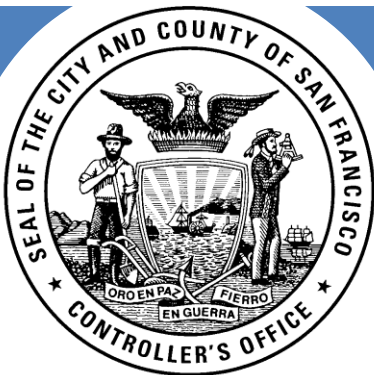


Refuse Rate Public Workshop



CITY & COUNTY OF SAN FRANCISCO

Office of the Controller, Office of the Refuse
Rates Administrator

March 14, 2023; 9:30-11:30am

I. Introduction

- Introduce Speakers
- Public Workshops Goals and How to Participate

II. Rate-Setting Process

- Background
- Rate-Setting Process Anticipated Schedule and Roles
- Components of Refuse Rates

III. City Program Proposal Overviews:

- Department of Environment
- Department of Public Works

IV. Rate Change Proposal: Recology

V. Q&A

VI. Next Steps and Resources

Goals

1. Provide information to ratepayers and members of the public:
 - Overview of the new rate-setting process
 - Share City refuse rate-related program proposals
 - Share Recology's Rate Change Request Proposal
2. Provide opportunity for ratepayers and members of the public to give input to the Refuse Rate Administrator to inform the Proposed Rate Order to be submitted to the Refuse Rate Board.

How to Participate

- During the presentations, members of the public may make written comments online. Depending on the volume, we will attempt to address as many written comments as possible.

<https://forms.office.com/g/h1UFMBbG69>

- At the end of the presentation, there will be opportunity for oral comment. Participants are asked to keep their comments under 2 minutes.

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Proposition F

In June 2022, San Francisco voters passed Proposition F, which established four principles with the purpose of creating a more fair, transparent, and accountable rate-setting process, while helping the City continue to pursue its Zero-Waste goals.

Refuse service shall be cost-effective and meet established service standards and environmental goals

Refuse rates structure shall encourage rate stability and ensure rates are reasonable and fair

The process used to establish and monitor rates shall be transparent, accountable, and publicly accessible

The work of the Refuse Rate Board and the City Controller, who shall act as Refuse Rate Administrator, shall be conducted in line with high professional ethical standards

Rate-Setting Process: Background

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There were five major changes made to the refuse-rate setting process through the initiative ordinance. Proposition F:

- Makes the Controller the Refuse Rate Administrator
- Removes the Controller from Refuse Rate Board and replaces the Controller with a Ratepayer Representative who will be recommended by The Utility Reform Network (TURN) and appointed by the Mayor.
- Restructures the refuse rate-setting process to replace hearings before the Department of Public Works (Director's Hearings) with a requirement that the Controller, as Refuse Rate Administrator, regularly monitor the rates and appear before the Refuse Rate Board to recommend rate adjustments.
- Authorizes the Refuse Rate Board to set commercial rates
- Authorizes the Board of Supervisors on recommendation of the Refuse Rate Administrator, Refuse Rate Board, and Mayor to amend the Refuse Ordinance by supermajority vote

Settlement Agreements

In addition to Proposition F's changes to the rate process, the City has reached two settlement agreements with Recology that benefit ratepayers.

March 2021 Settlement

Recology agreed to pay \$101 million in restitution, interest, and penalties to ratepayers affected by erroneous calculations in the 2017 Rate Application.

This includes \$86.6 million in overcharges and \$14.4 million in interest and penalties

December 2022 Settlement

In a settlement with the City, Recology agreed to deposit \$25 million into a balancing account, which will be used to stabilize rates.

In addition, the settlement stipulates that if specified real property is sold, then ratepayers will be reimbursed for past rent paid for those properties.

Public Integrity Reviews

The Office of the Refuse Rates Administrator will also be taking guidance from a set of Public Integrity Reviews conducted by the Office of the Controller:

- **April 2021:** Refuse Rate-Setting Process Lacks Transparency and Timely Safeguards

<https://openbook.sfgov.org/webreports/details3.aspx?id=2951>

- **May 2022:** Refuse Rate-Setting Process—Update Based on Additional Reviews and Meeting with Recology

<https://openbook.sfgov.org/webreports/details3.aspx?id=3093>

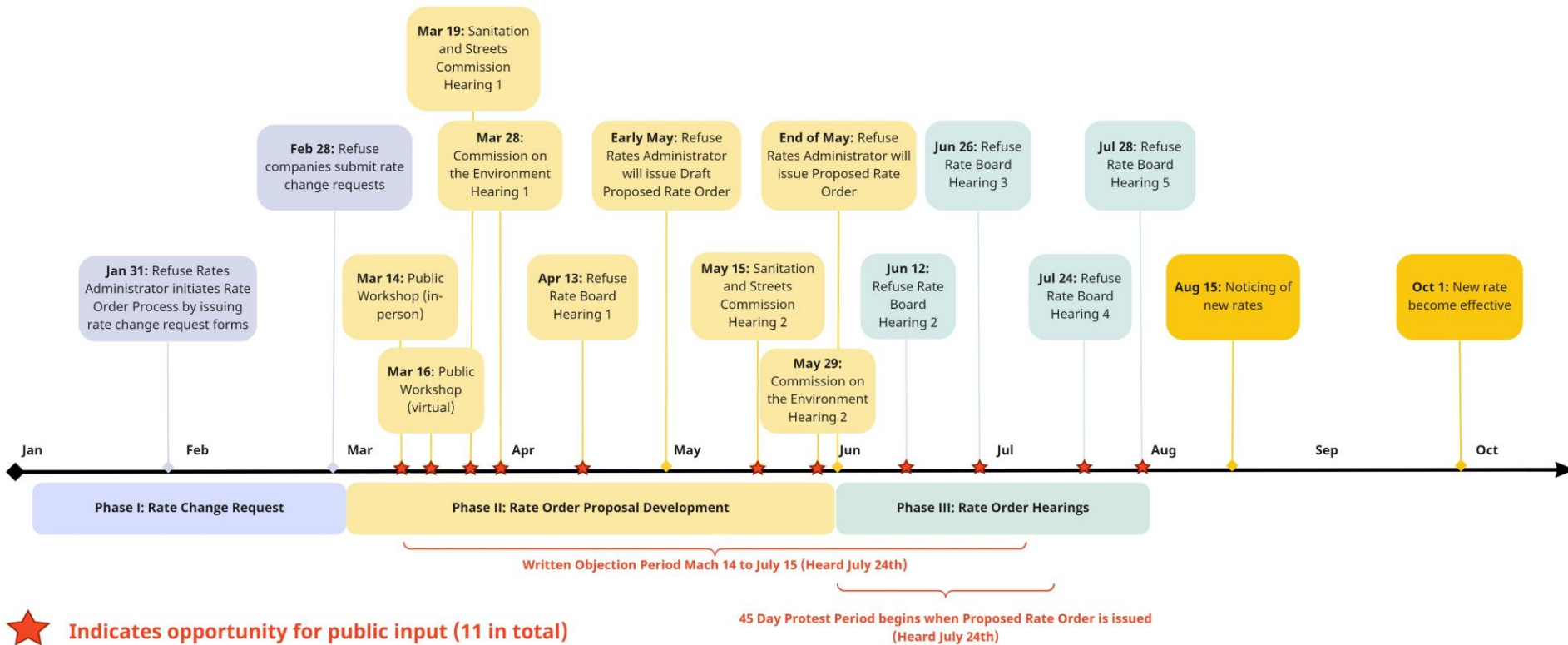
A third Public Integrity Review report related to an audit of the Landfill Agreement is pending release.

The main recommendations from the first two public integrity reviews include:

- **Ensure conduct and reporting at the highest standards of ethical conduct.**
- **Greater transparency in financial statements:** Reporting with total sources and total uses, expenses by allocation, schedules for owned and leased properties, schedules for intercompany charges, etc.
- **Clear and consistent rate-setting methodology:** Aligning rate year with fiscal year, feature clear prospective methodology, consistent methodology for calculation of profit margin, consistent methodology for real property and equipment expenses
- **Regularly conduct rate analyses of comparable jurisdictions' refuse collection rates by customer class and service type.**
- **Establish a balancing account for rate and profit stability**
- **Ensure public access to all information**

Rate-Setting Process: Anticipated Schedule

10



Rate-Setting Process: Roles

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Refuse Rate Setting Input and Other Considerations

Public Input

Ratepayers and members of the public

City Departments

Department of Public Works

Sanitation and Streets

Commission

San Francisco Environment
Department

*Commission on the
Environment*

Department of Public Health--
Environmental Health Division

Refuse Companies

Recology



Refuse Rate Monitoring, Recommendation and Adoption

Refuse Rate Monitoring and Recommendation

Refuse Rates Administrator

Refuse Rates Adoption

Refuse Rate Board



Adopted Rate Order

Rate-Setting Process: Roles

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Rate-Setting Input

Public Input

Public Workshops	<ul style="list-style-type: none"> Inform public on new rate-setting process Allow DPW and SFE to present rate-related program proposals Allow Recology to present rate change request. Provide opportunity for public input and questions
Commission Hearings	<ul style="list-style-type: none"> Allows Commission on Environment and Sanitation and Streets Commission to weigh-in on the proposed Rate Order, department program proposals, and Recology's rate change request. Allows public input on refuse rates
Refuse Rate Board Hearings	<ul style="list-style-type: none"> Refuse Rate Board will hear the Refuse Rate Administrator's proposed Rate Order. These hearings will provide opportunity for public input as well as official objections or protests to the proposed refuse rate order.
Written Objection/ Protest	<ul style="list-style-type: none"> Opportunity for the public to make formal written objections or ratepayers to make written protests to the refuse rates, which will be addressed by the Refuse Rate Board.

City Departments and Commissions

Department of Public Works (DPW)	<ul style="list-style-type: none"> Receives funding from Solid Waste Impound Account. Uses funding for Citywide refuse-related cleaning services (collection and disposal of refuse and recyclables on streets, management of City refuse receptacles)
Sanitation and Streets Commission (SAS)	<ul style="list-style-type: none"> Hears information presented by Refuse Rates Administrator related to rate-setting. Hears refuse-related proposals from DPW.
San Francisco Environment Department (SFE)	<ul style="list-style-type: none"> Receives funding from Solid Waste Impound Account for implementation of programs related to zero waste, toxics, and consumption-based emissions in the 2021 Climate Action Plan. Considers and monitors Zero Waste goals and targets, including collection, processing, and disposal tonnage, and mandatory adequate service compliance Manages refuse disposal contract
Commission on the Environment (COE)	<ul style="list-style-type: none"> Hears information presented by Refuse Rates Administrator related to rate-setting. Hears refuse-related proposals from SFE.
Department of Public Health	<ul style="list-style-type: none"> Ensures adequate refuse services are provided by licensed collector on the designated routes by issuing Refuse Collector Licenses and Route Permits Respond to public complaints associated with refuse collections

Refuse Companies

Rate Change Request	<ul style="list-style-type: none"> Refuse companies may submit rate change requests based on a series of schedules issued by the Refuse Rates Administrator Rate change requests should outline revenues and costs for providing services to ratepayers with an assumed level of profit margin.
Rate Board and Commission Hearings	<ul style="list-style-type: none"> Refuse companies will have opportunities to provide input during the Rate Board and COE and SAS Commission hearings.

Refuse Rate Monitoring, Recommendations and Adoption

Refuse Rate Monitoring and Recommendations

The Refuse Rates Administrator has four primary responsibilities:

- Proposing refuse rates to the Refuse Rate Board
- Monitoring financial and operational performance of refuse companies
- Performing studies and investigations
- Advising the Refuse Rates Board to ensure rates are just and reasonable while taking into account service standards and environmental goals.

Refuse Rate Adoption

The Refuse Rate Board is chaired by the City Administrator and includes the General Manager of the SFPUC and a Ratepayer Representative. the Rate Board has two primary responsibilities:

- The Rate Board must conduct public hearings for the Refuse Rates Administrator's rate proposal and is responsible for adopting a rate order based on evidence and record made during public hearings with the goal of maintaining rate stability and accountability.
- The Rate Board must adopt performance standards for the refuse companies.

In addition, the Rate Board can request studies or investigations and obtain financial audits of regulated revenues and expenses of refuse companies.

Components of the Rates

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Refuse rates are outlined across six rate schedules. Rate terms last a minimum of 2 years and a maximum of 5 years. Agreed upon automatic Cost-of-Living Adjustments (COLA) may be applied between rate terms.

City Regulated Uniform Rates

Residential Refuse Rates	<ul style="list-style-type: none">• Rates apply to residential buildings with 5 units or less, including single family homes.• Flat base charge per dwelling unit• Bin rates for trash, recycling, and composting• Includes rates for distance, elevation, and access/key charges
Apartment Buildings (6+ Units)	<ul style="list-style-type: none">• Rates apply to residential buildings with 6 units or more• Flat base charge per dwelling unit• Bin rates for trash, recycling, and compost• Includes rates for distance, access, and special service charges (e.g. trap door)• Diversion discounts may apply
Tipping Fee	<ul style="list-style-type: none">• A per ton fee for refuse delivered to Recology San Francisco facilities

Recology Set Uniform, Negotiated, and Other Rates

Commercial Refuse Rates	<ul style="list-style-type: none">• Uniform rates based on bin size and frequency for all commercial ratepayers• Charges for additional cardboard pickup• Additional fees related to cart placement, access, or excess weight• Diversion discounts may apply
Compactor and Debris Box Rates	<ul style="list-style-type: none">• Disposal charge based on weight• Transportation charge based on geographical zone• Container rotation charge
Extra Services Refuse Rates	<ul style="list-style-type: none">• Cardboard pickup charges• Extra bin pickup charges• Maintenance/Cart replacement charges

Rate-Setting Process: Components of the Rates

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Past practice for rate-setting begins with determining rate-eligibility for costs and revenues. Rate-eligible costs are then determined for profit eligibility. Once categorization of costs and revenues are determined, past practice requires a calculation of Operating Ratio (OR). For purposes of this presentation, we will present the inverse of the OR, which is the Allowable Profit Margin, which includes three main considerations for refuse rate setting:

1. **Allowable Profit Margin:** The Refuse Rate Administrator may propose a reasonable profit margin for Rate Board consideration.

$$\text{Allowable Profit Margin} = \text{Net Profit} / \text{Rate-Eligible Revenue Requirement}$$

2. **Net Profit:** Operating ratio and resulting net profit on eligible expenditures and associated revenues.

3. **Rate-eligible Revenue Requirement:** This is the amount of revenue needed to be generated by rate-eligible services in order to cover costs and generate the allowable profit.

$$\text{Rate-Eligible Revenue Requirement}$$

$$= \text{Eligible Expenditures} + \text{Allowable Profit}$$

All rate-setting variables are projected, some of which are controllable and some of which are not. The percent difference between the projected revenue at current rates and the Rate-Eligible Revenue Requirement will determine the change to the refuse rates and tipping fee.

Past rates have included costs to fund the Zero Waste Incentive Account and the Solid Waste Fee Impound Account.

- **Zero Waste Incentive Account:** This is a waste diversion incentive account that Recology could draw down if certain diversion targets were met. This account generates approximately \$8 million per year. Meeting all targets would equal an additional 2% in profit margin.
- **Solid Waste Fee Impound Account:** This account funds select services at the City's Department of Public Works and the Environment Department, which include Citywide refuse-related cleaning services at Public Works and services to support meeting the City's Zero Waste Goals at Environment Department.

As a result of the settlement reached in December 2022, the next rate setting cycle will include consideration of the balancing account and other settlement provisions.

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San Francisco Environment Refuse Rate Priorities

Refuse Rate Public Workshop
March 14, 2023

SAN FRANCISCO
ENVIRONMENT
DEPARTMENT

An aerial photograph of San Francisco, California, showing the city's dense urban landscape. The foreground features a winding road and a green field. The middle ground is filled with a dense residential area with colorful houses. The background shows the city's skyline with numerous skyscrapers, including the Transamerica Pyramid, and the San Francisco Bay with the Golden Gate Bridge visible in the distance. The text "Our mission is to provide solutions that advance climate protection and enhance quality of life for all San Franciscans." is overlaid in white on the middle ground.

Our mission is to provide solutions that advance climate protection and enhance quality of life for all San Franciscans.

2021 Climate Action Plan



ENERGY
SUPPLY



TRANSPORTATION
& LAND USE



HOUSING



BUILDING
OPERATIONS



RESPONSIBLE
PRODUCTION &
CONSUMPTION



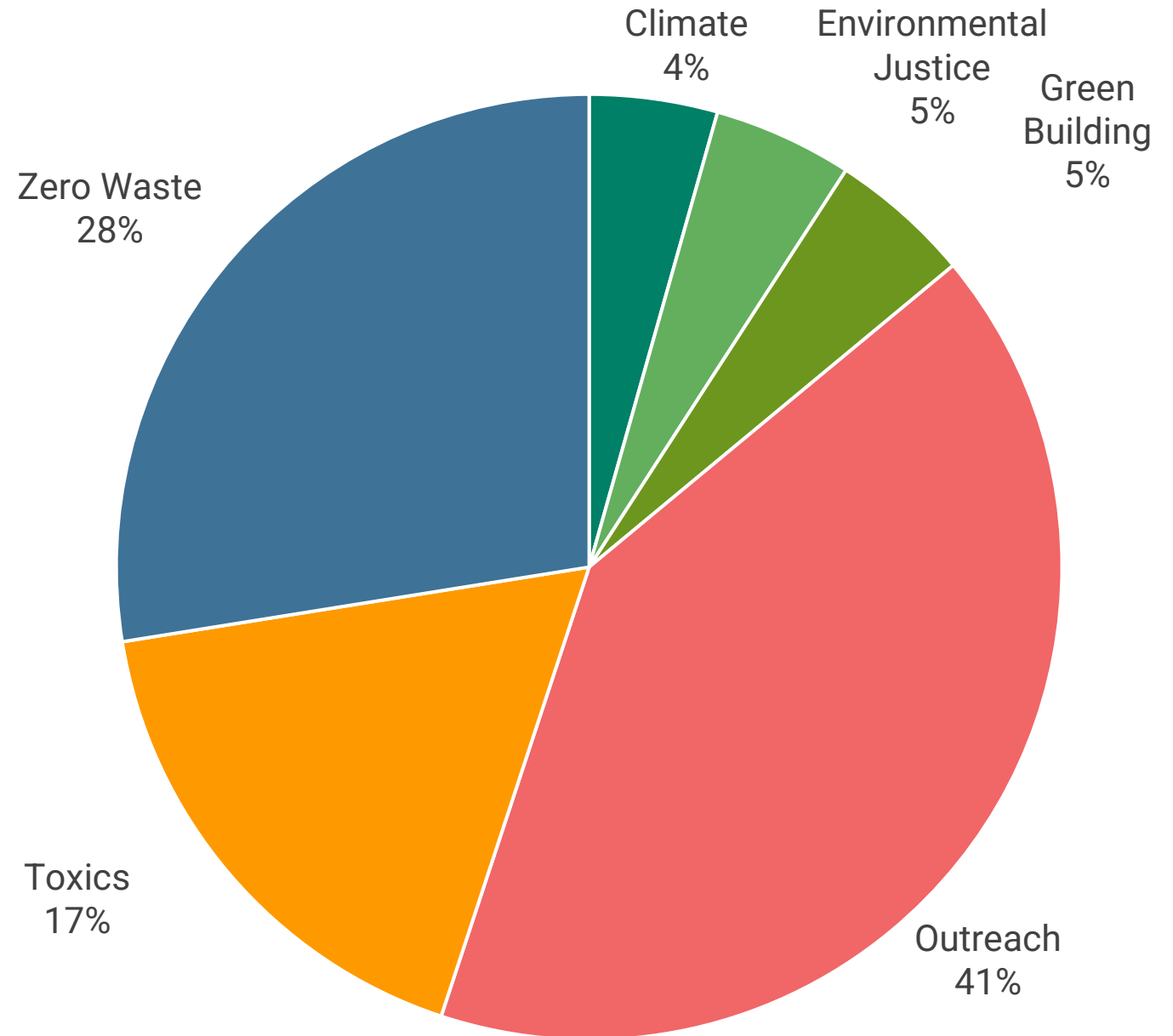
HEALTHY
ECOSYSTEMS

SFClimateAction.org

Refuse Rate Impound Budget for SFE

RYE 24: \$14.7 m

RYE 25: \$15.1 m



SFE Program	RY 2023 - 2024 Impound	RY 2024 - 2025 Impound
Zero Waste	\$ 4,045,932	\$ 4,139,899
Toxics	\$ 2,563,242	\$ 2,637,108
Climate	\$ 645,018	\$ 664,159
Environmental Justice	\$ 701,557	\$ 723,347
Green Building	\$ 713,398	\$ 733,473
Outreach	\$ 6,041,217	\$ 6,189,941
Total Expenses:	\$ 14,710,364	\$ 15,087,927

SFE Impound Budget for RYE24 and RYE25



Zero Waste:

- Reduce generation of discards by 15% by 2030
- Reduce disposal by 50% by 2030
- Local & State Mandates
- 11.75 FTE
- RYE 24: \$4M, RYE 25: \$4.1M



No bin

Hazardous waste ›

Household products ›

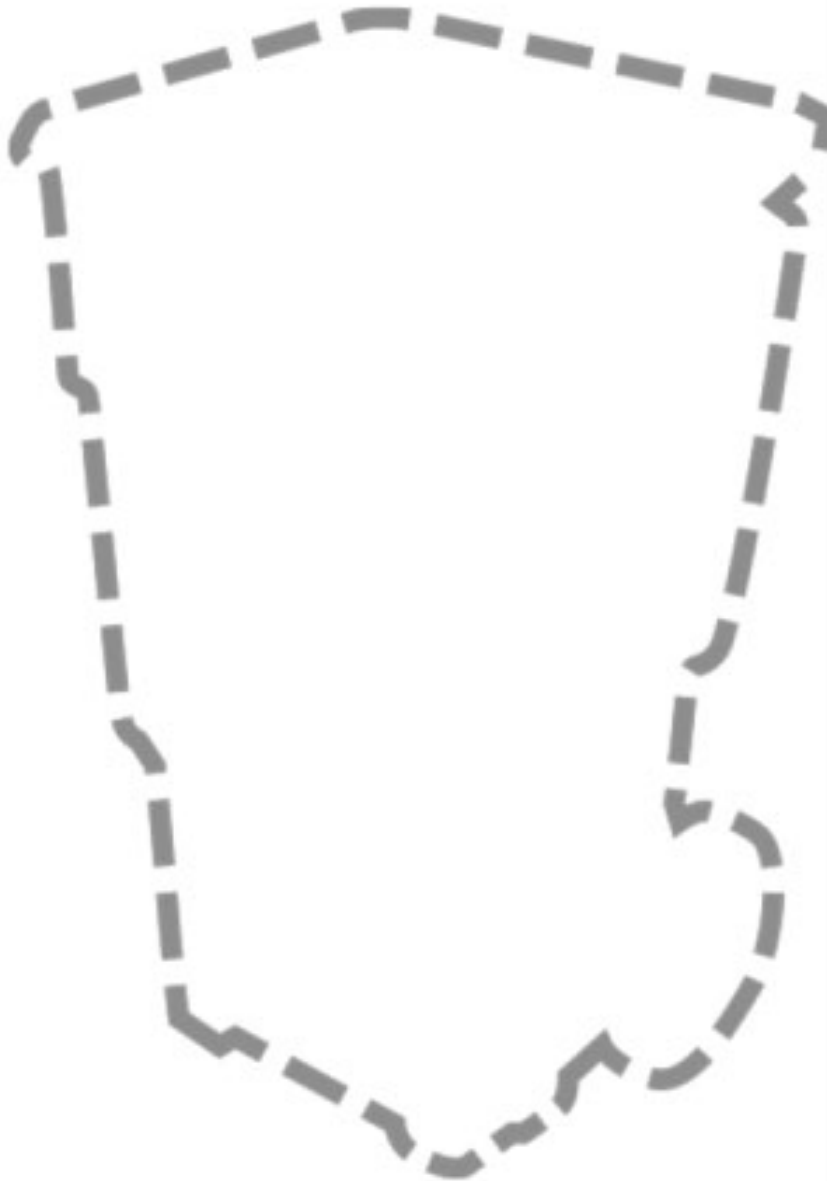
Bulky items ›

Medicine ›

Batteries ›

Electronics ›

Reuse ›



Toxics Reduction: Proper Disposal & Safer Alternatives

- Collection programs
- Producer responsibility
- Compliance
- Green Business Program
- 11 FTE
- RYE 24: \$2.5M, RYE: \$2.6M

Green Building:

- Environment Code Chapters 7 & 14, and CalGreen compliance
- Building material reuse
- 2.5 FTE
- RYE 24: \$713K, RYE 25: \$733K



Credit: Microsoft 365 stock



Environmental Justice:

- Addressing intersectional equity impact of programs and policies
- Direct outreach to affordable housing properties
- 3 FTE
- RYE 24: \$702K, RYE 25: \$733K

Climate:

- 2021 Climate Action Plan
- Consumption-based emissions inventory
- 2.5 FTE
- RYE 24: \$645K, RYE 25: \$664K



Credit: Derick Daily



重複使用

因為使用一次性用品從來都不好看。

Credit: MLT

REUSE-SF.ORG

Outreach:

- Comprehensive outreach, promotion, marketing and field engagement
- School education
- Extra focus on underserved communities and in language
- 19 FTE
- RYE 24: \$6M, RYE 25: \$6.2M

Priorities for Recology

- State and local policy compliance
- Improved outreach
- In-language customer service
- Reduce contamination and increase recovery
- Zero Waste Incentive
- Trash Processing Testing





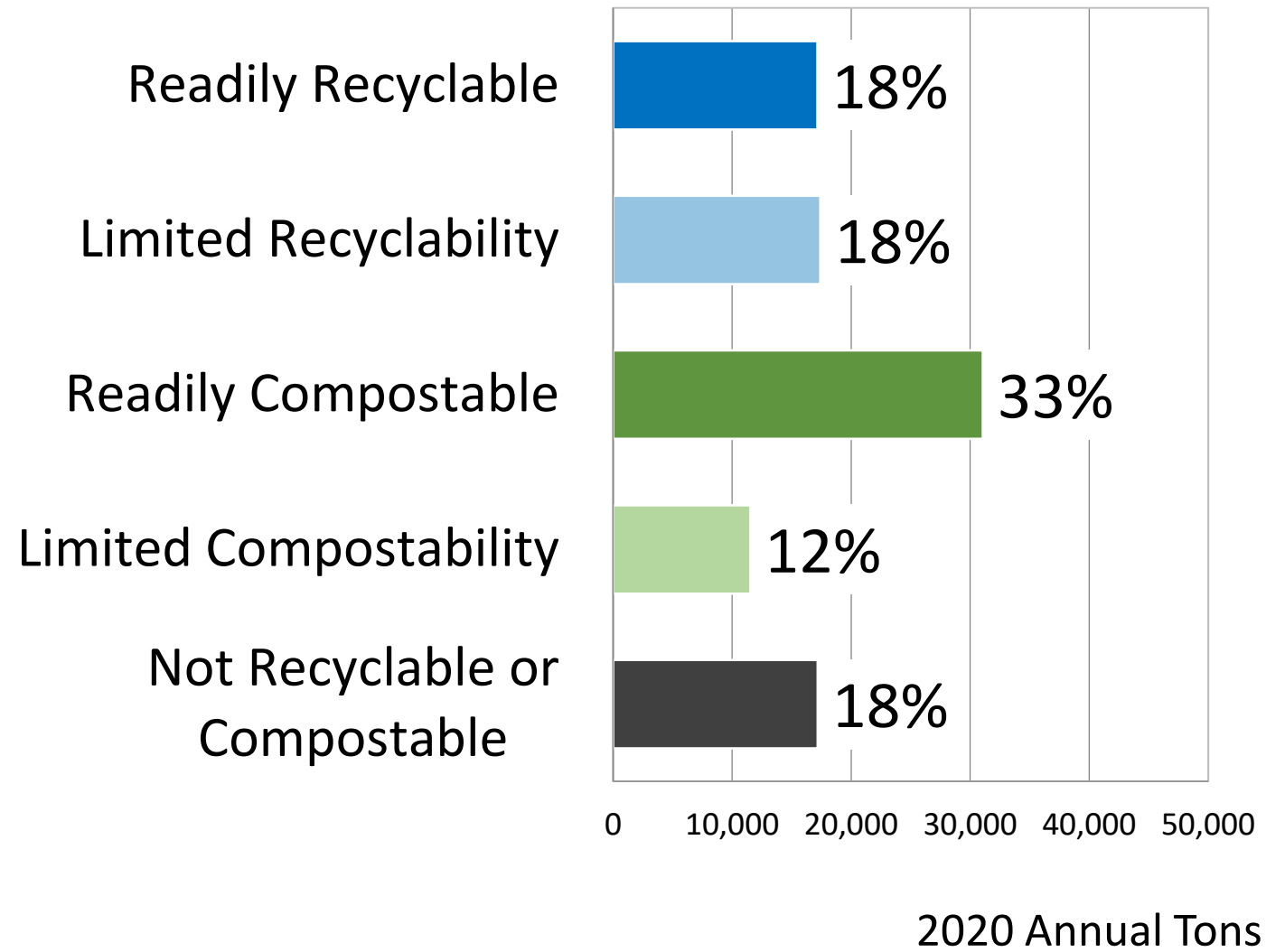
Zero Waste Incentive

- Current 39% recovery by Recology
- 2030 target 70% recovery
- 4 “tiers” or recovery levels per rate year
- RYE 24 Tiers: 41%, 42%, 43%, 44%
- RYE 25 Tiers: 44%, 45%, 46%, 47%
- Rate payer credit for T1 and 2 if not met

SFE

Credit: SFE staff

Trash Processing Testing



Thank you!

Jack Macy

Zero Waste Program Manager

San Francisco Environment Department

[SFEnvironment.org](https://sfenvironment.org)

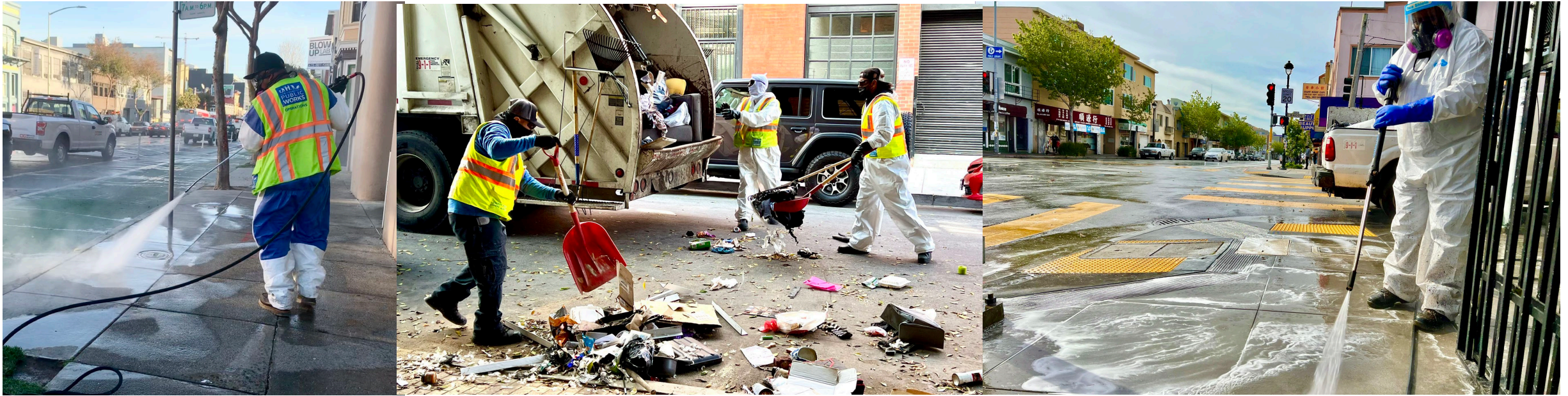


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Refuse Rate Public Workshop

Bruce Robertson

Deputy Director of Financial Management and Administration

March 14, 2023

Refuse Rate Goals

- **Continued Funding for ongoing programs**
 - Outreach and Enforcement (OnE) Team
 - Litter Patrol
 - Trash can cleaning
 - Bulky item pickup (residential)
 - Abandoned materials (sidewalk & streets)
 - Proactive illegal dumping operation (Bayview)
- **Procurement of new Trashcans and sensors**
 - Use of fund balance and prior-year savings
- **Funding for Trash Can Manager**
 - 1824 – Trash Can Manager position
- **Clarify Roles & Memorialize Expectations**
 - Litter and illegal dumping removal within 5-foot area around trash cans
 - Clarify self haul language of refuse
 - Frequency of trash can service
 - Improve tracking and monitoring of performance
 - Trash can maintenance and repairs



Refuse Rate Funding for Public Works – Detailed Budget

Fund	14000						
Dept ID	207956						
Project	10034422						
Authority	20680						
				Change Type			
Activity	Activity Title	Account	Account Lvl 5 Title	One-Time	On-Going	Grand Total	Notes
0001	PW Operating	506070	5060ProgPr	(11,900,000)	6,720,284	(5,179,716)	SES Litter and OnE Team. The reduction of \$11.9M is prior year savings moving to M&S.
		527000	5210NPSvcs	-	-	-	
		538000	5380CityGP	-	-	-	
		540000	5400Mat&Su	-	-	-	
0023	PW SWIA - Rate App Analysis	506070	5060ProgPr		167,953	167,953	PW SWIA Analyst
0024	PW SWIA - Refuse Can Cleaning	538000	5380CityGP		1,679,528	1,679,528	Grants - Can Cleaning
0025	PW SWIA - Refuse Can Replacemt	506070	5060ProgPr		94,054	94,054	SES Can Replacement (baseline labor
		540000	5400Mat&Su	15,000,000	846,482	15,846,482	New Cans
Expenditure Total				3,100,000	9,508,301	12,608,301	
0001	PW Operating	460148	4600C4Svcs	-	9,508,301	9,508,301	Baseline
		499999	49990BegFB	3,100,000		3,100,000	Use of Fund Balance
Revenue Total				3,100,000	9,508,301	12,608,301	

* Not showing the funding for the new 1824 Trash Can Manager position

Refuse Rate Funding for Public Works – Labor (\$6.7M)

- **Outreach and Enforcement (OnE) Team**

- 10.0 FTE
- Started in 2013
- The team is responsible for
 - educating merchants, property owners and residents of their rights and responsibilities regarding street and sidewalk cleanliness and enforcing City codes to ensure sanitation standards are met.

- **Additional Cleaning Staff**

- 16.0 FTE
- 7514 General Laborers and 7355 Truck Drivers
- Responsible for litter patrol and block cleaners

- **Labor Costs for Trash Can Replacement Work**

- Funding for Public Works labor associated with replacement of trash cans



Refuse Rate Funding for Public Works – Non-Labor (\$2.8M)

- **Trash Can Steam Cleaning**

- Started in 2017 rate process
- \$1.7M in funding for routine cleaning trash cans citywide
- Provided by Community Youth Center of San Francisco (CYC)
- Services include:
 - Pressure washing of trash cans and surrounding area
 - Litter reduction sidewalk sweeping of areas surrounding trash cans
 - Notifying Public Works of graffiti and malfunctioning and damaged trash cans

- **Trashcan Maintenance**

- 3,300 trash cans Citywide
- \$940K in funding for maintenance of existing trash cans
- Funding to begin process of replacing existing trash cans

- **Refuse Rate Analytical Support Services**

- \$168k for analytical support of refuse rates



Refuse Rate Funding for Public Works – New Requests

- **FY 2023-24 Public Works Proposed Budget**

- New 1824 Principal Administrative Analyst Position
 - \$170K
 - New funding request to be included in October 2023 refuse rate process
 - Trash can administrator position to monitor and ensure cleaning, tracking, pickup and monitoring of all 3,300 trash cans citywide
 - Monitor installation and damage of trash cans
- New trash can redesign needed to address
 - Durability issues (locks and hinges)
 - Degrading material of existing cans
 - Rummaging problems
- Expand use of trash can sensors
 - Amount TBD, included in new trash can budget
 - No new funding request to be included in upcoming rate process



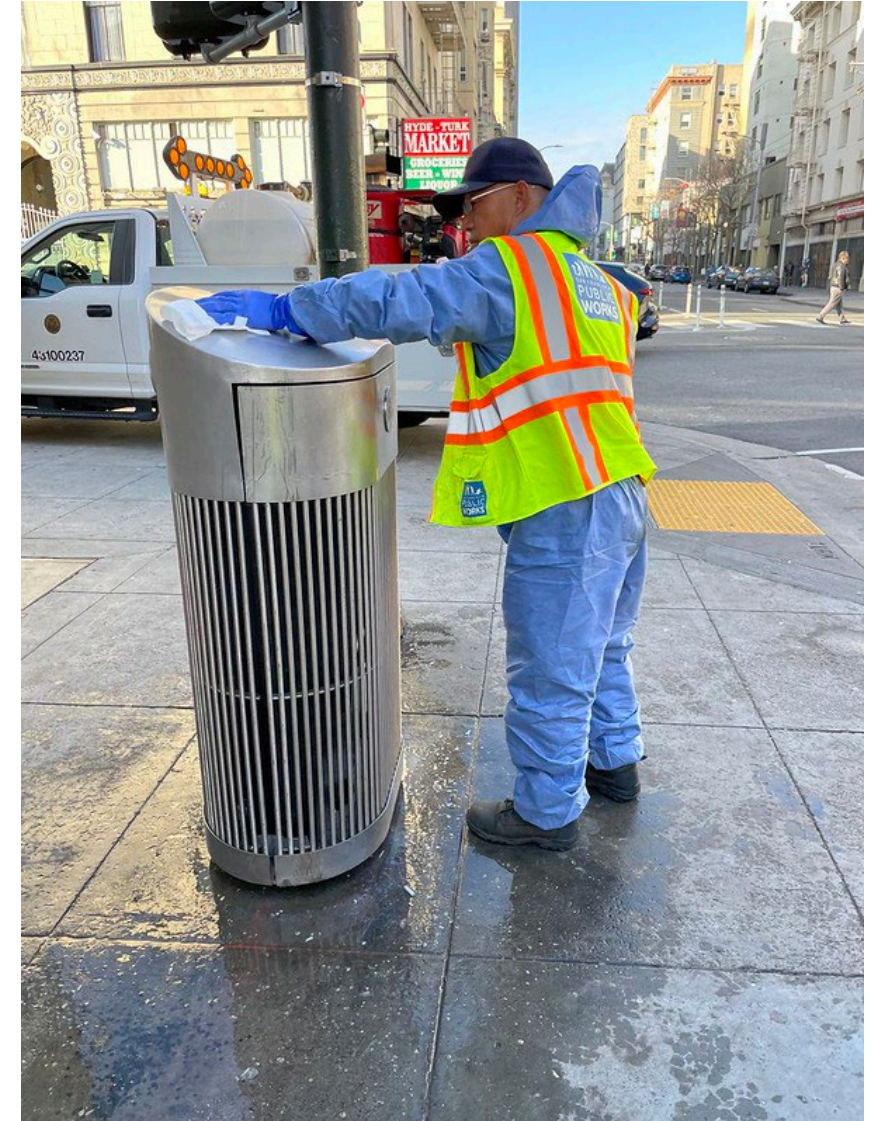
Refuse Rate Funding for Public Works – Trash Cans

- **Trash Can Pilot**
 - Performance criteria
 - Rummage-resistant and tamper-proof
 - Easy to service and maintain
 - Sensor-ready
 - Accommodates 32-gallon rolling liner
 - Durable
 - 52 locations for trash can pilot
 - Two-month outreach strategy
 - 1,027 responses
 - 66K responses on social media
 - Stakeholder feedback
 - Recology
 - Public Works
 - Community Benefit Districts
- **Model that Met the Most Selection Criteria**
 - Slim Silhouette



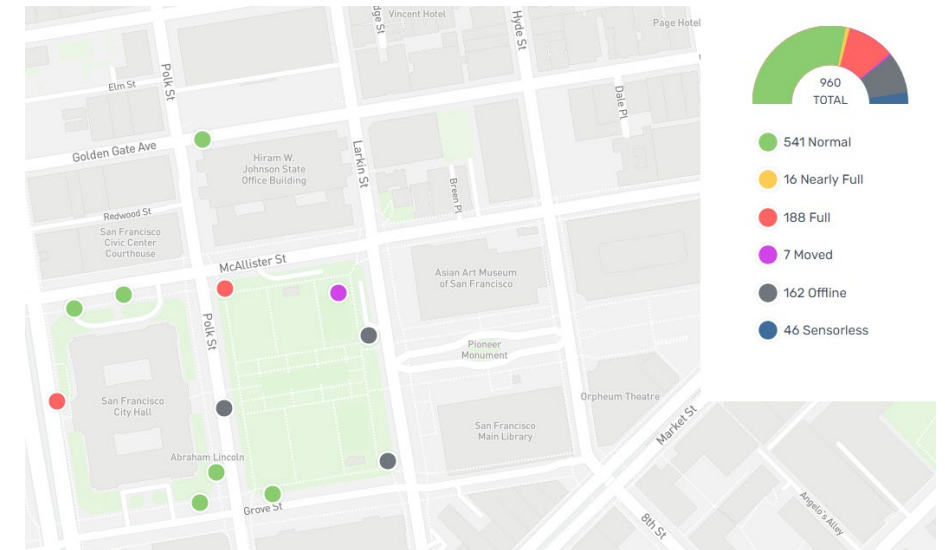
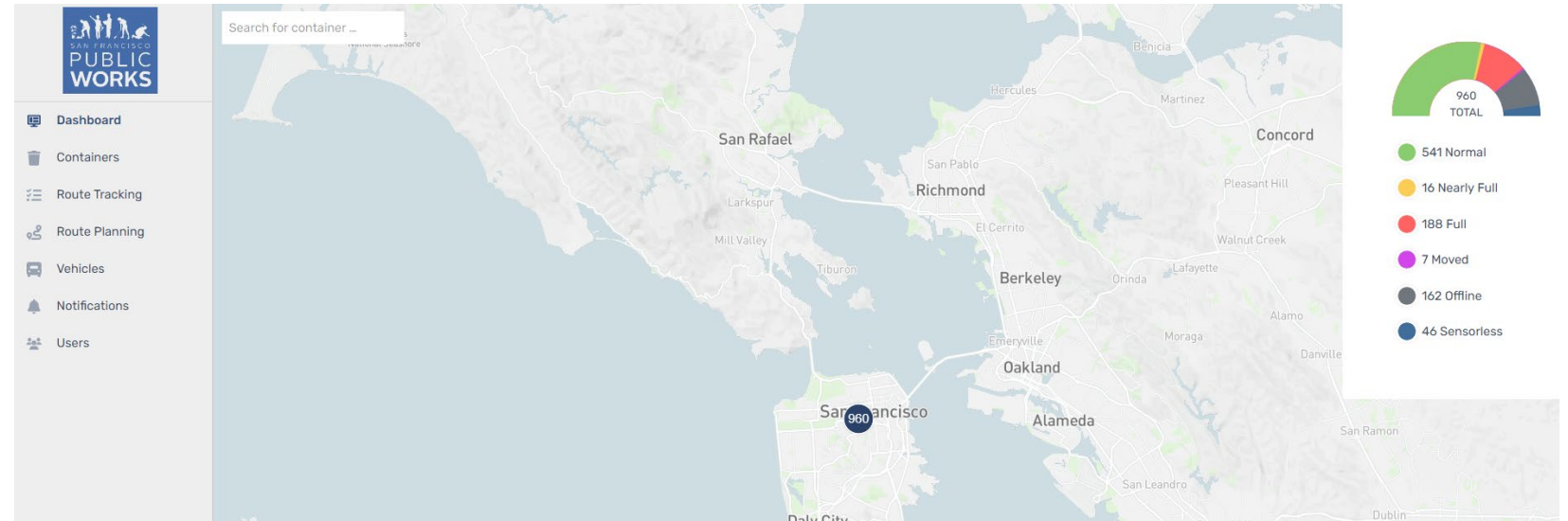
Refuse Rate Funding for Public Works – Trash Cans

- **Funding - \$15M**
 - No additional impact on future rates
 - Use of fund balance (\$3.1M)
 - Use of prior-year savings (\$11.9M)
- **Next Steps**
 - Issue RFP
 - RFP will contain detailed design specifications
 - Manufacturer will do shop drawings
 - Manufacturer most likely will need to build prototypes and have an iterative design process related to fabrication methods
 - Seek Approvals
 - Board of Supervisors (Contract over \$10M)
 - Civic Design Review
 - Planning (Historic Preservation)
 - Outline next steps
 - SAS Commission
 - Public hearing



Refuse Rate Funding for Public Works – Trash Can Sensors

- Public Works has implemented 960 trash can sensors throughout the City in major commercial corridors.
- Sensors monitor bin fullness, temperature and fill rates to identify fill rates and identify rubbish-generation patterns
- Goal is to mitigate container overflow, reduce number of collections, optimize operations and improve efficiency.
- Evaluating efficacy



City overview and snapshot of trashcans near City Hall

Source: Nordsense Public Works website

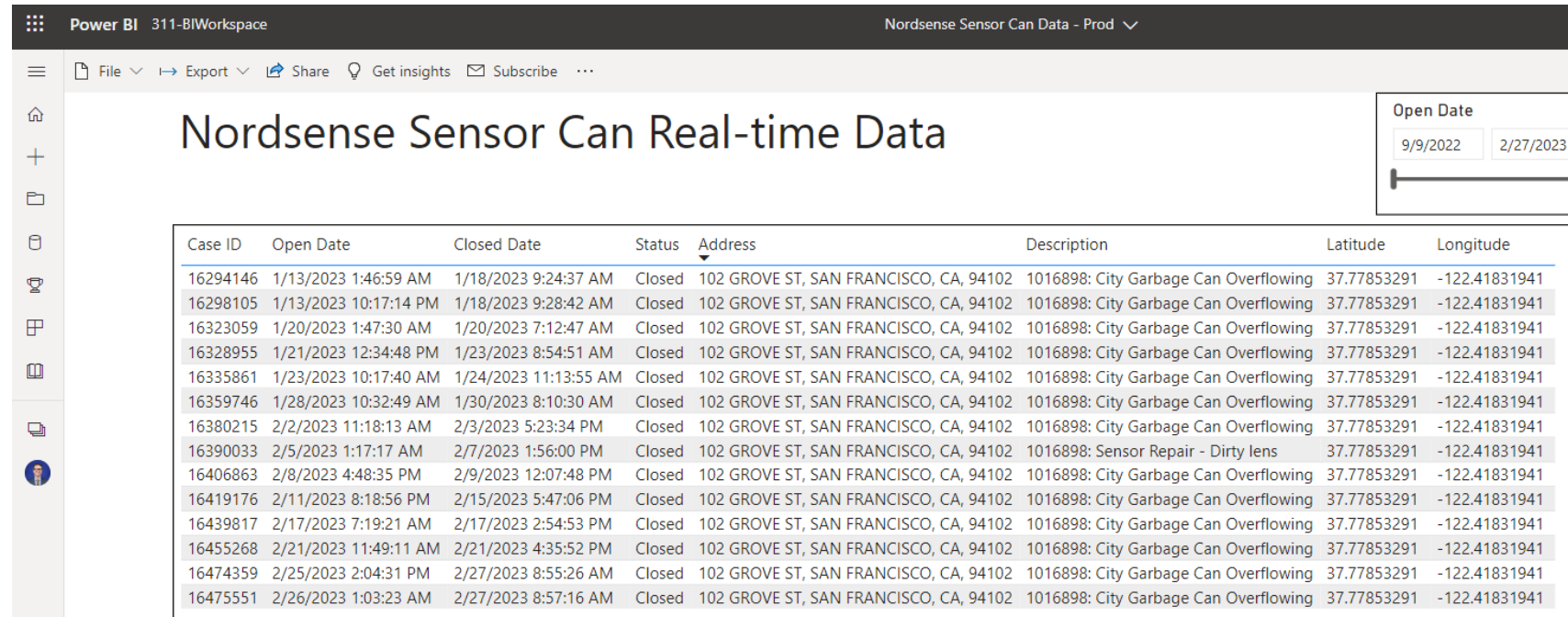
Refuse Rate Funding for Public Works – Trash Can Sensors

- Data tracking and analysis of trash can pickup
- Provides data for specific Trashcan
 - Example – 102 Grove Street
- Sensors will send a 311 request to Recology indicating that a can needs to be emptied



Refuse Rate Funding for Public Works – Trash Can Sensors

- Auto-generated 311 requests are tracked in PowerBI to track and monitor response times.
- Evaluating efficacy now but will likely expand to all trash cans
- Trend analysis
- Sample data for 102 Grove St trashcan



Power BI 311-BIWorkspace Nordsense Sensor Can Data - Prod

File Export Share Get insights Subscribe

Nordsense Sensor Can Real-time Data

Open Date: 9/9/2022 to 2/27/2023

Case ID	Open Date	Closed Date	Status	Address	Description	Latitude	Longitude
16294146	1/13/2023 1:46:59 AM	1/18/2023 9:24:37 AM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16298105	1/13/2023 10:17:14 PM	1/18/2023 9:28:42 AM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16323059	1/20/2023 1:47:30 AM	1/20/2023 7:12:47 AM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16328955	1/21/2023 12:34:48 PM	1/23/2023 8:54:51 AM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16335861	1/23/2023 10:17:40 AM	1/24/2023 11:13:55 AM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16359746	1/28/2023 10:32:49 AM	1/30/2023 8:10:30 AM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16380215	2/2/2023 11:18:13 AM	2/3/2023 5:23:34 PM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16390033	2/5/2023 1:17:17 AM	2/7/2023 1:56:00 PM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: Sensor Repair - Dirty lens	37.77853291	-122.41831941
16406863	2/8/2023 4:48:35 PM	2/9/2023 12:07:48 PM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16419176	2/11/2023 8:18:56 PM	2/15/2023 5:47:06 PM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16439817	2/17/2023 7:19:21 AM	2/17/2023 2:54:53 PM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16455268	2/21/2023 11:49:11 AM	2/21/2023 4:35:52 PM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16474359	2/25/2023 2:04:31 PM	2/27/2023 8:55:26 AM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941
16475551	2/26/2023 1:03:23 AM	2/27/2023 8:57:16 AM	Closed	102 GROVE ST, SAN FRANCISCO, CA, 94102	1016898: City Garbage Can Overflowing	37.77853291	-122.41831941

Source: PowerBI of 311 Service Orders of Recology response to Nordsense sensor generated requests

Questions?





Rate Change Request

Refuse Rates Workshops

Tuesday, March 14, 2023

Thursday, March 16, 2023



Introduction

Agenda

1. Commitment to San Francisco
2. Programs Serving Ratepayers
3. Business Impacts
4. Rate Change Request
5. Residential Rate Sample and Comparison
6. Question and Answer Period

Commitment to San Francisco

Provide excellent service and enhance the programs that help keep San Francisco clean and support the City's climate action goals at fair and competitive rates.

Programs Serving Ratepayers

Three-stream collection service

Keeping San Francisco Clean

- Abandoned materials collection
- Public receptacle service
- Bulky item recycling program
- District clean-up events

Climate Action & Outreach

- Recycling processing facilities
- Diversion support for customers
- Compost giveaways
- Household hazardous waste pick-up

Program Enhancements

Increased Abandoned Materials Collection

The SF Recology Companies propose additional abandoned materials service to address debris in the public right of way

Program Enhancements

Increased Public Receptacle Service

The SF Recology Companies propose increasing weekday and weekend service to public trash receptacles (also known as “city cans”)

Program Enhancements

Contamination Management

The SF Recology Companies propose increased customer outreach and investment in contamination monitoring and processing capability to support San Francisco's diversion program

Business Impacts

Reduction in commercial activity

Pandemic decreased economic activity

San Francisco's delayed recovery

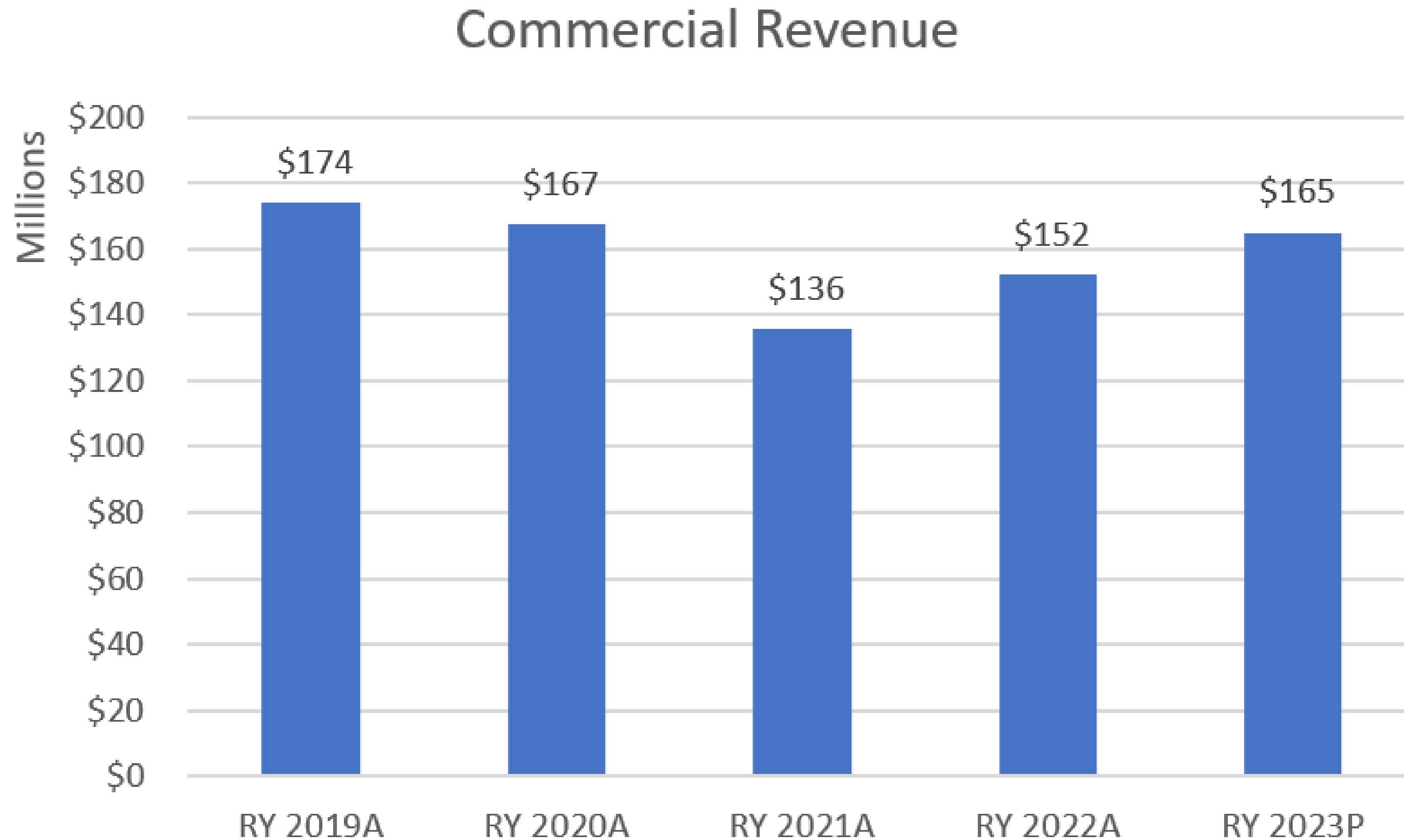
Reduction in tonnage

Recology San Francisco (RSF) receiving less tonnage

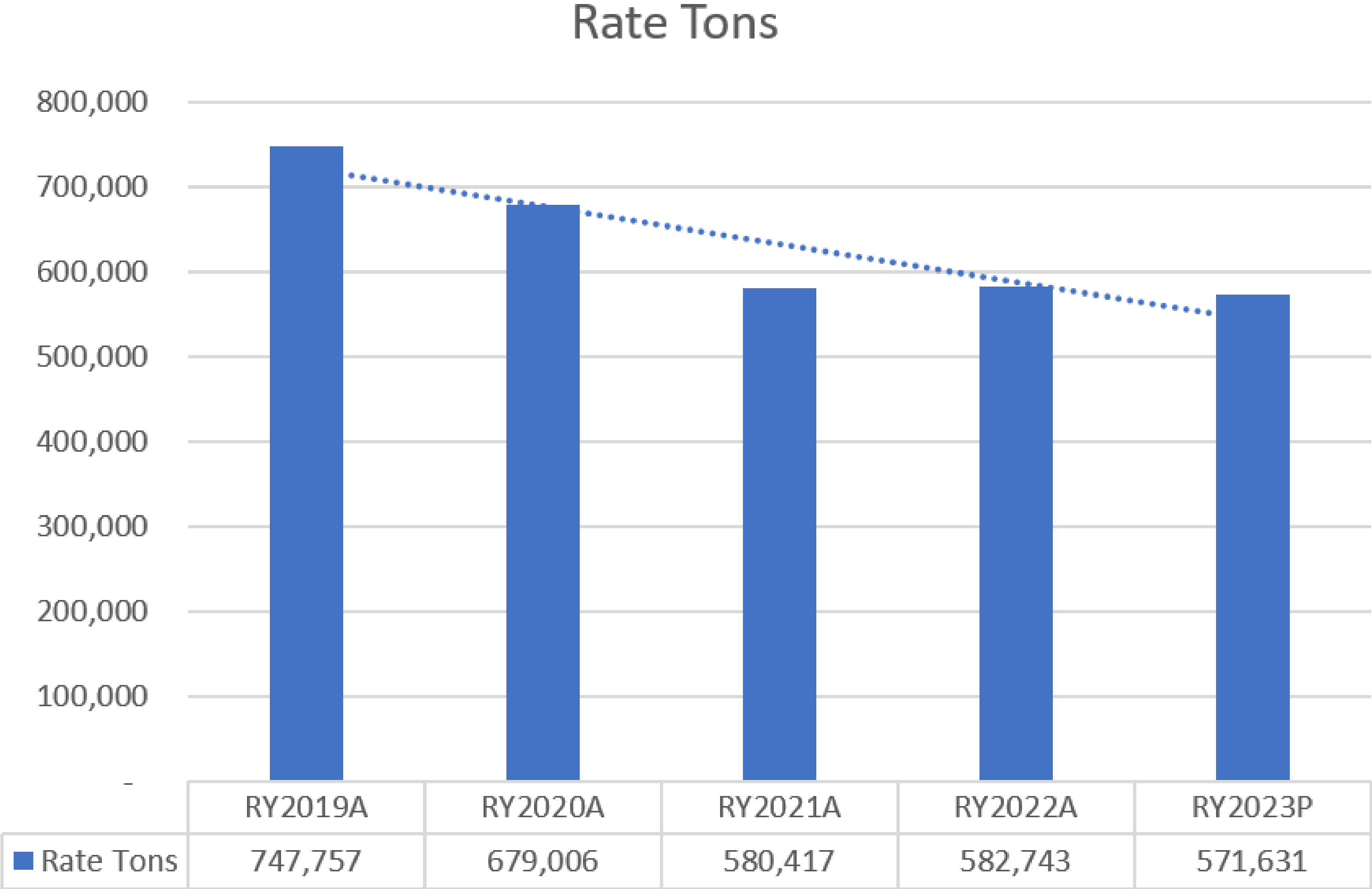
Increases in variable costs

Inflationary related increases to labor and other expenses

Business Impacts



Business Impacts



Business Impacts



Rate Change Request

Collection Rate Increase

	Ry 2024	Ry 2025
Annual Increase	3.90%	2.17%

Rate Change Request

RSF Tipping Fee Increase

	Ry 2024	Ry 2025
RSF Tipping Fee Increase	16.36%	0.08%

Residential Rate Standard Service

	Default Service Level	RY 2023 Rates	New RY 2024 Rates	New RY 2025 Rates
Component	Volume (gallons)	Charge (Current)	Charge (3.90% increase)	Charge (2.17% increase)
Unit charge	--	\$17.55	\$18.23	\$18.63
Trash (grey)	16	\$7.33	\$7.62	\$7.79
Recycling (blue)	64	\$14.66	\$15.24	\$15.58
Organics (green)	32	\$7.33	\$7.62	\$7.79
Monthly charge	--	\$46.87	\$48.71	\$49.79

Residential Rate Market Comparison

Even after proposed increases, residential rates are below nearby comparable cities

	Current	Oct-24	Oct-25
San Francisco	\$46.87	\$48.71	\$49.79
Oakland	\$55.24		
San Jose	\$54.69		



Thank you



Public Comment and Questions

Next Steps

- Complete review of Recology's Rate Change Request
- Conduct Analyses
- Draft Proposed Rate Order
- Present to Commissions
- Rate Board Hearings

Resources

- Office of the Refuse Rate Administrator Website:
<https://sf.gov/departments/office-refuse-rates-administrator>
- Written Comment or Objection:
<https://forms.office.com/g/h1UFMBbG69>
- Public Information Requests:
<https://sanfrancisco.nextrequest.com/requests/new>