



City of Sacramento City Council

915 I Street, Sacramento, CA, 95814
www.CityofSacramento.org

Meeting Date: 12/4/2012

Report Type: Staff/Discussion

Title: Solid Waste and Recycling Business Plan Implementation

Report ID: 2012-00777

Location: Citywide

Recommendation: Pass a Motion directing staff to proceed with the Implementation Plan for the 2012 Solid Waste and Recycling Division Business Plan.

Contact: Steve Harriman, Integrated Waste General Manager, (916) 808-4949, General Services Department

Presenter: Steve Harriman, Integrated Waste General Manager, (916) 808-4949, General Services Department

Department: General Services Dept

Division: Solid Waste Admin Services

Dept ID: 13001711

Attachments:

1-Description/Analysis

2-Attachment 1 Business Plan implementation Final

City Attorney Review

Approved as to Form
Janeth D. San Pedro
11/29/2012 9:09:39 AM

City Treasurer Review

Reviewed for Impact on Cash and Debt
Russell Fehr
11/26/2012 10:46:49 AM

Approvals/Acknowledgements

Department Director or Designee: Reina Schwartz - 11/28/2012 2:11:35 PM



Description/Analysis

Issue: On December 11, 2012, the City Council will declare the election results for the November 6 election. This report assumes voter approval of Measure T based upon election results released on November 27, 2012 (51.37% yes). Measure T repeals an initiative ordinance approved in 1977 prohibiting the City Council from requiring containerized yard waste collection for all City residents. Voter approval of Measure T allows the City Council to direct staff to implement the following changes to the City's residential solid waste collection services, as presented in the 2012 Solid Waste and Recycling Division Business Plan and approved by the City Council on June 26, 2012:

1. Implement year-round containerized yard waste collection on a weekly basis for all City solid waste customers;
2. Provide Loose-in-the-Street (LITS) yard waste collection service for all City solid waste customers in November, December, and January;
3. Restore the Appointment Based Neighborhood Cleanup Program (ABNCU) from February through October, which was suspended in FY2009/10 for budgetary reasons;

The 2012 Solid Waste Business Plan also includes the following residential solid waste program changes that are not related to Measure T:

1. Implement a "dump coupon" program allowing residents to deliver up to five cubic yards of waste to the Sacramento Recycling and Transfer Station at no charge to the resident; and
2. Shift the curbside recycling program from weekly to biweekly (every other week) collection.

Based on City Council's direction to proceed, Solid Waste and Recycling Division (SW Division) staff will begin working on the following initiatives necessary for implementation of the Business Plan by July 1, 2013:

1. The Proposition 218 notification process for new rates for additional yard waste and recycling cans and overages in the Neighborhood Cleanup Program;
2. City Code revisions reflecting the new residential service programs;
3. A detailed outreach plan to educate residents on the revised services; and
4. An operational rollout strategy for rerouting equipment and delivering yard waste containers.

A detailed implementation schedule is provided in Attachment 1.

Policy Considerations: Voter approval of Measure T on November 6 provides the City Council with the discretion to establish, by ordinance, mandatory citywide residential containerized yard waste collection service, a nine month neighborhood cleanup program, and a three month loose in the street yard waste collection program during November, December and January.

The implementation of the proposed programs will require updating the current City Code provisions related to yard waste collection services. Amendments to the City Code will be presented to the Law and Legislation Committee for review in early 2013.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): The Environmental Planning Services Manager has determined that the recommended actions are exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines, which exempts approval of an activity where there is no possibility that the activity in question may have a significant effect on the environment.

Sustainability: Implementation of the revised residential solid waste programs is consistent with the Sustainability Master Plan goal to reduce carbon dioxide emissions and lower the City's carbon footprint by reducing the number of collection vehicles. The implementation of the recommended service level changes will reduce carbon emissions generated by the City's solid waste fleet by an estimated five percent, fuel consumption by 83,000 gallons, and truck miles by 87,000 annually on City streets.

Commission/Committee Action: On November 28, 2012, SW Division staff reviewed the residential solid waste collection service and rate changes with the Utilities Rate Advisory Commission (URAC).

Rationale for Recommendation: Successful implementation of the residential service changes by July 1, 2013 requires detailed planning and coordination. City Council approval of the implementation plan is a critical first step to ensuring necessary actions are contemplated, documented, and achievable within the timeframe proposed.

Financial Considerations: With implementation of the proposed residential service programs, the typical single family residential solid waste customer currently with containerized service will see no change in their overall monthly solid waste bill through June 30, 2015. The typical single family residential solid waste customer who currently subscribes to the LITS program will see a reduction of \$3.36 on their monthly solid waste bill with their transition to containerized service.

Funding for the new nine-month ABNCU program and the three-month LITS program will be included in the existing garbage and containerized yard waste rates. Rate adjustments in these two commodities are not necessary at this time as each is currently generating sufficient revenue under the current rate structure to cover the \$8.5 million annual expense of the new ABNCU and LITS programs.

While the service level for recycling is being reduced from weekly to bi-weekly collection, the proposed rate remains unchanged from current levels (\$5.13). The current rate is presently underfunding the weekly collection program, and the move to bi-weekly service more closely realigns the revenues and expenses for this program.

Also, per City Council direction, new rates for extra recycle and yard waste cans have been developed to provide residents with cost effective solutions for handling additional materials that may result from the proposed new yard waste and curbside recycling program changes. The following proposed rates were developed according to a component based rate methodology that determines a proportional share of costs for labor, containers, fleet, and disposal associated with the additional can.

New Rates	
Additional Recycle Can (per month)	\$ 1.76
Additional Yard Waste Can (per month)	\$ 3.34
Oversized ABNCU Pile (up to 5 additional cubic yards)	\$ 28.60

The rate for the oversized ABNCU piles that exceed the five cubic yard program limit is based on the cost of collection and disposal of the additional material.

Contingent on City Council approval of the implementation plan, SW Division staff will prepare and mail Proposition 218 notices to all solid waste customers in December regarding rate and residential service level changes through FY2014/15. In the coming months, SW Division staff will monitor actual costs associated with the new residential programs and return to the URAC in approximately 18 months with an update on future rate adjustments after July 1, 2015.

Emerging Small Business Development (ESBD): No goods or services are being purchased as a result of this report.



2012 Business Plan Implementation

Solid Waste and Recycling Division

**Presented by:
Steve Harriman
Integrated Waste General Manager**

December 4, 2012



1. Presentation Summary

- Review Business Plan implementation details and schedule:
 - New rates for additional services
 - City Code changes
 - Public Information Plan
 - Phased Implementation Schedule



2. Business Plan Summary

	Current Services	Proposed Services
Garbage	Weekly	Weekly
Recyclables	Weekly	Biweekly
Containerized yard waste collection	Weekly on subscription basis <i>103,000 customers</i>	Weekly Citywide <i>(All customers)</i>
Loose-in-the-street (LITS) yard waste collection	Periodic on subscription basis <i>12,000 customers</i>	Citywide Nov, Dec and Jan
Neighborhood Cleanup Program (NCU)	Suspended	Feb thru Oct Appointment based
Public education	Limited; not well defined	New focused approach
<i>Pilot Dump Coupon Program</i>	<i>N/A</i>	<i>One coupon/year to dump 5 yards at Transfer Station</i>



3. New Rates for Additional Services

- No net change in monthly rates for residential solid waste services thru 6/30/15
- Intent to match rates with cost of service:
 - Garbage rate: weekly trash collection *plus* seasonal neighborhood cleanup program
 - Yard waste rate: weekly containerized collection *plus* seasonal loose-in-the-street collection
 - Recycle rate: biweekly collection
- Goal is compliance with State law (Prop 218)



3. New Rates for Additional Services

- Extra recycle can
\$1.76 per month (reduced from \$5.13)
- Extra yard waste can
\$3.34 per month (reduced from \$5.70)
- Overages for appointment based neighborhood cleanup program
\$28.60 for up to 5 yards of additional material
- Current loose-in-the-street customers
\$3.36 reduction per month



3. New Rates for Additional Services

November 28, 2012	URAC presentation on new rates for additional services
<i>December 4, 2012</i>	<i>Council Presentation on Implementation Plan</i>
December 18, 2012	Prop 218 notice mailed to all customers with new rates for additional services
February 6, 2013	URAC Public Hearing on new rates for additional services
March 12, 2013	Proposed new rates presented to the City Council
July 1, 2013	New rates for additional services take effect



4. Code Changes

- Several code changes required for Business Plan implementation:
 - Minimum service requirements
 - Commercial customer definitions for yard waste services
 - Exemptions from minimum service
 - Prohibition of disposal of recyclables and yard waste



4. Code Changes - Schedule

<i>December 4, 2012</i>	<i>City Council reviews proposed services changes</i>
February 13, 2013	Proposed City Code revisions presented to Law and Legislation Committee
March 19, 2013	Proposed Code revisions presented to City Council
April 19, 2013	Code changes take effect



5. Public Education Plan

Goals of education campaign:

- Reduce contamination in recycling and yard waste
- Eliminate customer confusion about programs
- Encourage responsible disposal and recycling practices for all commodities
- Educate about major program changes for a smooth transition



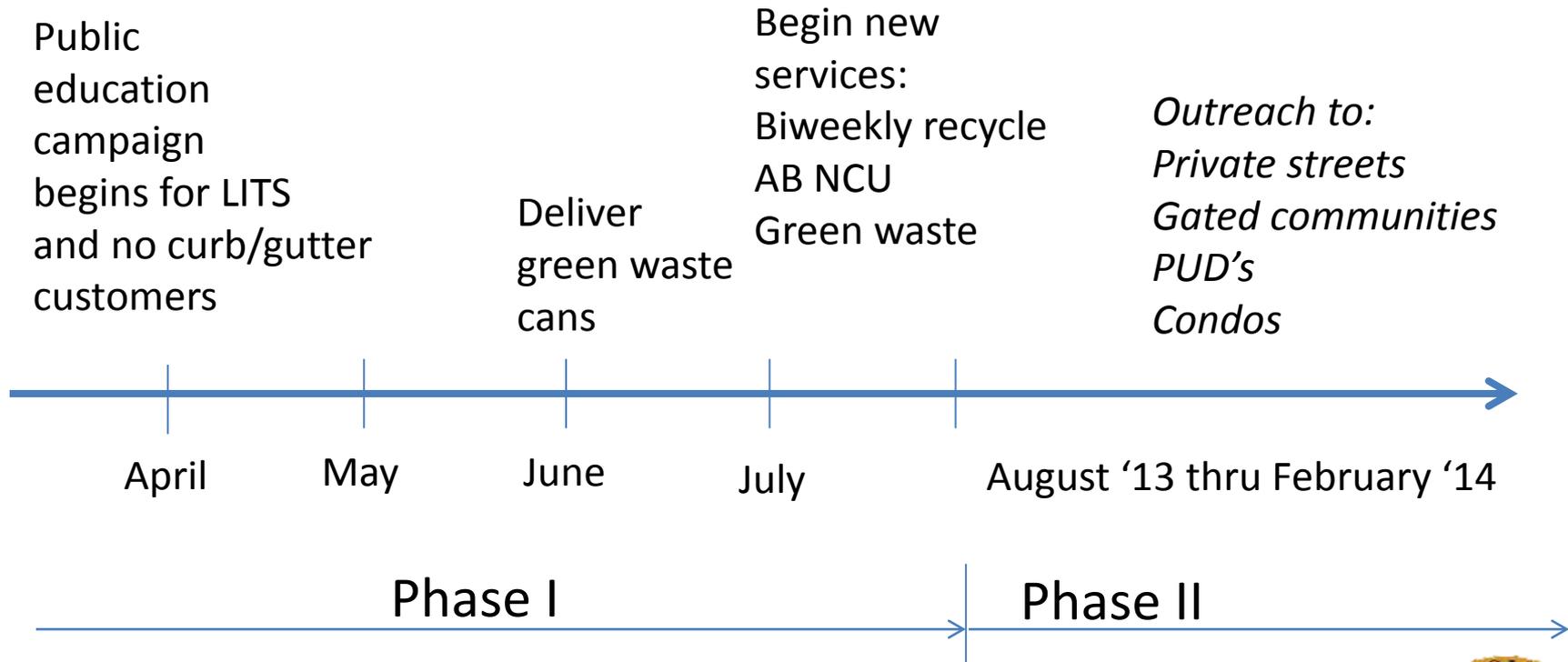
5. Public Education Plan

Elements of Citywide education campaign:

- Direct mail: postcards, service guide, bill stuffers (alternate languages)
- Paid Advertising: print media, billboards, radio, ethnic media
- Digital Media: Social networking, City website, email blasts
- Community Outreach: Neighborhood meetings, newsletters, presentations, speakers bureau, community events
- 311 collaboration: staff training



6. Phased Implementation Schedule



7. Staff Recommendation

Pass a Motion directing staff to proceed with the Implementation Plan for the 2012 Solid Waste and Recycling Division Business Plan.



8. Conclusion

- Questions
- Comments

