



## City Council Report

915 I Street, 1<sup>st</sup> Floor

Sacramento, CA 95814

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**File ID:** 2019-01376

**December 3, 2019**

**Public Hearing Item 23**

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**Title: Ordinance Amending City's Fee and Charge Report for Recycling and Solid Waste Utility Service Rates [Passed for Publication 10/22/2019; Noticed 10/11/2019 & 10/15/2019; Published 10/25/2019] {Continued from 11/05/2019}**

**Location:** Citywide

**Recommendation:** Conduct a public hearing and upon conclusion, adopt an Ordinance amending the City's Fee and Charge Report to increase Recycling and Solid Waste rates, consisting of an increase of 7.43%, 7.47%, 7.49% and 7.51% for FY2019/20, FY2020/21, FY2021/22, and FY2022/23 respectively.

**Contact:** Jerome Council, Integrated Waste General Manager, (916) 808-4949; Janice Conerly-Coleman, Support Services Manager (916) 808-2683, Department of Public Works

**Presenter:** Jerome Council, Integrated Waste General Manager, (916) 808-4949, Department of Public Works

**Attachments:**

1-Description/Analysis

2-Ordinance

3-Exhibit A – Recycling and Solid Waste Rates (Clean)

4-Exhibit B – Recycling and Solid Waste Rates (Redline)

5-Exhibit C – Proposition 218 Protest Results

6-Exhibit D – Recycling and Solid Waste 2019 Rate Proposal Outreach Summary

## Description/Analysis

**Issue Detail:** Current Recycling and Solid Waste (RSW) rates for garbage, recycling, and yard waste were set in 2015 for a three-year span through 2018 to align revenues with expenditures. RSW is into the second year without rate adjustments under the previous rates, and expenditures are exceeding revenues. The use of fund balance (prudent reserves) is helping to bridge the gap; however, the fund balance will be depleted in FY2022/23 if rates are not adjusted.

Proposition 218 requires that a utility service provider must charge what it costs to provide service.

Below are summaries of the Solid Waste Fund without and with the proposed rate increase.

**Table 1: Solid Waste Fund without Proposed Rate Increase**

	FY20	FY21	FY22	FY23	FY24
(\$ in 000s)	Proposed	Projection	Projection	Projection	Projection
Beginning Fund Balance	21,162	16,900	10,806	1,562	(9,552)
Revenue	64,357	64,991	65,632	66,279	66,932
Expenditures	68,619	71,085	74,876	77,392	83,666
Other Source/(Use)					
<b>Ending Fund Balance</b>	<b>16,900</b>	<b>10,806</b>	<b>1,562</b>	<b>(9,552)</b>	<b>(26,286)</b>
Days of Prudent Reserve	90	55	8	(45)	(115)

\*Table 1: The table represents five-year forecast from FY2019/20 Approved Budget Book.

**Table 2: Solid Waste Fund with Proposed Rate Increase**

	FY20	FY21	FY22	FY23	FY24
Beginning Fund Balance	20,159*	15,630	14,035	15,333	20,730
Revenue	66,772	75,266	83,273	90,650	92,637
Expenditures	71,302	76,861	81,975	85,254	87,230
Other Source/(Use)					
<b>Ending Fund Balance**</b>	<b>15,630</b>	<b>14,035</b>	<b>15,333</b>	<b>20,730</b>	<b>26,136</b>
Days of Prudent Reserve	80	68	70	91	113

\*Table 2: The table begins with the FY2019/20 fund balance used to prepare the rate model. This beginning fund balance was calculated in FY2017/18 and used throughout the Utility Rate Advisory Commission (URAC) approval process. The table shows the amended five-year forecast with the rate model applied.

\*\*After the conclusion of the Utility Rate Advisory Commission (URAC) public hearings, funds were released to fund balance as a result of scrubbing several fleet projects increasing the FY19 fund balance by \$8.2 million. Moreover, additional information was received on the cost of organics processing indicating the cost will be \$6.5 million more than originally projected over the term of the rate adjustment. These changes do not affect the proposed rate increase and will change the ending fund balance and the days of prudent reserve nominally.

Staff is recommending that the City Council approve the three-and-one-half-year rate plan, beginning January 1, 2020, that aligns revenues and expenditures by June 30, 2023, and maintains a prudent level of 90-days of reserve in the fund as outlined in Table 2 above.

RSW is proposing the following rate adjustments that will increase the monthly bill of a typical customer using a 64-gallon container by \$12.33 a month by the end of the rate proposal period. Below are summary tables:

#### Recommended Rate Adjustment (Overall)

	FY2019/20	FY2020/21	FY2021/22	FY2022/23
% Increase based on 64-gal garbage container	7.43%	7.47%	7.49%	7.51%

#### Recommended Rate Adjustment by Container Size

	Current	FY2019/20	FY2020/21	FY2021/22	FY2022/23	Total
Garbage 32-gal	\$32.34	\$34.71	\$37.26	\$40.02	\$42.99	\$10.65
Garbage 64-gal	\$36.89	\$39.63	\$42.59	\$45.78	\$49.22	\$12.33
Garbage 96-gal	\$40.99	\$44.07	\$47.39	\$50.98	\$54.85	\$13.86

Rates includes garbage, recycle, yard waste, street sweeping, seasonal household junk pickups, seasonal loose in the street yard waste collection, and eWaste and appliance pickups.

#### Recommended Rate Adjustment by Month

	Garbage*	Recycle	Yard Waste	Street Sweeping	Total
FY2019/20 (6 months)	\$1.55	\$0.60	\$0.55	\$0.04	\$2.74
FY2020/21 (12 months)	\$1.68	\$0.66	\$0.58	\$0.04	\$2.96
FY2021/22 (12 months)	\$1.81	\$0.73	\$0.61	\$0.04	\$3.19
FY2022/23 (12 months)	\$1.96	\$0.80	\$0.64	\$0.04	\$3.44
					<b>\$12.33</b>

\*Garbage rate is based on a 64-gallon container

**Policy Considerations:** On July 9, 2019, RSW mailed a notice to all affected property owners and tenants to provide notification of the proposed rate increase and that a public hearing with the Utilities Rate Advisory Commission (URAC) would be held on August 28, 2019. The California Constitution requires the notice to be mailed at least 45 days prior to the public hearing. The notice included instructions on protest procedures and informs customers that the proposed rate increase may not proceed if a majority of the affected property owners formally protest in writing or at the public hearing.

**Economic Impacts:** None

**Environmental Considerations:**

**California Environmental Quality Act (CEQA):** The adoption of recycling and solid waste rates is exempt from CEQA review under Public Resources Code Section 21080(b)(8).

**Sustainability:** Not applicable

**Commission/Committee Action:** On August 28, 2019, the URAC held the public hearing on the proposed recycling and solid waste rate changes. At the conclusion of the public hearing the URAC approved staff's recommendation by a 5-2 vote.

At the time of the public hearing, 136 written and public hearing protests were validated and reported to the URAC, representing less than one percent of the parcels that will be subject to the proposed rates. Attached as Exhibit C are the Proposition 218 protest results.

Adopting property-related fees or fee increases that require public notice before the URAC does not require Law and Legislation Committee review, pursuant to the Council Rules of Procedure (Chapter 13, section (B)(1)(b)(vi)).

**Rationale for Recommendation:** The proposed three-and-a-half-year rate adjustments for Fiscal Years (FY) 2020-FY2023 are necessary to achieve the following objectives:

1. Ensure Proposition 218 compliance that the rates charged cover the cost of providing services by closing the gap between revenues and expenditures by commodity;
2. Achieve a prudent reserve level of ninety (90) days; and
3. Avoid rate spikes over the cycle of the rate adjustment.

The proposed rate increases are necessary to fund:

- New costs associated with securing long-term yard waste and organics diversion. Senate Bill 1383 mandates food waste diversion from landfills starting in 2022. This mandate will likely double the current cost the City pays for yard waste processing.
- New recycling processing costs. China's National Sword Policy effectively banned recyclables from the United States. China's Policy in effect takes the City's recycling from being revenue producing to an anticipated processing expense of approximately \$2 million a year. The City is still required to divert recyclable materials from the landfill.
- Funding for the construction of a compressed natural gas (CNG) refueling station at the Meadowview City Service Center. Currently all CNG refuse vehicles are fueled off-site because the City does not own a CNG fueling station. The station is projected to cost \$3.7 million.
- The population growth the City has experienced since the last rate adjustment, anticipated future growth, and the need for additional routes. 4,000 new accounts have been added since 2015 and the City's Planning projects over 18,000 new housing units will be added in the next three to five years. Additional garbage, recycle, and yard waste routes will need to be added to maintain and improve the current service level.
- An increase in street sweeping service from every six weeks to monthly during the months of February – October. In the recent citywide customer satisfaction survey customers expressed dissatisfaction with the current level of street sweeping service. The proposed rate increase will add an additional four cents a month to customers' monthly bills to increase the service to a monthly service.
- Increasing costs for solid waste operations such as vehicles, maintenance, fuel, disposal fees, labor costs, and landfill related expenses.
- Compliance with Department of Transportation (DOT) maximum weight limits for refuse vehicles. Not all refuse vehicles are equipped with scales that inform drivers when the maximum load capacity is reached. Moving forward, all new refuse vehicles will be equipped with scales to comply with DOT maximum weight limits and to improve the safety of our vehicles on city streets.

If the proposed rate increase is not approved, the City faces a number of potential consequences including:

- Insolvency of the Solid Waste Fund by FY2022/23
- Non-compliance with Senate Bill 1383 (organics)
- Service day interruptions
- Increased overtime costs

**Financial Considerations:** The rate proposal complies with the Proposition 218 mandate which requires the RSW Division to charge rates only in an amount sufficient to recover the costs of providing refuse collection and related services. Over 95% of revenues in the Solid Waste Fund are generated through user service fees collected for residential solid waste management services. The Solid Waste Fund does not receive General Fund or Measure U revenue for residential refuse collection services.

**Local Business Enterprise (LBE):** Not applicable

# **ORDINANCE NO.**

Adopted by the Sacramento City Council

November 5, 2019

## **AN ORDINANCE AMENDING THE CITY OF SACRAMENTO FEE AND CHARGE REPORT FOR RECYCLING AND SOLID WASTE RATES**

**BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:**

### **SECTION 1.**

The Sacramento City Council makes the following findings:

- A. Articles XIII C and XIII D of the California Constitution (Proposition 218) establishes procedures for the approval of taxes, assessments, and property-related service fees by local government agencies.
- B. Prior to the imposition or increase of recycling and solid waste rates that are “property-related service fees,” within the meaning of Proposition 218, Proposition 218 requires that a notice describing the proposed fee or fee increase and establishing a date, time, and location of a public fee or fee increase (held not less than 45 days after the notice is mailed), be mailed to the record owner of each parcel subject to the proposed fee or fee increase. Under sections 13.02.040(C) and 3.44.100(B) of the Sacramento City Code, for fee or fee increase proposed by the City of Sacramento, the public hearing is held by the City’s Utilities Rate Advisory Commission.
- C. Proposition 218 requires that all protests filed against the proposed fee increase be considered at the public hearing. The agency may not approve the fee increase if written protests against the proposed fees are presented by a majority of owners of the affected parcels.
- D. On July 9, 2019, the City mailed a notice to all owners of property subject to the City’s recycling and solid waste service rates. The notice: (i) described proposed rates and service changes for the City’s recycling and solid waste rates and service changes to take effect on January 1, 2020; July 1, 2020; July 1, 2021, and July 1, 2022, respectively; (ii) provided the date, time, and location of the

public hearing when these proposed rates would be heard by the City's Utilities Rate Advisory Commission; and (iii) provided notice that an owner or tenant had the right to file a written protest against the proposed rates at or before the time set for public hearing.

- E. The Utilities Rate Advisory Commission held the public hearing on August 28, 2019, and considered all protests against the proposed rates as well as all testimony and other information presented by City staff and members of the public.
- F. As of the date and time of the public hearing, the number of written protests received against the proposed Recycling and Solid Waste service rates was less than a majority of record owners or tenants of the parcels that will be subject to the proposed rates.
- G. Upon conclusion of the public hearing, the Utilities Rate Advisory Commission approved the recommendation to the City Council relative to the proposed increases to the Recycling and Solid Waste service rates.
- H. The City Council has considered the Utilities Rate Advisory Commission's recommendations and all other information presented to it and in the public record, and finds that the Recycling and Solid Waste service rates approved and imposed in Section 2 of this ordinance do not exceed the reasonable costs of providing these services, and that the revenues derived from these recycling and solid waste service rates will not exceed the funds required to pay the costs of providing recycling and solid waste services.
- I. Based on the information presented to it and upon all information in the public record, and pursuant to Public Resources Code section 21080(b)(8), the City Council finds that the approval and imposition of the recycling and solid waste service rates in Section 2 of this ordinance are exempt from the California Environmental Quality Act, and finds that the rates are for the purpose of:
  - 1. Providing funds to meet operating expenses, including employee wage rates and fringe benefits;
  - 2. Permitting the generation of necessary cash flow to meet financial reserve needs and requirements; and
  - 3. Funding the purchase or lease of necessary supplies and equipment for providing the recycling and solid waste services.

## SECTION 2.



The recycling and solid waste service rates shown on Exhibit A, to take effect on January 1, 2020, are hereby approved and imposed. The City of Sacramento Fee and Charge Report is amended to include the recycling and solid waste service rates shown on Exhibit A, which is incorporated herein by this reference.

**Table of Contents:**

Exhibit A: Recycling and Solid Waste Service Rates

**City of Sacramento**  
**Department of Public Works**  
**Recycling and Solid Waste Fees and Charges**

**Exhibit A**

		Effective January 3, 2020 FY 2020	Effective July 1, 2020 FY 2021	Effective July 1, 2021 FY 2022	Effective July 1, 2022 FY 2023
<b>I. LAWN &amp; GARDEN COLLECTION</b>		<b>Level of Service</b>			
<b><u>Residential Yard Waste Services</u></b>					
Single-Family Residence (1 - 4 Units)	Weekly	\$11.30	\$11.88	\$12.49	\$13.13
Charge per Additional Can	Weekly	\$3.67	\$3.86	\$4.06	\$4.27
Food Waste Only	Weekly			\$8.74	\$9.19
<b><u>Residential Street Sweeping Services</u></b>					
Single-Family Residence	Monthly	\$1.38	\$1.42	\$1.46	\$1.50
Two-Family Residence	Monthly	\$2.18	\$2.25	\$2.32	\$2.39
3-4 Units	Monthly	\$3.91	\$4.03	\$4.15	\$4.27
<b><u>Commercial / Multi-Family Street Sweeping Services</u></b>					
5 Units	Monthly	\$3.91	\$4.03	\$4.15	\$4.27
6 - 50 Units	Monthly	\$4.22	\$4.35	\$4.48	\$4.61
51 Units and Over	Monthly	\$4.51	\$4.65	\$4.79	\$4.93
Per Commercial Premise	Monthly	\$4.51	\$4.65	\$4.79	\$4.93
<b><u>Miscellaneous Street Sweeping Services</u></b>					
Ad Hoc Street Sweeping Requests	Per Hour	\$312.50	\$321.88	\$331.54	\$341.49
<b>II. RESIDENTIAL RECYCLING SERVICES</b>		<b>Level of Service</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b><u>Automated Container Services</u></b>					
Commingled 32/64/96-Gallon Can	Biweekly - Per Unit	\$6.50	\$7.16	\$7.89	\$8.69
Charge per Additional Can	Biweekly - Per Unit	\$2.24	\$2.47	\$2.72	\$3.00
<i>Note: Disabled Service is provided to a qualified residence at same rates as non-disabled.</i>					
<b><u>Recycle Bin Service</u></b>					
1 Yard Commingled Bin	1 Pickup per Week	\$40.82	\$44.96	\$49.52	\$54.55
2 Yard Commingled Bin	1 Pickup per Week	\$55.67	\$61.32	\$67.54	\$74.40
3 Yard Commingled Bin	1 Pickup per Week	\$74.21	\$81.74	\$90.04	\$99.18
4 Yard Commingled Bin	1 Pickup per Week	\$83.48	\$91.95	\$101.28	\$111.56
<b>III. RESIDENTIAL GARBAGE COLLECTION SERVICE</b>		<b>Level of Service</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>
<b><u>Automated Container Services</u></b>					
Auto-Lift 96-Gallon Container	Weekly - Per Unit	\$24.89	\$26.93	\$29.14	\$31.53
Charge per Additional Auto-Lift 96-Gallon Container	Weekly - Per Unit	\$21.02	\$22.74	\$24.60	\$26.62
Auto-Lift 64-Gallon Container	Weekly - Per Unit	\$20.45	\$22.13	\$23.94	\$25.90
Charge per Additional Auto-Lift 64-Gallon Container	Weekly - Per Unit	\$17.79	\$19.25	\$20.83	\$22.54
Auto-Lift 32-Gallon Container	Weekly - Per Unit	\$15.53	\$16.80	\$18.18	\$19.67
Charge per Additional Auto-Lift 32-Gallon Container	Weekly - Per Unit	\$15.36	\$16.62	\$17.98	\$19.45
<i>Note: Disabled Service is provided to a qualified residence at same rates as non-disabled.</i>					
<b><u>Manual Container Services</u></b>					
Manual Service 32-Gallon or Less, Non-Curb (> 6 Feet From Curb)					
	1 Pickup per Week	\$37.43	\$40.50	\$43.82	\$47.41
	2 Pickups per Week	\$74.14	\$80.22	\$86.80	\$93.92
	3 Pickups per Week	\$97.33	\$105.31	\$113.95	\$123.29
	Additional Can per Pickup	\$18.11	\$19.60	\$21.21	\$22.95
Manual Service 33-40 Gallons, Non-Curb (> 6 Feet From Curb)					
	1 Pickup per Week	\$40.81	\$44.16	\$47.78	\$51.70
	2 Pickups per Week	\$81.69	\$88.39	\$95.64	\$103.48
	3 Pickups per Week	\$108.97	\$117.91	\$127.58	\$138.04
	Additional Can per Pickup	\$23.46	\$25.38	\$27.46	\$29.71

**City of Sacramento**  
**Department of Public Works**  
**Recycling and Solid Waste Fees and Charges**

**Exhibit A**

III. RESIDENTIAL GARBAGE COLLECTION SERVICE (CONT)	Level of Service	Effective	Effective	Effective	Effective
		January 3, 2020	July 1, 2020	July 1, 2021	July 1, 2022
		FY 2020	FY 2021	FY 2022	FY 2023
Manual Service 32-Gallon or Less, Curbside					
	1 Pickup per Week	\$25.64	\$27.74	\$30.01	\$32.47
	2 Pickups per Week	\$51.31	\$55.52	\$60.07	\$65.00
	3 Pickups per Week	\$76.26	\$82.51	\$89.28	\$96.60
	Additional Can per Pickup	\$13.01	\$14.08	\$15.23	\$16.48
Manual Service 33-40 Gallons, Curbside					
	1 Pickup per Week	\$28.36	\$30.69	\$33.21	\$35.93
	2 Pickups per Week	\$56.78	\$61.44	\$66.48	\$71.93
	3 Pickups per Week	\$85.13	\$92.11	\$99.66	\$107.83
	Additional Can per Pickup	\$16.71	\$18.08	\$19.56	\$21.16
Manual Service Collection on Special Call - 40 Gallons or Less					
Each Additional Can	Per Pickup	\$50.65	\$54.80	\$59.29	\$64.15
	Per Pickup	\$19.13	\$20.70	\$22.40	\$24.24
<b>Garbage Bin Service</b>					
1 Yard Bin, Loose	Per Pickup per Week	\$86.19	\$93.26	\$100.91	\$109.18
1 Yard Bin, Compacted	Per Pickup per Week	\$178.76	\$193.42	\$209.28	\$226.44
2 Yard Bins, Loose	Per Pickup per Week	\$112.80	\$122.05	\$132.06	\$142.89
2 Yard Bins, Compacted	Per Pickup per Week	\$227.25	\$245.88	\$266.04	\$287.86
3 Yard Bins, Loose	Per Pickup per Week	\$139.39	\$150.82	\$163.19	\$176.57
3 Yard Bins, Compacted	Per Pickup per Week	\$200.48	\$216.92	\$234.71	\$253.96
4 Yard Bins, Loose	Per Pickup per Week	\$166.03	\$179.64	\$194.37	\$210.31
4 Yard Bins, Compacted	Per Pickup per Week	\$245.85	\$266.01	\$287.82	\$311.42
5 Yard Bins, Loose	Per Pickup per Week	\$192.68	\$208.48	\$225.58	\$244.08
5 Yard Bins, Compacted	Per Pickup per Week	\$261.78	\$283.25	\$306.48	\$331.61
6 Yard Bins, Loose	Per Pickup per Week	\$219.27	\$237.25	\$256.70	\$277.75
6 Yard Bins, Compacted	Per Pickup per Week	\$336.18	\$363.75	\$393.58	\$425.85
IV. SPECIAL FEES					
	Level of Service	FY 2020	FY 2021	FY 2022	FY 2023
Dormant Service (Fee to Stop Garbage & Recycling Charges Temporarily)					
	One-Time	\$80.78	\$87.40	\$94.57	\$102.32
Dormant Service (Vacant Residences)					
	Monthly	\$7.52	\$8.14	\$8.81	\$9.53
Additional Neighborhood Cleanup pile (after two per year)					
	One-Time	\$32.20	\$34.84	\$37.70	\$40.79
Oversized Household Junk Pile (Each Additional 5 Cubic Yards)					
	One-Time	\$7.88	\$8.53	\$9.23	\$9.99
Special Cleanups, per Hour (per Worker)					
	Per Hour	\$70.64	\$76.43	\$82.70	\$89.48
Collection on Special Call:					
Auto-Lift 96-Gallon Container	Per Pickup	\$42.83	\$46.34	\$50.14	\$54.25
Additional 96-Gallon Container or 5 - 6 Extra Bags	Per Pickup	\$22.65	\$24.51	\$26.52	\$28.69
Auto-Lift 64-Gallon Container	Per Pickup	\$38.80	\$41.98	\$45.42	\$49.14
Additional 64-Gallon Container or 3 - 4 Extra Bags	Per Pickup	\$19.79	\$21.41	\$23.17	\$25.07
Auto-Lift 32-Gallon Container	Per Pickup	\$34.73	\$37.58	\$40.66	\$43.99
Additional 32-Gallon Container or 1 - 2 Extra Bags	Per Pickup	\$17.79	\$19.25	\$20.83	\$22.54
Extra Bags on Collection Day:					
5 - 6 Bags	Per Pickup	\$14.55	\$15.74	\$17.03	\$18.43
3 - 4 Bags	Per Pickup	\$11.32	\$12.25	\$13.25	\$14.34
1 - 2 Bags	Per Pickup	\$9.71	\$10.51	\$11.37	\$12.30
Container Exchange Fee (two or more exchanges in a six-month period)					
	One-time	\$ 23.64	\$ 25.58	\$ 27.68	\$ 29.95

**City of Sacramento**  
**Department of Public Works**  
**Recycling and Solid Waste Fees and Charges**

**Exhibit B**

			Effective January 3, 2020	Effective July 1, 2020	Effective July 1, 2021	Effective July 1, 2022
<b>I. LAWN &amp; GARDEN COLLECTION</b>	<b>Level of Service</b>	<b>FY-2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b><u>Residential Yard Waste Services</u></b>						
Single-Family Residence (1 - 4 Units)	Weekly	\$10.75	\$11.30	\$11.88	\$12.49	\$13.13
Charge per Additional Can	Weekly	\$3.49	\$3.67	\$3.86	\$4.06	\$4.27
Food Waste Only	Weekly				\$8.74	\$9.19
<b><u>Residential Street Sweeping Services</u></b>						
Single-Family Residence	Quarterly-Monthly	\$1.34	\$1.38	\$1.42	\$1.46	\$1.50
Two-Family Residence	Quarterly-Monthly	\$2.42	\$2.18	\$2.25	\$2.32	\$2.39
3-4 Units	Quarterly-Monthly	\$3.80	\$3.91	\$4.03	\$4.15	\$4.27
<b><u>Commercial / Multi-Family Street Sweeping Services</u></b>						
5 Units	Monthly	\$3.80	\$3.91	\$4.03	\$4.15	\$4.27
6 - 50 Units	Monthly	\$4.40	\$4.22	\$4.35	\$4.48	\$4.61
51 Units and Over	Monthly	\$4.38	\$4.51	\$4.65	\$4.79	\$4.93
Per Commercial Premise	Monthly	\$4.38	\$4.51	\$4.65	\$4.79	\$4.93
<b><u>Miscellaneous Street Sweeping Services</u></b>						
Ad Hoc Street Sweeping Requests	Per Hour	\$303.40	\$312.50	\$321.88	\$331.54	\$341.49
<b>II. RESIDENTIAL RECYCLING SERVICES</b>	<b>Level of Service</b>	<b>FY-2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b><u>Automated Container Services</u></b>						
Commingled 32/64/96-Gallon Can	Biweekly - Per Unit	\$5.90	\$6.50	\$7.16	\$7.89	\$8.69
Charge per Additional Can	Biweekly - Per Unit	\$2.03	\$2.24	\$2.47	\$2.72	\$3.00
<i>Note: Disabled Service is provided to a qualified residence at same rates as non-disabled.</i>						
<b><u>Recycle Bin Service</u></b>						
1 Yard Commingled Bin	1 Pickup per Week	\$37.06	\$40.82	\$44.96	\$49.52	\$54.55
2 Yard Commingled Bin	1 Pickup per Week	\$60.64	\$55.67	\$61.32	\$67.54	\$74.40
3 Yard Commingled Bin	1 Pickup per Week	\$67.37	\$74.21	\$81.74	\$90.04	\$99.18
4 Yard Commingled Bin	1 Pickup per Week	\$75.79	\$83.48	\$91.95	\$101.28	\$111.56
<b>III. RESIDENTIAL GARBAGE COLLECTION SERVICE</b>	<b>Level of Service</b>	<b>FY-2019</b>	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2022</b>	<b>FY 2023</b>
<b><u>Automated Container Services</u></b>						
Auto-Lift 96-Gallon Container	Weekly - Per Unit	\$23.00	\$24.89	\$26.93	\$29.14	\$31.53
Charge per Additional Auto-Lift 96-Gallon Container	Weekly - Per Unit	\$19.43	\$21.02	\$22.74	\$24.60	\$26.62
Auto-Lift 64-Gallon Container	Weekly - Per Unit	\$18.90	\$20.45	\$22.13	\$23.94	\$25.90
Charge per Additional Auto-Lift 64-Gallon Container	Weekly - Per Unit	\$16.44	\$17.79	\$19.25	\$20.83	\$22.54
Auto-Lift 32-Gallon Container	Weekly - Per Unit	\$14.35	\$15.53	\$16.80	\$18.18	\$19.67
Charge per Additional Auto-Lift 32-Gallon Container	Weekly - Per Unit	\$14.20	\$15.36	\$16.62	\$17.98	\$19.45
<i>Note: Disabled Service is provided to a qualified residence at same rates as non-disabled.</i>						
<b><u>Manual Container Services</u></b>						
Manual Service 32-Gallon or Less, Non-Curb (> 6 Feet From Curb)						
	1 Pickup per Week	\$34.59	\$37.43	\$40.50	\$43.82	\$47.41
	2 Pickups per Week	\$68.52	\$74.14	\$80.22	\$86.80	\$93.92
	3 Pickups per Week	\$89.95	\$97.33	\$105.31	\$113.95	\$123.29
	Additional Can per Pickup	\$16.74	\$18.11	\$19.60	\$21.21	\$22.95
Manual Service 33-40 Gallons, Non-Curb (> 6 Feet From Curb)						
	1 Pickup per Week	\$37.72	\$40.81	\$44.16	\$47.78	\$51.70
	2 Pickups per Week	\$75.50	\$81.69	\$88.39	\$95.64	\$103.48
	3 Pickups per Week	\$100.74	\$108.97	\$117.91	\$127.58	\$138.04
	Additional Can per Pickup	\$24.68	\$23.46	\$25.38	\$27.46	\$29.71

**City of Sacramento**  
**Department of Public Works**  
**Recycling and Solid Waste Fees and Charges**

**Exhibit B**

		Effective January 3, 2020	Effective July 1, 2020	Effective July 1, 2021	Effective July 1, 2022	Effective July 1, 2023
III. RESIDENTIAL GARBAGE COLLECTION SERVICE (CON'T)		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Manual Service 32-Gallon or Less, Curbside						
	1 Pickup per Week	\$23.70	\$25.64	\$27.74	\$30.01	\$32.47
	2 Pickups per Week	\$47.42	\$51.31	\$55.52	\$60.07	\$65.00
	3 Pickups per Week	\$70.48	\$76.26	\$82.51	\$89.28	\$96.60
	Additional Can per Pickup	\$12.02	\$13.01	\$14.08	\$15.23	\$16.48
Manual Service 33-40 Gallons, Curbside						
	1 Pickup per Week	\$26.24	\$28.36	\$30.69	\$33.21	\$35.93
	2 Pickups per Week	\$52.48	\$56.78	\$61.44	\$66.48	\$71.93
	3 Pickups per Week	\$78.68	\$85.13	\$92.11	\$99.66	\$107.83
	Additional Can per Pickup	\$15.44	\$16.71	\$18.08	\$19.56	\$21.16
Manual Service Collection on Special Call - 40 Gallons or Less						
	Per Pickup	\$46.84	\$50.65	\$54.80	\$59.29	\$64.15
Each Additional Can	Per Pickup	\$17.68	\$19.13	\$20.70	\$22.40	\$24.24
Garbage Bin Service						
1 Yard Bin, Loose	Per Pickup per Week	\$79.66	\$86.19	\$93.26	\$100.91	\$109.18
1 Yard Bin, Compacted	Per Pickup per Week	\$165.24	\$178.76	\$193.42	\$209.28	\$226.44
2 Yard Bins, Loose	Per Pickup per Week	\$104.25	\$112.80	\$122.05	\$132.06	\$142.89
2 Yard Bins, Compacted	Per Pickup per Week	\$210.03	\$227.25	\$245.88	\$266.04	\$287.86
3 Yard Bins, Loose	Per Pickup per Week	\$128.83	\$139.39	\$150.82	\$163.19	\$176.57
3 Yard Bins, Compacted	Per Pickup per Week	\$185.29	\$200.48	\$216.92	\$234.71	\$253.96
4 Yard Bins, Loose	Per Pickup per Week	\$153.45	\$166.03	\$179.64	\$194.37	\$210.31
4 Yard Bins, Compacted	Per Pickup per Week	\$227.22	\$245.85	\$266.01	\$287.82	\$311.42
5 Yard Bins, Loose	Per Pickup per Week	\$178.08	\$192.68	\$208.48	\$225.58	\$244.08
5 Yard Bins, Compacted	Per Pickup per Week	\$241.94	\$261.78	\$283.25	\$306.48	\$331.61
6 Yard Bins, Loose	Per Pickup per Week	\$202.65	\$219.27	\$237.25	\$256.70	\$277.75
6 Yard Bins, Compacted	Per Pickup per Week	\$310.70	\$336.18	\$363.75	\$393.58	\$425.85
IV. SPECIAL FEES						
Level of Service		FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Dormant Service (Fee to Stop Garbage & Recycling Charges Temporarily)		\$74.66	\$80.78	\$87.40	\$94.57	\$102.32
Dormant Service (Vacant Residences)						
	Monthly	\$6.95	\$7.52	\$8.14	\$8.81	\$9.53
Additional Neighborhood Cleanup pile (after two per year)		\$29.76	\$32.20	\$34.84	\$37.70	\$40.79
Oversized Household Junk Pile (Each Additional 5 Cubic Yards)		\$7.28	\$7.88	\$8.53	\$9.23	\$9.99
Special Cleanups, per Hour (per Worker)		\$65.29	\$70.64	\$76.43	\$82.70	\$89.48
Collection on Special Call:						
Auto-Lift 96-Gallon Container	Per Pickup	\$39.58	\$42.83	\$46.34	\$50.14	\$54.25
Additional 96-Gallon Container or 5 - 6 Extra Bags	Per Pickup	\$20.93	\$22.65	\$24.51	\$26.52	\$28.69
Auto-Lift 64-Gallon Container	Per Pickup	\$35.86	\$38.80	\$41.98	\$45.42	\$49.14
Additional 64-Gallon Container or 3 - 4 Extra Bags	Per Pickup	\$18.29	\$19.79	\$21.41	\$23.17	\$25.07
Auto-Lift 32-Gallon Container	Per Pickup	\$32.10	\$34.73	\$37.58	\$40.66	\$43.99
Additional 32-Gallon Container or 1 - 2 Extra Bags	Per Pickup	\$16.44	\$17.79	\$19.25	\$20.83	\$22.54
Extra Bags on Collection Day:						
5 - 6 Bags	Per Pickup	\$13.45	\$14.55	\$15.74	\$17.03	\$18.43
3 - 4 Bags	Per Pickup	\$10.46	\$11.32	\$12.25	\$13.25	\$14.34
1 - 2 Bags	Per Pickup	\$8.97	\$9.71	\$10.51	\$11.37	\$12.30
Container Exchange Fee (two or more exchanges in a six-month period)		\$21.85	\$23.64	\$25.58	\$27.68	\$29.95

## Exhibit C – Proposition 218 Protest Results

Proposed Recycling and Solid Waste Rate Adjustments		
Proposition 218 Protest Summary as of August 28, 2019		
<b>Total Notices Mailed*</b>	138,888	
<b>Type of Protest</b>	<b>Received</b>	<b>Percent</b>
General Protest	48	<1%
Costs too High	33	<1%
Protest organics /food waste	16	<1%
Fixed Income	11	<1%
Measure U – Sales Tax Inc.	5	<1%
City Incompetence	6	<1%
Street Sweeping – lack of	2	<1%
Service decrease	2	<1%
Total Validated Written Protests Received**	124	<1%
Protesters at Public Hearing	12	<1%
Total Protests Received	136	<1%

\*Undeliverable Notices: 1,144

\*\* Invalidated protests received: 13 (missing name, address, or parcel number)

## MEMORANDUM

**DATE:** November 21, 2019

**TO:** Ryan Moore, Interim Director of Public Works

**FROM:** Jerome Council, Integrated Waste General Manager

**CC:** Howard Chan, City Manager  
Hector Barron, Assistant City Manager

**SUBJECT: Recycling and Solid Waste 2019 Rate Proposal Outreach Summary**

The Department of Public Works, Recycling and Solid Waste (RSW) Division staff conducted multiple public outreach events in the community as an integral part of the rate adjustment process. These public outreach events covered the Division's services, financial status, the need for rate adjustments, and how additional revenue would be used. The public outreach events were conducted from March through August of 2019. Three public meetings were held before the Utility Rate Advisory Commission (URAC) from February through July and on August 28, 2019, a public hearing was held before the URAC.

RSW engaged public relations consultant, Lucy & Company, to assist with the communication strategy and outreach efforts. Lucy & Company reached out to a cross section of the most active neighborhood associations throughout the City and in each Council district. Sixteen neighborhood associations were offered presentations on the rate increase proposal. RSW was subsequently invited to ten neighborhood association meetings across the eight City Council districts. Moreover, RSW provided outreach flyers, newsletter articles, and social media content to all neighborhood associations for inclusion in their membership communication channels.

In June of this year, RSW staff offered briefings with all eight elected members of the City Council and the Mayor's office. RSW was subsequently invited to brief the Mayor's office and six City Council offices.

RSW created a web page featuring information about the proposed rate adjustments found at [www.sacrecycle.org](http://www.sacrecycle.org) and at <http://www.cityofsacramento.org/Public-Works/RSW/About-RSW/2019-Rate-Adjustments>. There are links to all URAC meetings and rate workshops with supporting documents accessible on the website.

A rate proposal fact sheet and social media content was published on the City's Facebook and Twitter platforms and articles were published on the blog City Express.

The required Proposition 218 notice about the rate adjustment and public hearing was mailed July 9, 2019, to all 138,000+ customers in the City of Sacramento. Information was provided in Spanish, Chinese, Vietnamese, and Russian on how to access additional information in native languages through an interpreting service. See attachment for results of Proposition 218 feedback.

Additionally, media coverage about the rate proposal and hearing was featured on:

- CBS 13| July 15, 2019: "Garbage and recycling rates may soon cost Sacramento residents an extra \$12 a month"
- Sacramento Bee | July 15, 2019: "Sacramento plans to charge more for garbage, recycling pickup"
- KCRA 3 | July 15, 2019: "Sacramento considers raising garbage fees"
- KFBK | July 16, 2019: "Sacramento propose raising garbage & recycling fees"
- Fox 40| July 16, 2019: "Neighbors lament proposed Sacramento garbage rate hike"
- ABC 10 | July 17, 2019: "Sacramento garbage fees could increase to over \$12 a month by 2022"
- News & Review| Aug 22, 2019 "Nickel and dimed to death"
- KCRA 3| Aug 28, 2019 "Garbage Rate Proposal Moves Forward"
- News & Review| Oct 10, 2019 "Will residents raise a stink on garbage?"
- KCRA 3| Oct 25, 2019 "Sacramento plans to increase trash services rate"

Neighborhood Association presentations included:

- Land Park Neighborhood Association| March 20, 2019
- Brentwood South Neighborhood Association| May 28, 2019
- Hagginwood Community Association| June 5, 2019
- Tahoe Park Neighborhood Association| June 6, 2019
- East Sac Improvement Association (ESIA) | June 10, 2019
- R Street Sacramento Partnership | June 13, 2019
- Hollywood Park Neighborhood Association | June 19, 2019
- Pocket/Greenhaven Community Association | July 9, 2019
- Gardenland Northgate Neighborhood Association | July 11, 2019
- Natomas Community Association | July 17, 2019



Neighborhood Associations offered presentations, but cancelled or did not respond include:

- College Glen Neighborhood Association
- Alkali and Mansion Flats Historic Neighborhood Association
- Cabrillo Parks
- Oak Park Neighborhood Association
- Boulevard Park Neighborhood Association
- Midtown Neighborhood Association

## Proposition 218 Notification Protest Summary

Proposed Recycling and Solid Waste Rate Adjustments		
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