste (i.e., landscaping and food waste) generated in the City of Imperial Beach; and

WHEREAS, the City's Integrated Waste Management Services Agreement with EDCO ("Agreement") sets forth an inflation formula for annual adjustments to the rates, which includes variables such as the Consumer Price Index (CPI) and operational increases in disposal costs; and

WHEREAS, the City's last rate review in accordance with Proposition 218 occurred February 5, 2020; and

WHEREAS, EDCO is requesting a maximum allowable rate increase for FY 2025/26 and is requesting future inflationary adjustments in the solid waste disposal commencing July 1, 2026 and on July 1 of each year thereafter through July 1, 2029 calculated with the same methodology and formulas as allowed under the terms of the Agreement between the City and EDCO and in accordance with Proposition 218; and

WHEREAS, City staff has reviewed the proposed EDCO rate adjustment and concurs that it follows the formulas and methods stated in the Agreement; and

WHEREAS, consistent with Proposition 218, the City is holding a public hearing prior to approving this Resolution which was noticed by publication and a 45-day notice mailed to impacted rate payers; and

WHEREAS, adjustment of the refuse rate is being proposed due to the increased costs of providing refuse collection and recycling services to the residential and business communities. Revenues derived from the refuse rates are used solely for the actual and necessary expenses of providing refuse services to customers. The purpose of the proposed rate increases is to allow EDCO to collect sufficient revenue to enable it to continue providing refuse service to its customers in the face of increasing operating costs and legal mandates imposed by the State of California.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Imperial Beach as follows:

1. The above recitals are true and correct and incorporated into this Resolution as findings.
2. The City Council of the City of Imperial Beach approves the EDCO rate adjustment for the integrated solid waste management services maximum fee increase of 3.49% for basic residential service, 3.45% for basic commercial/multi-family service, and 3.30% for standard roll off service effective July 1, 2025.
3. The City Council authorizes annual inflationary adjustments to the solid waste disposal

rates, if requested by EDCO, effective July 1, 2026, and on July 1 of each year thereafter through July 1, 2029. These adjustments shall be calculated using the following six-step formula and methodology established in the Agreement between the City and EDCO, and in accordance with Proposition 218:

Step 1: Determine gross rate revenue by deducting franchise fee for commercial and residential services.

Step 2: Determine disposal expense and service revenue as a percent of actual gross rate revenue for commercial and residential services

Step 3: Calculate the percent change in adjustment factors (CPI Los Angeles Index and disposal tipping fee per ton)

Step 4: Calculate weighted percent change for commercial and residential services by multiplying the percent of gross revenue net of franchise fee adjustment factors.

Step 5: Apply weighted percent change to commercial and residential service rates

Step 6: Apply percent change in CPI Los Angeles Index to Roll-Off Rates.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Imperial Beach at its meeting held on the 21st day of May 2025, by the following vote:

AYES: COUNCILMEMBERS:
NOES: COUNCILMEMBERS:
ABSENT: COUNCILMEMBERS:

PALOMA AGUIRRE, MAYOR

ATTEST:

JACQUELINE M. KELLY, MMC
CITY CLERK