Hello Sebastopol City Council,

I have another board meeting this Tuesday evening, otherwise I would be there in person to share these thoughts.

It has come to my attention today, Saturday the 4<sup>th</sup>, just 3 days ahead of your council meeting, that there is a potential agreement to be passed with SCRR for waste hauling. I have reviewed the proposal, and also spoke to our representative at Recology, and I have major concerns about the agreement. It appears that the overall savings for residential customers is <u>negligible</u> <u>at best</u>, but the changes in the policies for MFD and commercial recyclables will create huge expense increases for businesses.

Residential Savings based on Option 1 rate proposal is an average of **\$1.36/month** depending on container size

Residential Savings by 2027 based on Option 2 is an average of **\$5.09/month** depending on container size

Whereas, the abolishment of the current "legacy practice" on recycling and organics services will create significant expense increases for businesses who are struggling to survive in a legislative environment that is already anti-business. Under this new proposal, for Sebastopol Hardware, our rates for recycling will increase from \$1,224/month to \$3,914/month, a **\$30,116** annual increase. Once again, businesses are baring the brunt of cost increases. You are biting the hand that feeds you.

A reminder of what CA businesses are dealing with:

- 27% increase in minimum wage since 2020
- **39.2%** cumulative increase in medical benefits since 2020
- 24.2% increase in sales and use taxes since 2020 (Sebastopol now has one of the highest sales tax rates in CA)

From the information provided, it does not seem logical to upset the system for such a trivial amount of potential savings for residences. Fundamentally, as a business we have to cover our costs, so if costs go up, prices go up. A potential \$5/month of savings will go away pretty quick when everything from eggs to light bulbs gets more expensive.

Again, I hate to miss Tuesday's meeting, but I would love to discuss further with any/all of you if possible.

Thanks

*Doug Bishop* <sub>Owner</sub> Sebastopol Hardware Center