



Midway City Sanitary District

14451 Cedarwood Street
Westminster, CA 92683

NOTICE OF PUBLIC HEARING

Proposed Adjustments to Residential Solid Waste Fees to Pass-Through Costs From Increased Tipping Fees Charged by the County of Orange Tuesday, May 19, 2026 at 5:30 p.m.

NOTICE IS HEREBY GIVEN that at a public meeting on Tuesday, May 19, 2026 at 5:30 p.m., the Midway City Sanitary District Board of Directors will conduct a public hearing in the District meeting room, 14451 Cedarwood Street, Westminster, California, to consider proposed adjustments to the District's residential solid waste collection fees and authorizing automatic annual pass-through adjustments to ensure the District recovers increases costs resulting from increased tipping fees charged by the County of Orange for the disposal of solid waste at County landfills. If approved, the proposed fee adjustments will go into effect on July 1, 2026, and the amount of the fee would be adjusted annually thereafter beginning July 1, 2027, and continuing through July 1, 2030.

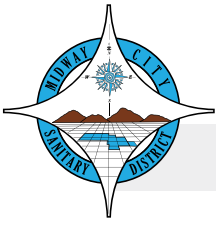


BACKGROUND

The Midway City Sanitary District ("District") provides residential curbside solid waste collection services to approximately 20,510 Equivalent Dwelling Units ("EDUs") within the City of Westminster and the unincorporated area of the County known as Midway City. Solid waste collection services provided by the District include weekly curbside pickups for a three-cart system of trash, organics, and recyclables (i.e., "Curbside Container Service"), along with bulky item pickup, mattress recycling, and oil recycling programs. The District provides services primarily to residential dwelling units on single-family lots or small multi-family residential facilities. Most large multi-family facilities and businesses receive solid waste handling services from CR&R, Incorporated, rather than the District, and are not subject to the residential curbside solid waste collection fees described in this Notice. Residential curbside solid waste collection fees are collected annually on the property tax roll and fund a proportionate share of operational costs such as salaries and benefits, fleet maintenance and replacement, fuel, disposal/tipping fees, regulatory compliance, and prudent reserves. The District contracts with Orange County Waste and Recycling (OCWR) for the right to dispose of the solid waste it collects at the Orange County landfills, and pays OCWR a disposal (or "tipping") fee based on the tonnage of solid waste disposed. This OCWR tipping fee makes up a portion of the residential solid waste collection fees paid by the District's customers.

REASONS FOR THE PROPOSED FEE ADJUSTMENTS

The proposed fee adjustments are necessary to account for significant projected future increases in the tipping fees OCWR charges the District to dispose of solid waste at the Orange County landfills. These tipping fee increases are not currently reflected in the District's residential solid waste collection fees. If the District does not adopt the proposed adjustments to pass through the anticipated future tipping fee increases by OCWR, it will not be able to fully recover its costs for providing solid waste collection services to its residential customers.



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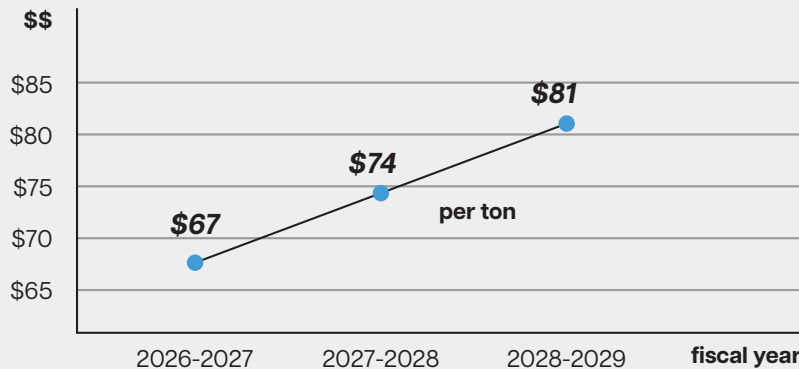
Proposed Adjustments to Curbside Solid Waste Collection Fees

EXISTING TIPPING FEES

In June 2022, following a Proposition 218 notice and public hearing, the District's Board of Directors adopted residential solid waste collection fees for Fiscal Years (FY) 2022–23 through 2026–27. Those fees included annual increases of 3 percent and were based on a cost-of-service study prepared by IB Consulting. A copy of the June 2022 rate study may be downloaded from the District's website at www.midwaycitysanitaryca.gov/ or viewed at the District's office. At that time, tipping fees were approximately \$38.34 per ton.

NEW DISPOSAL AGREEMENT (WISE AGREEMENT)

The District's prior Waste Disposal Agreement with OCWR expires on June 30, 2026. In January 2026, the Orange County Board of Supervisors approved the Waste Infrastructure System Enterprise (WISE) Agreement to replace the current Waste Disposal Agreement. Under the new WISE Agreement, the landfill tipping fees the District pays to OCWR will increase to \$67.00 per ton beginning July 1, 2026. Under the WISE Agreement, landfill tipping fees are scheduled to increase as follows:



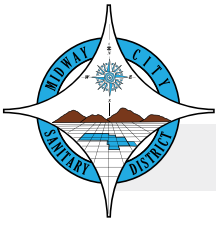
Agencies that **do not** participate in the WISE Agreement will pay **even higher** non-contract rates.

FINANCIAL IMPACT

The current residential solid waste collection charges did not anticipate tipping fee increases of this magnitude. The first-year increase in tipping fees would result in approximately **\$566,654** in additional annual costs to the District, with additional increases expected in future years.

Proposed Adjustments to Curbside Solid Waste Collection Fees and Additional Cart Fee

Residential curbside solid waste collection fees are structured on an EDU basis. Each residential unit that receives Curbside Container Service is assigned one EDU. The District's adopted fee for FY 2026-27 is \$213.85 per year (or \$17.82 per month) per EDU for basic Curbside Container Service. If the proposed fee adjustments are approved, the District's FY 2026-27 rate would increase to \$241.48 annually (or \$20.12 per month). This amount was calculated based on the District's additional annual costs from the increased tipping fees (\$566,654), divided by the projected number of EDUs (20,510) for FY 2027 (i.e., $\$566,654 \div 20,510 = \27.63 additional annual charge). The proposed adjustment reflects only the increase in landfill tipping fees and does not include increases for any other operating costs. Even with this increase, the District's curbside solid waste collection fee will still be one of the lowest in Orange County. An analysis prepared by IB Consulting demonstrating how the proposed rate adjustments were determined is available for review on the District's website at www.midwaycitysanitaryca.gov or at the District's office.



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Proposed Adjustments to Curbside Solid Waste Collection Fees

ANNUAL CHARGE

$$\text{\$213.85} + \text{\$27.63} = \text{\$241.48}$$

Current FY 2026-27 Rate + Proposed Tipping Fee Pass-Through = Proposed Solid Waste Collection Fee

MONTHLY CHARGE

$$\text{\$17.82} + \text{\$2.30} = \text{\$20.12}$$

Current FY 2026-27 Rate + Proposed Tipping Fee Pass-Through = Proposed Solid Waste Collection Fee

Property owners who require service beyond the basic Curbside Container Service may request additional solid waste carts from the District for a fee. The additional cart fee will also be subject to the proposed fee adjustments for the increased tipping fee costs. The proposed adjustment reflects only the increase in landfill tipping fees and does not include increases for any other operating costs.

ANNUAL CHARGE

$$\text{\$41.62} + \text{\$9.21} = \text{\$50.83}$$

Current FY 2026-27 Rate + Proposed Tipping Fee Pass-Through = Proposed Additional Cart Fee

MONTHLY CHARGE

$$\text{\$3.47} + \text{\$0.77} = \text{\$4.24}$$

Current FY 2026-27 Rate + Proposed Tipping Fee Pass-Through = Proposed Additional Cart Fee

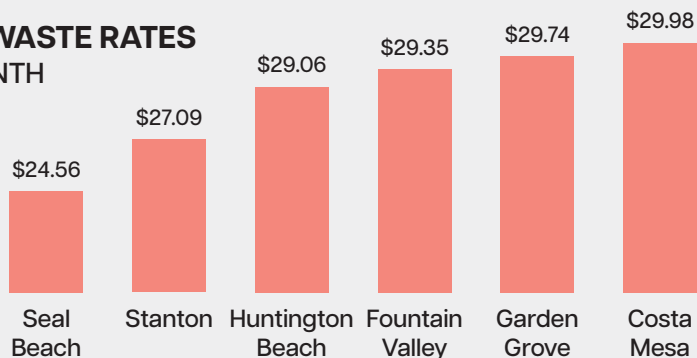
MCS D'S
Adjusted Rate
VS
Other Cities'
Unadjusted Rate

SOLID WASTE RATES PER MONTH



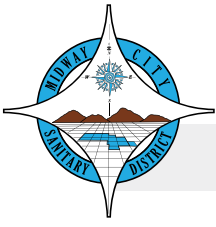
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Future Automatic Tipping Fee Pass-Through Adjustments

In order to account for future anticipated increases in landfill disposal costs, in accordance with Government Code section 53756, the District is proposing to authorize automatic annual adjustments to the residential solid waste collection fees and additional cart fees to pass-through the actual increases or decreases in landfill tipping fees the District is required to pay OCWR to dispose of the solid waste it collects from residential customers. These annual tipping fee pass-through adjustments will be calculated based on the actual changes in tipping fees per ton paid by the District, projected tons of solid



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waste collected and disposed of at landfills, and the projected total number of EDUs. If automatic pass-through adjustments are authorized, they may be implemented beginning July 1, 2027, and anytime thereafter through and including FY 2030-31. At least 30 days prior to implementing any automatic pass-through adjustment, the District will provide customers with written notification informing them of the adjusted fee amounts. The automatic pass-through adjustments shall not cause the residential solid waste collection fees or additional cart fees to exceed the cost of providing service.

HOW TO PROTEST THE PROPOSED FEE ADJUSTMENTS

In California, Proposition 218 allows property owners and tenants to comment on and protest a proposed increase to solid waste fees. Consistent with the provisions of Proposition 218, 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 fees or automatic pass-through adjustments as described in this Notice, you may file a written protest with the District prior to the close of the Public Hearing, set for May 19, 2026 at 5:30 p.m. Original written protests can be mailed or personally delivered to the following address: **Midway City Sanitary District, 14451 Cedarwood Street, Westminster, CA 92683, Attn: Board Secretary.**

A valid written protest **must** be received prior to the close of the public hearing and include **all** of the following:

- The name of the record owner or owners of the property; **and**
- Identification of the property by either assessor's parcel number or street address; **and**
- A statement of protest identifying which proposed fees and/or pass-through adjustments are subject to the protest ("I/we protest the [solid waste collection fees / additional cart fees / automatic tipping fee pass-through adjustments]" will suffice); **and**
- The original signature of the protesting owner or owners (photocopies, email, electronic copies, e-comments, or facsimiles will not be accepted).

Please note that only one protest per parcel will be counted. Multiple protests returned for a single parcel will be disallowed. The Board Secretary will determine the validity of all protests submitted and exclude any invalid protests from the final tabulation. The Board Secretary's decisions shall be final and binding.

The District welcomes your participation and input as the Board of Directors considers the fee adjustments explained in this Notice. At the Public Hearing, the Board of Directors will consider all written and oral protests to proposed fee adjustments. **However, oral comments at the Public Hearing will not qualify as formal protests unless accompanied by a written protest.** After the Public Hearing, if a majority protest does not exist, the Board may adopt an Ordinance implementing the proposed fee adjustments and authorization for automatic tipping fee adjustments.

If you have any questions regarding this Notice or the proposed fee adjustments, or would like even more detailed information, please call the District at **(714) 893-3553** or visit the District's website at www.midwaycitysanitaryca.gov

Để xem thông báo này bằng tiếng Việt, vui lòng truy cập trang web tại www.midwaycitysanitaryca.gov.
Para ver este aviso en español, visite el sitio web del Distrito en www.midwaycitysanitaryca.gov.