

RESOLUTION R2025-__

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
NAPA, STATE OF CALIFORNIA, ESTABLISHING RATES
FOR COLLECTION OF MUNICIPAL SOLID WASTE,
RECYCLABLE MATERIALS AND COMPOSTABLES, WITH
EFFECTIVE DATES ON JULY 1, 2025, JANUARY 1, 2026,
JANUARY 1, 2027, JANUARY 1, 2028, AND JANUARY 1,
2029

WHEREAS, in December 2003, the City purchased a Materials Diversion Facility (MDF) located at 820 Levitin Way, Napa; and

WHEREAS, in December 2004, the City awarded and entered into Agreement No. 8687 with Napa Recycling & Waste Services, LLC (NRWS) to collect Municipal Solid Waste (MSW), recyclable materials and yardwaste generated within the City and to operate the MDF; and

WHEREAS, on July 23, 2019, the City Council approved Resolution R2019-082 which summarized contractual amendments and established rates for collection of MSW, recyclable materials, and compostables for a period of four years, with different rates becoming effective August 1, 2019, January 1, 2020, January 1, 2021, and January 1, 2022; and

WHEREAS, the rates that became effective January 1, 2022, have been in effect since that time; and

WHEREAS, on October 22, 2022, the City Council adopted Resolution R2022-095 which authorized the Utilities Director to execute the 2022 Contract Amendment to Agreement No. 8687 with NRWS to collect MSW, recyclable materials and compostables, and provide operation of Napa MDF; and

WHEREAS, on April 18, 2023, the City Council adopted Resolution R2023-038 which authorized the Utilities Director to execute the SB 1383 Contract Amendment to Agreement No. 8687 with NRWS to collect MSW, recyclable materials and compostables, and provide operation of Napa MDF; and

WHEREAS, the City is authorized to establish fees to recover the cost of providing a service for the collection and disposal of solid waste, recycling, and compostables pursuant to the City's home rule authority as a charter city (pursuant to California Constitution, Article XI, section 5; and City of Napa Charter Section 4) and the City's police power (pursuant to California Constitution, Article XI, section 7), as implemented by Napa Municipal Code Section 5.60.220, and subject to the substantive and procedural requirements of Proposition 218 (California Constitution, Article XIID, section 6(b)), which are addressed in this Resolution; and

WHEREAS, at a public meeting of the City Council on April 15, 2025, City staff presented a thorough and detailed rate study which describes the costs covered by the collection rates and the revenues expected to be generated by the proposed rates, and recommends adjustments in the rates charged for collection of MSW, recyclable materials and compostables from residential, multi-family and commercial customers for the remainder of calendar year 2025 and for calendar year 2026, 2027, 2028 and 2029; and

WHEREAS, the rate study presented at the April 15, 2025, City Council meeting along with supporting notices and documents, has been made available to the public online and in paper copy form at the City Clerk's office since April 30, 2025, and is incorporated herein by reference (hereinafter "2025 Rate Study"); and

WHEREAS, the recommended adjustments were intended to achieve several objectives, including to:

- generate sufficient revenue to cover (a) payments to NRWS for collection services and processing of recyclable materials, compostables at the MDF, (b) payments to NRWS for collection and delivery of MSW and non-recyclable residue to the transfer station and the costs for ultimate landfill disposal, (c) payments to NRWS for a city-wide commercial food scrap collection program and for city-wide residential organics co-collection program for food scraps collected with yard trimmings, (d) necessary capital improvements and maintenance of the City's MDF, (e) City costs directly incurred in operation of MSW and recycling programs and those of other City departments providing administration and indirect support to those programs, (f) projected debt service for the financing of the certain capital improvements at the MDF under the 2016 Solid Waste Revenue bond, (g) cost to repair damage to streets caused by refuse and recycling collection vehicles, and (h) use and replenishment of reserves at prudent levels as described in the Fiscal Policy for the Solid Waste and Recycling Enterprise Fund, as included in the 2025 Rate Study;
- reflect the relationship of costs of service for collection of different volumes of MSW at different frequencies;
- promote selection of more efficient patterns of waste collection services, e.g., use of larger capacity containers collected less frequently; and
- maximize cost-effective recycling and composting in order to achieve the City's goal of diverting 75% of MSW from landfill disposal; and

WHEREAS, the Council considered staff recommendations at a noticed public meeting held on April 15 2025, and authorized that written notice listing the proposed adjustments to rates and the date for the June 17, 2025, public hearing be mailed to all property owners in the City and to all customers receiving service from NRWS in the City; and

WHEREAS, on April 30, 2025, the City published the written notice of the public hearing to be held on June 17, 2025, as described in this resolution consistent with the authorization from City Council on April 15, 2025, and California Constitution, Article XIIID, section 6, as well as California Government Code section 53755; and

WHEREAS, on June 17, 2025, the City Council held a duly noticed public hearing on the solid waste and recycling collection service rates identified in this Resolution, and considered the agenda report and supporting documents presented by City Staff, any public comments received prior to that hearing, and all information and public comments related to this matter as presented at the hearing including any oral or written protests against the proposed solid waste and recycling collection service rates; and

WHEREAS, the City Council has considered all information related to this matter, as presented at the public meetings of the City Council identified herein, including supporting reports by City Staff, and any information provided during the public meetings.

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

1. The City Council hereby finds that the facts set forth in the recitals to this Resolution are true and correct and establish the factual basis for the City Council's adoption of this Resolution.
2. Based on the findings and determinations documented herein:
 - A. The City Council hereby approves the rates and fees for collection of MSW, recyclable materials and compostables from residential, multi-family and commercial customers, as set forth on Exhibit "A" (attached hereto and incorporated herein by reference), which shall be effective July 1, 2025.
 - B. The City Council hereby approves the rates and fees for collection of MSW, recyclable materials, and compostables from residential, multi-family and commercial customers, as set forth on Exhibit "B" (attached hereto and incorporated herein by reference), which shall be effective January 1, 2026.
 - C. The City Council hereby approves the rates and fees for collection of MSW, recyclable materials, and compostables from residential, multi-family and commercial customers, as set forth on Exhibit "C" (attached hereto and incorporated herein by reference), which shall be effective January 1, 2027.
 - D. The City Council hereby approves the rates and fees for collection of MSW, recyclable materials, compostables from residential, multi-family

and commercial customers, as set forth on Exhibit “D” (attached hereto and incorporated herein by reference), which shall be effective January 1, 2028.

- E. The City Council hereby approves the rates and fees for collection of MSW, recyclable materials, compostables from residential, multi-family and commercial customers, as set forth on Exhibit “E” (attached hereto and incorporated herein by reference), which shall be effective January 1, 2029.
- F. The rates and fees approved by this Resolution (with effective dates to be implemented on July 1, 2025, January 1, 2026, January 1, 2027, January 1, 2028, and January 1, 2029) are part of the same rate increase, and therefore will be part of the same implementation of rates pursuant to California Government Code Section 53750(h)(2)(B).

3. The City Council hereby finds and determines, as described herein, that the California Environmental Quality Act (“CEQA”) does not apply to the actions authorized by this resolution, pursuant to Public Resources Code section 21080(b)(8), as well as CEQA Guidelines sections 15273 and 15061.

- A. CEQA does not apply to the actions authorized by this resolution, pursuant to Public Resources Code section 21080(b)(8), since the rates and fees are adopted for the purpose of meeting operating expenses, purchasing or leasing supplies, equipment and materials, obtaining funds for capital projects necessary to maintain service within the existing service area, and meeting financial reserve needs.
- B. CEQA does not apply to the actions authorized by this resolution, pursuant to CEQA Guidelines to Section 15273, which exempts the City’s establishment, modification, restructuring or approval of rates, tolls, fares and other charges for the purposes enumerated in the previous paragraph.
- C. Staff is directed to file a Notice of Determination with the County Clerk.

4. The City Council hereby finds that the rates and fees approved by this Resolution are excluded from the definition of a “tax,” and the rates and fees are therefore not subject to voter approval, in accordance with California Constitution, Article XIID, section 6(c), and California Constitution, Article XIIC, sections 1(e)(7), based on the following findings: The rates and fees approved by this Resolution:

- A. are “refuse collection services” fees and rates, as further detailed in the 2025 Rate Study;
- B. are “property related fees” (as that phrase is used in California Constitution, Article XIIC, sections 1(e)(7));

- C. will generate revenue in an amount that is no more than necessary to cover the reasonable cost of providing the services and capital improvements described in the 2025 Rate Study;
- D. are allocated and charged to rate payers in a manner that is based on the rate payer's burdens on, and benefits received from, the services described in the 2025 Rate Study;
- E. are charges imposed for a specific governmental service provided directly to the payor that is not provided to those not charged, and which do not exceed the reasonable costs of providing the service, as analyzed in further detail in the 2025 Rate Study.

5. The City Council hereby finds that the fee and rate amounts identified in this Resolution meet the substantive applicable provisions as set forth in the California Constitution, Article XIID, section 6(b) as follows and analyzed in more detail in the 2025 Rate Study:

- A. The revenues derived from the rates do not exceed the cost of providing services for the collection and disposal of MSW, and the collection and processing of recyclable materials and compostables. The revenues derived from the rates reflect the cost of providing those services.
- B. The revenues derived from rates will not be used for any purpose other than to fund City costs directly incurred in operation of MSW and recycling programs, those of other City departments providing administration and indirect support to those programs, including street repair due to damage from refuse and recycling vehicles, as well as all costs related to collection and disposal of MSW and for collection and processing of recyclable materials and compostables.
- C. The revenues derived from rates are used for services used by, or immediately available to, the owner of the property or person responsible for the payment of the rate.
- D. The amount recovered via the rates from any person or parcel does not exceed the proportional cost of the service provided.
- E. No rate is assessed on any person or parcel unless that person or parcel is receiving collection and disposal of MSW, and/or collection and processing of recyclable materials and/or compostables.

6. The City Council hereby finds that the rates identified in this Resolution are not a "tax" based on California Constitution, Article XIII(C), Section 1(e)(7) as the rates are imposed in accordance with Article XIID, as described above

7. The City Council hereby directs Napa Recycling and Waste Services, LLC (NRWS) to bill customers the rates set forth on Exhibit "A" (and those other rates currently in effect for solid waste/recycling related services which are not changed by this Resolution) for collection services rendered by it on and after July 1, 2025. NRWS is directed to bill customers the rates set forth on Exhibit "B" (and those other rates currently in effect for solid waste/recycling related services which are not changed by this Resolution) for collection services rendered by it on and after January 1, 2026. NRWS is directed to bill customers the rates set forth on Exhibit "C" (and those other rates currently in effect for solid waste/recycling related services which are not changed by this Resolution) for collection services rendered by it on and after January 1, 2027. NRWS is directed to bill customers the rates set forth on Exhibit "D" (and those other rates currently in effect for solid waste/recycling related services which are not changed by this Resolution) for collection services rendered by it on and after January 1, 2028. NRWS is directed to bill customers the rates set forth on Exhibit "E" (and those other rates currently in effect for solid waste/recycling related services which are not changed by this Resolution) for collection services rendered by it on and after January 1, 2029.

8. The City Council hereby approves the Solid Waste and Recycling Fund Reserve Policy attached hereto and incorporated herein by reference, identified on Exhibit "F."

9. The City Council hereby authorizes the City Manager and the Finance Director to implement all rates, fees and charges for services related to collection of MSW, recyclable materials, and compostables established by this Resolution, including: (a) administratively organizing and publishing the rates in the City's Master Fee Schedule; and (b) implementing and enforcing the rates in accordance with the City Council Policy Resolution for the establishment, implementation, and enforcement of City Fees (R2018-046).

10. This Resolution shall take effect immediately upon its adoption.

I HEREBY CERTIFY that the foregoing Resolution was duly adopted by the City Council of the City of Napa at a public meeting of said City Council held on the 17th day of June, 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST: _____

Tiffany Carranza
City Clerk

Approved as to form:

Christopher J. Diaz
Interim City Attorney

Exhibits A through E: 2025, 2026, 2027, 2028, 2029 Rate Tables
Exhibit F: SWR Fund Reserve Policy