



CITY OF SACRAMENTO

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DEPARTMENT OF PUBLIC WORKS

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M. H. JOHNSON
Director

May 17, 1985

Budget and Finance Committee
Sacramento, California

Honorable Members in Session:

SUBJECT: Proposed Waste Removal Fee Adjustments for 1985-86

SUMMARY:

This report recommends adoption of an overall increase of twenty-five percent for waste removal services to be distributed amongst the various categories of service as depicted on Exhibit A. The proposed rates would take effect on July 1, 1985 in conjunction with the 1985-86 fiscal year.

BACKGROUND:

The 1985-86 Proposed Budget has been developed on the basis of an adjustment to waste removal service fees. The required fee increase averages twenty-five percent which differs from the twenty percent increase predicted in the Midyear Review. There are several important factors to examine in considering the difference between the twenty and twenty-five percent recommendations:

- ... the Midyear Review underestimated 1985-86 projected direct operating expenses by better than \$1.3 million due to the impact of landfill operating requirements;
- ... the Midyear Review predicted increased user fee revenue of \$2.4 million and an end-of-year balance of \$1.1 million; and
- ... the proposed twenty-five percent increase will generate nearly \$3 million in additional user fee revenue or only \$600,000 more than the midyear rate and result in a fund balance of only \$286,000.

Stated more succinctly, the higher than anticipated 1985-86 expenditures have been accommodated by a combination of reducing the projected fund balance and adding an additional five percent in user fee revenues. The proposed budget document discusses in some detail the specific elements of increased cost.

A recent review has been made of the comparative relationship of expenditure to revenue between the various categories of waste removal service. Specifically examined were: (1) standard residential; (2) 90-gallon residential; and (3) commercial including residential bin service. The share of expense and revenue attributable to each of these categories in the current fiscal year has its greatest disparity in the commercial account category. Currently, accounts in this category have been generating a somewhat greater percentage of user fee revenue than their comparable percentage of operating expense. In order to minimize the situation where residential accounts are supported in part from commercial revenues, we are recommending a variable percentage increase for 1985-86. The rates continue to reflect historical difference between the curbside and backyard residential categories.

In order to achieve an overall twenty-five percent increase and yet address the disparity referenced above, the following rate increases are recommended:

Commercial (including residential bins)	20%
Residential curbside	28%
Residential backyard	30%

It is proposed that the 90 gallon container program be expanded by 5000 accounts in 1985-86 and that the 90 gallon rate reflect the incremental capital costs of implementing the program. The rate calculation also applied any additional savings in operational costs entirely to this category. The recommended rate for the 90 gallon container is \$7.05/month.

The impact of the proposed rate adjustments can best be depicted with the following "typical" services:

<u>Service Type</u>	<u>Current</u>	<u>Proposed</u>	<u>Variance</u>	<u>Daily Increase</u>
Commercial-2 cy.yd. bin	\$48.05/mo	\$57.65/mo	\$ 9.60/mo	32¢
Residential curbside-1 can	\$ 5.50/mo	\$ 7.05/mo	\$ 1.55/mo	5¢
Residential backyard-1 can	\$10.75/mo	\$14.00/mo	\$ 3.25/mo	10¢
Residential-90 gallon	\$ 4.55/mo	\$ 7.05/mo	\$ 2.50/mo	8¢

May 17, 1985


FINANCIAL:

The proposed waste removal rates will generate a revenue increase of \$2,991,175 in 1985-86. Of that amount, \$821,190 will come from commercial accounts and the remaining \$2,169,985 from the various residential categories.

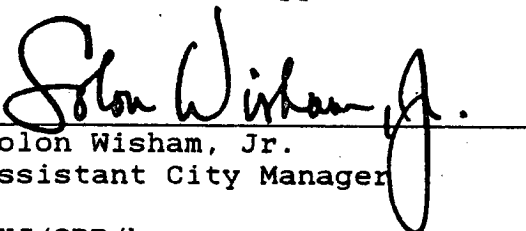
RECOMMENDATION:

It is recommended that the Budget and Finance Committee approve an increase to waste removal rates equal to an average twenty-five percent to be distributed amongst the service categories as identified in the attached resolution and Exhibit A amending Chapter 19 of the City Code effective July 1, 1985.

Respectfully submitted,


Melvin H. Johnson
Director of Public Works

Recommendation Approved:


Solon Wisham, Jr.
Assistant City Manager

MHJ/SBP/hma

att.

RESOLUTION NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

RESOLUTION ESTABLISHING RATES, CHARGES, AND FEES
FOR WASTE REMOVAL SERVICES PURSUANT TO SECTION
19.108-1 OF THE SACRAMENTO CITY CODE.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

That the rates, charges and fees shown on Exhibit A, attached hereto and incorporated herein by reference, are hereby established for Waste Removal services pursuant to Section 19.180-1 of the Sacramento City Code. This resolution shall take effect on July 1, 1985.

MAYOR

ATTEST:

CITY CLERK

WASTE REMOVAL FEES - PROPOSED 1985-86

I. GARDEN REFUSE COLLECTION - Monthly Rates

	<u>Rate</u>
Single-family residence	\$ 2.00
Double-family residence	3.50
Residential Unit: 3 - 5 units	3.50 + \$1/unit
6 - 10 units	6.50 + \$.50/unit
11 - 25 units	9.00 + \$.25/unit
26 - 50 units	12.75 + \$.10/unit
Over 50 units	Billed non-residential
Non-residential: 2 cubic yards of refuse	4.50
3 cubic yards of refuse	5.50 + \$.50/cubic yard in excess of 3 cu. yds.

II. GARBAGE COLLECTION SERVICE - Monthly Can Rates

	1 can pickup once a <u>week</u>	2 can pickup once a <u>week</u>	2 coll. per wk. <u>per can</u>	3 coll. per wk. <u>per can</u>	5 coll. per wk. <u>per can</u>	6 coll. per wk. <u>per can</u>
A. Other than curbside (for cans placed for collection behind a fence or other barrier or more than six feet from the curb):						
32 gals. or less	14.00	18.90	28.80	31.60	60.50	78.60
33 to 40 gals.	15.55	21.90	31.55	35.10	73.25	95.05
41 to 50 gals.	19.55	28.00	35.10	38.30	85.90	109.00
51 to 60 gals.	22.45	33.50	38.10	40.90	98.75	128.25
(Each add'l 32 gal. can, exceeding two cans: 4.90)						
(Each add'l 33-40 gal. can, exceeding two cans: 6.35)						
B. Curbside/alley/mobilehome service:						
32 gals. or less	7.05	9.55	14.70	16.20	31.15	40.40
33 to 40 gals.	7.95	11.15	16.20	18.15	37.65	48.80
41 to 50 gals.	10.00	13.95	18.10	19.70	44.20	56.00
51 to 60 gals.	11.50	16.10	19.55	20.95	50.75	65.90
(Each add'l 32 gal. can, exceeding two cans: 2.50)						
(Each add'l 33-40 gal. can, exceeding two cans: 3.20)						
C. Other than residential:						
32 gals. or less	7.05	9.55	14.70	16.20	31.15	40.40
33 to 40 gals.	7.95	11.15	16.20	18.15	37.65	48.80
41 to 50 gals.	10.00	13.95	18.10	19.70	44.20	56.00
51 to 60 gals.	11.50	16.10	19.55	20.95	50.75	65.90
(Each add'l 32 gal. can, exceeding two cans: 2.50)						
(Each add'l 33-40 gal. can, exceeding two cans: 3.20)						

WASTE REMOVAL FEES (cont.)

GARBAGE COLLECTION SERVICE - Monthly Rates for Bins

	<u>one</u> <u>pick-up</u> <u>per wk.</u>	<u>two</u> <u>pick-ups</u> <u>per wk.</u>	<u>three</u> <u>pick-ups</u> <u>per wk.</u>	<u>five</u> <u>pick-ups</u> <u>per wk.</u>	<u>six</u> <u>pick-ups</u> <u>per wk.</u>
A. Residential:					
1 cu. yd. bin loose	54.80	92.45	130.00	205.15	261.60
1 cu. yd. bin compacted	92.45	167.60	242.70	393.10	506.00
2 cu. yd. bin loose	72.20	119.30	166.45	260.50	330.95
2 cu. yd. bin compacted	119.35	211.50	307.40	495.30	636.30
3 cu. yd. bin loose	95.15	154.00	213.20	331.10	418.90
B. Other than residential:					
1 cu. yd. bin loose	43.85	74.30	104.95	166.15	211.85
1 cu. yd. bin compacted	74.30	135.50	196.70	319.00	410.75
2 cu. yd. bin loose	57.65	95.95	134.35	210.85	268.15
2 cu. yd. bin compacted	96.00	172.50	249.00	401.95	516.70
3 cu. yd. bin loose	75.95	124.00	172.00	267.65	339.40
Included in all of the above rates is a charge for bin rental.					
C. Monthly bin rates, no rental fee included - other than residential:					
4 cu. yd. bin loose	62.45	122.35	182.10	286.00	391.45
5 cu. yd. bin loose	77.90	152.80	227.60	375.30	489.25
6 cu. yd. bin loose	97.45	191.00	284.50	469.15	612.40
D. Monthly bin rates, no rental fee included - residential:					
4 cu. yd. bin loose	78.00	152.90	227.70	377.05	489.25
5 cu. yd. bin loose	97.45	191.00	284.50	469.15	611.65
6 cu. yd. bin loose	122.30	238.85	355.60	586.45	764.70

WASTE REMOVAL FEES (cont.)

BLANKETS - Monthly rates:

No. of blankets	one pick-up per wk.	two pick-ups per wk.	three pick-ups per wk.	five pick-ups per wk.	six pick-ups per wk.
1	7.85	15.80	23.50	39.65	51.60
2	12.90	31.55	46.20	68.75	94.10
3	20.05	46.20	65.75	105.35	136.80
4	27.20	59.15	85.50	137.95	179.60
5	34.00	72.55	105.35	170.80	222.25

COMPACTORS - Monthly rates - other than residential:

3 cu. yd.	96.35	168.70	241.40	386.20	489.95
4 cu. yd.	128.65	225.10	321.95	514.85	659.20
5 cu. yd.	160.80	281.20	402.40	643.60	823.15
6 cu. yd.	192.85	337.60	482.70	772.20	988.50

BACKYARD OVERSIZED CANS FOR MULTIPLE RESIDENTIAL UNITS - Monthly rates:
(Restricted service no longer provided for new accounts)

	1 can pickup once a week	2 can pickup once a week	2 coll. per wk. per can	3 coll. per wk. per can	5 coll. per wk. per can	6 coll. per wk. per can
81 to 90 gals.	35.10	46.95	53.10	56.62	152.35	198.05
100 gals.	38.95	52.10	56.70	70.00	166.40	216.15

COMPACTOR SERVICE FOR MULTIPLE RESIDENTIAL UNITS - Monthly rates:
(Restricted service no longer provided for new accounts)

	one pick-up per week	two pick-ups per week	three pick-ups per week	five pick-ups per week	six pick-ups per week
3 cu. yd.	150.80	263.95	376.90	603.90	772.85

COMPACTOR SERVICE FOR OTHER THAN RESIDENTIAL UNITS, FOUR PICKUPS PER WEEK - Monthly rates: (Restricted service no longer provided for new accounts)

3 cu yd	4 cu yd	5 cu yd	6 cu yd
350.05	467.75	585.30	702.00

MECHANICAL LIFT CONTAINER 90 GALS. - Monthly rate:

One can pickup once a week	7.05
Each additional container	3.55

WASTE REMOVAL FEES (cont.)

CART SERVICE FOR OTHER THAN RESIDENTIAL ACCOUNTS - Monthly rate:
(Restricted service no longer provided for new accounts)

Five pickups per week 37.75

MOBILE-TRAILER SERVICE FOR OTHER THAN RESIDENTIAL ACCOUNTS - Monthly rate:
(Restricted service no longer provided for new accounts)

Five pickups per week 155.76

SPECIAL SERVICE - GARBAGE

Collection on a special call - garbage: first regular can
(32 gal. or less) 10.70

each additional can 3.70

Collection on a special call - rubbish/waste matter only: \$18.35 per hour