

Meeting Date: 3/1/2016

Report Type: Consent

Report ID: 2016-00184

Title: Annual Report on the Amended Service and Recyclables Agreements with USA Waste of California, Inc.

Location: Citywide

Recommendation: Receive and file.

Contact: Terrance Davis, Integrated Waste General Manager, (916) 808-4949, Department of Public Works

Presenter: None

Department: Public Works Department

Division: RSW Admin Services

Dept ID: 15005711

Attachments:

1-Description/Analysis

City Attorney Review

Approved as to Form

Matthew Ruyak

2/23/2016 9:45:35 AM

Approvals/Acknowledgements

Department Director or Designee: Jerry Way - 2/9/2016 8:06:25 AM

Description/Analysis

Issue Detail: On June 28, 2012, the Sacramento County Grand Jury issued a report on the amended service and recyclables agreements between the City and USA Waste of California, Inc., a subsidiary of Waste Management, Inc. Recommendation 1.0 of the report states the Recycling and Solid Waste Division should provide an annual report on the amended agreements to City ratepayers. This report fulfills Recommendation 1.0 for the period from January 1, 2015 through December 31, 2015 and includes information about total tonnage, expenditures, revenue, and rates for both waste disposed and recyclables collected at the Sacramento Recycling and Transfer Station.

Policy Considerations: In the City's response to the Sacramento County Grand Jury Report, the City agreed with Recommendation 1.0 to provide an annual report to the public outlining the costs and revenue generated by the amended agreements.

Economic Impacts: None

Environmental Considerations:

California Environmental Quality Act (CEQA): No environmental review is necessary because this report involves a continuing administrative activity and is not considered to be a project in accordance with Section 15378(b)(2) of the CEQA Guidelines.

Sustainability: Not applicable

Commission/Committee Action: None

Rationale for Recommendation: The Department of Public Works, Recycling and Solid Waste Division, developed this annual report on the amended agreements with USA Waste of California, Inc. in response to Recommendation 1.0 of the 2011/12 Sacramento County Grand Jury report.

Financial Considerations: The following tables outline the revenues and expenditures associated with the amended service agreements for the period of January 1, 2015 through December 31, 2015 in accordance with Recommendation 1.0 of the 2011/12 Sacramento County Grand Jury report:

Disposal	2015
Trash Collected (tons)	81,699
Disposal Cost	\$ 4,956,301
Plus Special Waste Handling Fee ⁽¹⁾	\$ 15,604
Total Disposal Cost	\$ 4,971,905
Disposal Rate (per ton)	\$ 60.86

Household Hazardous Waste⁽⁴⁾	2015
Hazardous Waste Collected (tons)	355
Hazardous Waste Disposal Fee	\$405,785

Recycling	2015
Recycling Collected (tons)	29,851
Contamination Rate	19.86%
Less Contaminated Recycling Collected ⁽³⁾	5,928
Adjusted Recycling Collected (tons)	23,923
Total Recycling Revenue	\$ 482,204
Revenue Rate (per ton)	\$ 20.16

Footnotes:

- 1) Special Waste Handling Fee: Applies to residential waste loads containing hazardous or special material (i.e. tires, paint, etc.).
- 2) The disposal, recycling revenue, and contamination rates are blended from the rates that were in place for the two fiscal years that span calendar year 2015. The per-ton rates are calculated by the total costs or revenue divided by the total weight collected, then rounded to the nearest penny.
- 3) Recycling Contamination: Non-recyclable material placed in the recycling can is disposed of as trash, and does not generate revenue.
- 4) Household Hazardous Waste: Hazardous material (i.e. paint, batteries, oil, antifreeze, etc.) delivered to the Sacramento Recycling and Transfer Station by the public and City crews.

Disposal Over Past Five Years

Year	Tons Collected	Rate	Total Disposal Cost
2011	93,247	\$45.95	\$4,301,302
2012	81,337	\$55.74	\$4,544,731
2013	77,633	\$58.31	\$4,551,123
2014	80,333	\$60.00	\$4,813,150
2015	81,697	\$60.74	\$4,971,941

Recycling Over Past Five Years

Year	Tons Collected	Total Recycling Revenue
2011	36,456	\$533,809
2012	35,928	\$588,837
2013	32,135	\$463,920
2014	31,022	\$458,125
2015	29,851	\$482,204

Household Hazardous Waste Over Past Five Years

Year	Tons Collected	Total HHW Cost
2011	36,456	\$455,235
2012	35,928	\$391,979
2013	32,135	\$432,516
2014	31,022	\$382,753
2015	29,851	\$405,785

Local Business Enterprise (LBE): Not applicable