



NOTICE CONCERNING PROPOSED SOLID WASTE & RECYCLING RATE ADJUSTMENTS AND PUBLIC HEARING

NOTICE IS HEREBY GIVEN that on **Tuesday, June 10, 2025, at 6:00 p.m.**, a public hearing will be held at the City of Laguna Hills City Council Chambers located at 24035 El Toro Rd., Laguna Hills, CA 92653 to consider proposed adjustments to the City's solid waste rates and charges. If approved by the City Council, the proposed rate adjustments will go into effect on July 1, 2025.

WHY RATE ADJUSTMENTS ARE NECESSARY

All cities in the State, including Laguna Hills, face the most stringent solid waste legislation in California history under State Senate Bill 1383 (SB 1383). SB 1383 organic recycling mandates are significantly impacting the solid waste industry. The City's current agreement with CR&R Incorporated ("CR&R") for Solid Waste Services expires June 30, 2025. In anticipation of the expiration, the City conducted a competitive request for proposals process. After a comprehensive selection process, the City Council awarded a new agreement on June 25, 2025 to CR&R for Solid Waste Services ("Agreement") to go into effect on July 1, 2025. CR&R's new Agreement includes an adjustment to the rates charged by CR&R for solid waste and recycling services provided to residential and commercial customers. The proposed increases for typical residential and commercial customers are shown in Tables 1 and 2 on page 2. The City with its consultant has reviewed the proposed rate increases and have determined them to be reasonable. The City is fortunate to have very competitive rates among solid waste and recycling services in the County.

PROPOSED SOLID WASTE RATES

The proposed rates for solid waste and recyclables collection services are based upon the new Agreement with CR&R.

The proposed rates include charges for automated curbside, bin collection, and roll-off box service. The rates represent the amount CR&R may charge customers as compensation for all labor, equipment, materials and supplies, taxes, insurance, bonds, letters of credit, overhead, disposal, transfer, processing, profit, and all other earnings necessary to perform all the services required by the Agreement. If the solid waste and recycling rates are approved by the City Council, CR&R will implement the solid waste service rate increases effective July 1, 2025.

Single-Family dwellings with cart service will be charged a base rate, which includes a trash cart, one or two recycling carts, and an organics recycling cart that includes green waste and food scraps. Commercial and Multi-Family customers with container (cart and/or bin) service are charged a monthly rate based on the number and size of containers, and the number of weekly pick-ups. Tables 1 and 2 on page 2 compare the current rates for typical residential and commercial services with those proposed for July 1, 2025. The entire rate schedule to go into effect July 1, 2025 can be viewed on the City's website at <https://www.lagunahillsca.gov/>.

FUTURE RATE INCREASES

Because the City anticipates future increases in the cost of providing solid waste and recycling services that CR&R will charge pursuant to the Agreement, the City is also proposing to annually adjust the maximum rates for: (1) the collection component based on the annual percentage change (January-December) in the Producer Price Index ("PPI"), (2) the processing component based on the annual percentage change (January-December) in the PPI, (3) the change in disposal charge charges (tip fees), (4) the change in the City's pavement impact costs, (5) the

change in the City's regulatory compliance cost, and (6) the change in recovered organic waste procurement costs resulting from the Senate Bill 1383 regulations (collectively, the "Annual Automatic Adjustments"). A full explanation of the rate methodology is available at [_____](#). If approved, beginning July 1, 2026 and each July 1 for a five-year period, through and including adjustments effective on July 1, 2030, the solid waste services rates may be adjusted annually, without a further public hearing. In no event may an automatic rate increase exceed the City's cost of providing solid waste services. If the adjustments are approved, a written notice will be mailed to all parties subject to future annual rate adjustments, not less than 30 days prior to the effective date of the adjustment.

Table 1. Proposed Residential Solid Waste and Recycling Rates Per Month - Fiscal Year 2025-2026

Residential Rate includes 1 trash cart, 1 or 2 recycling carts and 1 organics cart, with rate based on the size of the trash cart.

Size of Trash Cart	Current Rate	Rate Change	Proposed Rate
35-gallon cart	\$23.00	-\$0.87	\$22.13
65-gallon cart	\$23.00	\$0.71	\$23.71
95-gallon cart	\$23.00	\$2.02	\$25.02

Table 2. Proposed Typical Commercial and Multi-Family Rates Per Month - Fiscal Year 2025-2026

Monthly rate for once per week pick-up.

Service Description	Current Rate	Rate Change	Proposed Rate
3yd Trash	\$154.00	\$32.89	\$186.89
4yd Trash	\$199.40	\$49.79	\$249.19
3yd Recycle	\$64.48	\$28.97	\$93.45
4yd Recycle	\$79.32	\$45.27	\$124.59
65-gallon Food Waste	\$24.66	\$20.89	\$45.55
2yd Food Waste	\$54.53	\$3.60	\$58.13

PUBLIC HEARING AND PROTEST PROCEEDINGS

Property owners, as defined under Proposition 218, may protest the proposed rate adjustment in writing prior to or during the public hearing. Consistent with the provisions of Proposition 218 and Government Code Section 53755, this notice has been mailed to all record owners of the affected properties at the addresses as they appear on the latest equalized assessment roll. If you are a property owner as defined under Proposition 218 and object to the proposed rates as described in this Notice, you may file a written protest with the City at or before the time set for the public hearing. Original written protests can be mailed or personally delivered to the City Clerk as follows:

City Clerk
City of Laguna Hills
24035 El Toro Rd.
Laguna Hills, CA 92653

A valid written protest must include:

1. The name of the record owner or owners of the property; and
2. Identification of the property by either assessor's parcel number or street address; and
3. A statement of protest ("I/we protest" will suffice); and

4. The original signature of the protesting owner or owners (photocopies, electronic mail, electronic copies, e-comments, or facsimiles will not be accepted).

Please note that each property owner will be counted as a single vote, regardless of the number of owners. If there are two record owners, both must sign the written protest. If there are more than two owners, the protest must be signed by a majority of the owners. Multiple protests returned for a single property will be disallowed and the City Clerk will only accept one protest per property.

The City Clerk will determine the validity of all protests submitted and exclude any invalid protests from the final tabulation. The City Clerk may confer with the City Attorney in determining the validity of written protests. As part of this process, the City Attorney may view contested or suspect protest forms. The City Clerk's decision shall be final and binding.

If you have any questions regarding this Notice or the proposed rate adjustments, or would like even more detailed information, please contact Matt Durham at (949) 707-2687.