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PRESS RELEASE

RATE INCREASES FOR TRASH COLLECTION AND RECYCLING SERVICES TO BE EFFECTIVE APRIL 1, 2020

Downey, CA, March 11, 2020:

On March 10, 2019, the Downey City Council approved a 12.3% rate increase for single-family residential customers and a 5.5% rate increase for commercial customers for trash collection and recycling services. CalMet Services, Inc. is the City's exclusive residential and commercial solid waste collection and recycling services provider.

The new rate for single-family residential customers is \$23.17 per month (a \$2.54 increase). The new rate for a 3 cubic yard bin with once a week pick-up, a common service level is \$153.41 per month (a \$7.94 increase). The rate increases will become effective on April 1, 2020.

The rate increases were due to significant increases in the cost of recycling. Recycling rates have increased due to changes in the Chinese recycling markets under China's National Sword Policy. For decades, China has been the largest importer of waste, such as paper, plastic and scrap metal worldwide, including from the United States. However, with stricter contamination thresholds, China recently banned importation of certain types of materials such as mixed paper and some plastics, which now have to be processed locally, ultimately increasing the cost of processing recyclables.

These changes have impacted waste collectors who rely upon revenues from the sale of recycled materials to offset operation costs and collection rates. Consequently, where in 2017, the Los Angeles County Sanitation District paid CalMet for the recyclables, presently, CalMet has to pay the County Sanitation District to take the recyclables. In addition, gate or tipping fees charged by Downey Area Recycling & Transfer Facility and Paramount Resource Recycling have significantly increased this past year.

For questions or more information regarding the rate increases, please contact the Public Works Department at 562-904-7102.