

City of Carmel-by-the-Sea

POST OFFICE BOX CC
CARMEL-BY-THE-SEA, CA 93921
(831) 620-2000

April 9, 2020

Jim Moresco
GreenWaste Recovery
P.O. Box 1928
Marina, CA 93933

Re: Deferral of Cost-Based Rate Adjustment due to the COVID-19 Crises

Mr. Moresco,

Most importantly, sir, I hope that you and your family and staff are well and safe in light of this horrid COVID-19 pandemic. As you are well aware, we are living in unprecedented times with a widespread disaster affecting communities and businesses throughout the country and the world. We are aware that the cost-based rate adjustment that was initially requested by the City of Marina in January 2019, and which triggered a rigorous, region-wide cost-based rate adjustment process, is nearing completion. The analysis phase alone extended over a year.

We are also aware that a workshop was being discussed with our City Council in May to review the results of the rate adjustment and determine options for service modifications to best suit the needs of the City of Carmel-by-the-Sea and the rate payers.

Due to the unprecedented and evolving nature of the crisis we are currently facing, my City is entirely focused on responding to COVID-19 issues to protect the community and employees. Our City Council will not be in any position to hear or decide on options for the cost-based rate adjustment until the shelter-in-place order has been lifted and normal operations return.

At this time, we anticipate that this crisis will likely remain in effect for at least a few months; thus, we are pushing workshop date until July 2020. I certainly hope that you support this decision. Prior to that, we propose to meet with you and HF&H to review the rate adjustment application, options for adjusted levels of service and billing, and prepare a coordinated presentation of these options at a City Council workshop allowing our community to weigh in on needed levels of service for their trash collection. Ms. Agnes Martelet, the City's Environmental Compliance Manager and Council Member Carrie Theis will also attend this meeting.

Should the shelter-in-place order extend beyond July 2020, I hope you will respect the potential for another meeting and workshop rate-adjustment extension. Rate-adjustment extensions beyond July 1 of each year are expressly permitted per Exhibit E of the Franchise Agreement between the City of Carmel-by-the-Sea and GreenWaste Recovery.

We greatly appreciate GreenWaste's partnership and understanding in these unusual times, and we look forward to resuming this important work with you when this crisis abates. Please contact Agnes Martelet at (831) 869-5212 if you have any questions.

Take good care,

A handwritten signature in black ink, appearing to read "Chip Rerig". The signature is fluid and cursive, with a large initial "C" and "R".

for Chip Rerig
City Administrator

cc: Mayor Potter and Members of the City Council
Dave Hilton, HF&H
Tim Flanagan, Monterey Peninsula Waste Management District
Robert Harary, P.E., Public Works Director
Agnes Martelet, Environmental Compliance Manager