

Notice of Exemption

Appendix E

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk

County of: Fresno

2220 Tulare Street

Fresno CA 93721

From: (Public Agency): City of Fresno

1626 E Street

Fresno CA 93706

(Address)

Project Title: Adoption of a five-year plan for residential solid waste service charges in accordance with Proposition 218

Project Applicant: City of Fresno

Project Location - Specific:

1626 E Street

Project Location - City: Fresno

Project Location - County: Fresno

Description of Nature, Purpose and Beneficiaries of Project:

The City provides solid waste, recycling, and green waste/organic material collection services to residential customers within the City. The City last adopted a five-year rate plan for residential solid waste services in 2007, and the current outdated rate structure does not generate sufficient revenue to cover operating costs. An independent rate consultant evaluated the cost to provide residential solid waste services and developed a five-year schedule of rates that will cover the five-year forecast of operating costs during the period covering FY 2025 through FY 2029. The City followed the Proposition 218 notice, protest, and hearing process. In addition to the adoption of the five-year rate plan, the City will take the following actions needed to implement the rates - adopt the 684th amendment to the Master Fee Schedule Resolution No. 80-420 to reflect the adopted rates; approve an interfund loan agreement between the Sewer System Rate Stabilization Connection Fee (CIP Reserve) Fund and the Solid Waste Management Division Solid Waste Operating Enterprise Fund in the amount of \$5 million; and adopt a resolution establishing a Solid Waste Affordability Credit Program (SWACP).

Name of Public Agency Approving Project: City of Fresno

Name of Person or Agency Carrying Out Project: City of Fresno

Exempt Status: (check one):

- Ministerial (Sec. 21080(b)(1); 15268);
- Declared Emergency (Sec. 21080(b)(3); 15269(a));
- Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- Categorical Exemption. State type and section number: _____
- Statutory Exemptions. State code number: Public Resources Code section 21080(b)(8)

Reasons why project is exempt:

Pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15273 and Public Resources Code section 21080(b)(8), CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purposes of: (1) meeting operating expenses, including employee wage rates and fringe benefits, (2) purchasing or leasing supplies, equipment, or materials (3) meeting financial reserve needs and requirements, (4) obtaining funds for capital projects, necessary to maintain service within existing service areas, or (5) obtaining funds necessary to maintain such intra-city transfers as are authorized by city charter. The proposed schedule of increases to the residential solid waste service charges and the associated actions related to implementation of the rates are statutorily exempt from CEQA under this exemption. The City provides solid waste, recycling, and green waste/organic material collection services to residential customers within the City. Consistent with Proposition 218, the proposed solid waste service charges were designed so as not to exceed the proportionate cost of solid waste service attributable to each parcel on which the fee is imposed. The proposed increases will produce sufficient revenue to fully fund the Solid Waste Management Division's operations and maintenance costs, achieve a 45-day operating reserve, and fund the Division's capital costs during the period covering FY 2025 to FY 2029. While the proposed rate increases are attributable to certain capital costs, none of the proposed costs are for projects that would expand the City's solid waste service. The capital costs incorporated into the rates include the cost of replacement vehicles for the City's aging fleet, the Division's share of anticipated renovations to the DPU O&M facility, collection container purchase and maintenance, and post closure improvements at the Fresno Sanitary Landfill. These costs are necessary to maintain services within the existing service areas. All of the identified implementing actions are all actions necessary to implement the rates. Thus, the proposed rate increases, and the associated implementing actions fall within the parameters of CEQA Guidelines section 15273 and Public Resources Code section 21080(b)(8) and therefore, are statutorily exempt from CEQA.

Lead Agency

Contact Person: Brock Buche

Area Code/Telephone/Extension: 559-621-8610

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? Yes No

Signature: _____ **Date:** _____ **Title:** _____

Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.

Date Received for filing at OPR: _____

Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.