

**PRESENTATION TO RATE
ADVISORY COMMITTEE
SOLID WASTE SERVICES
FEBRUARY 25, 2009**

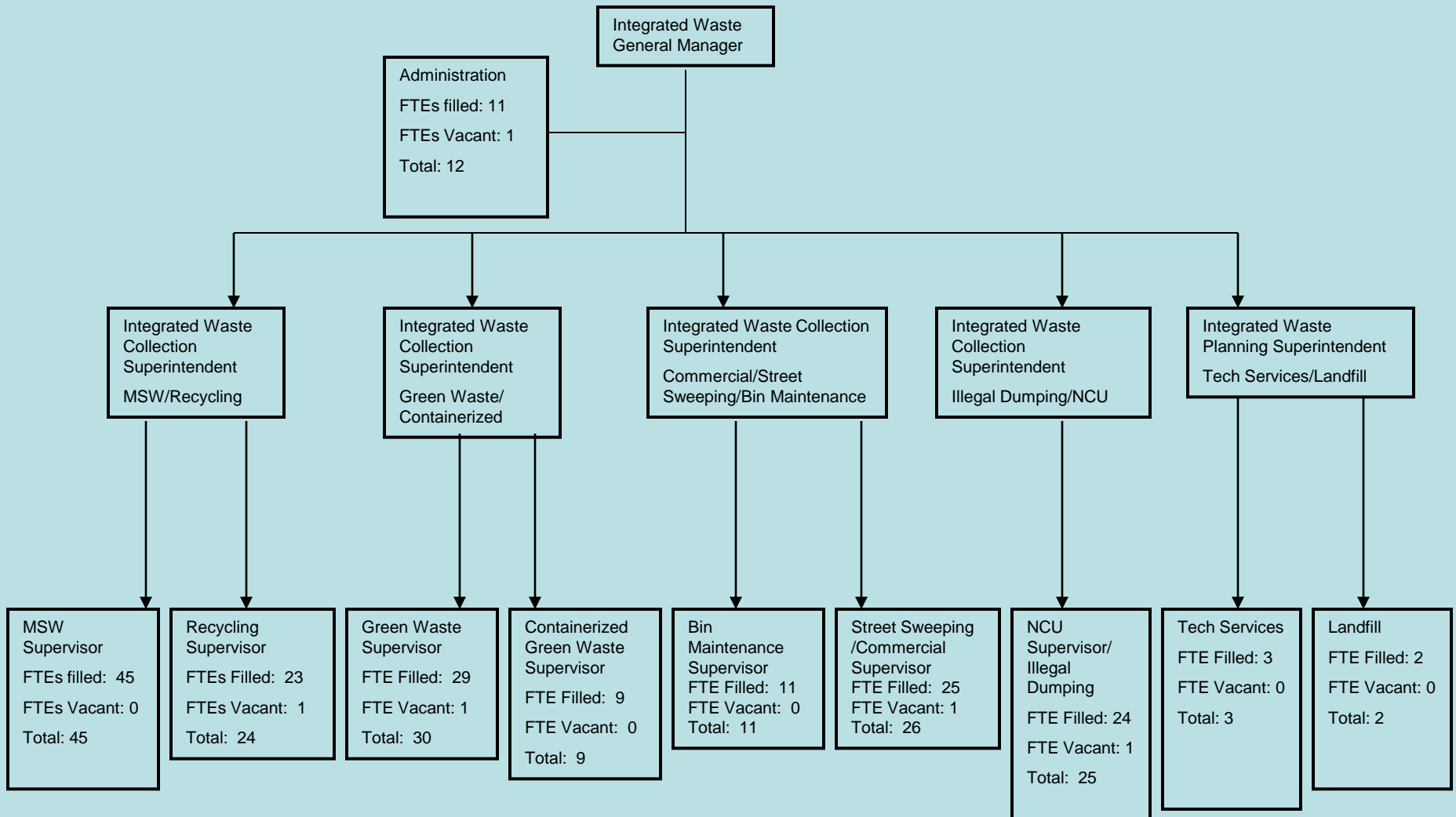
Rate Advisory Committee

Solid Waste Division



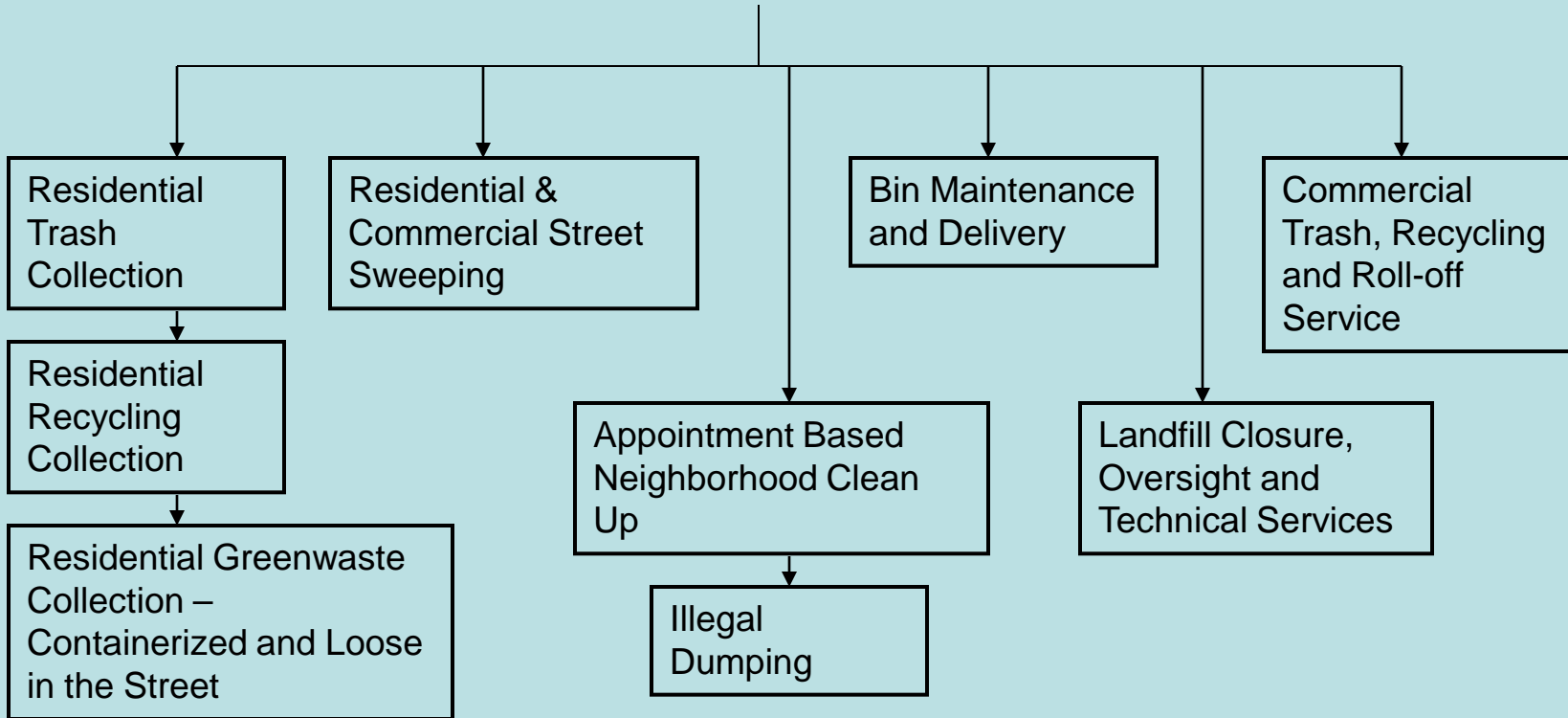
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Solid Waste Division Org Chart



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Solid Waste Division Services



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Residential Trash Collection

- 33 Automated Collection drivers
- 27 **Automated Collection Drivers**
(4/10 schedule)
- 140,000 tons collected annually
- Rate: \$45.72 BLT
\$45.00 Keifer
- Level of Service: Weekly



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Municipal Solid Waste

140,000 Residential Customers Per Week

500+ Tons Per Day

Waste Taken to Sacramento Recycling Transfer Station (SRTS)

115,000 Tons in Fiscal Year 2008 @ \$45.72 Per Ton

North Area Recover Station for Disposal

25,000 Tons in Fiscal Year 2008 @ \$45.00 Per Ton

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Residential Recycling Collection

- 22 Automated Collection drivers
- 17 **Automated Collection Drivers (4/10 schedule)**
- 40,000 tons collected annually
- Rate: + \$20.00 p/t BLT
- Level of Service: Weekly



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Residential Greenwaste Collection

- 7 Automated Collection drivers
- 7 **Automated Collection Drivers**
(4/10 schedule)
- Level of Service: Weekly



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Residential Loose in the Street Greenwaste Collection

- 26 Rear Loader and Claw drivers
- 22 **Rear Loader and Claw Drivers**
(4/10 schedule)
- 80,000 tons collected annually
- Level of Service: Periodic



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GREEN WASTE

Voluntary Container Service Customers: 57,000

Loose in the Street Service Customers: 56,000

Total Tons Per Year Collected: 80,000

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- **Green Waste Continued:**

Customer Utility Rate:

Voluntary Container \$ 7.86

Loose in the Street \$10.41

Processing Cost:

Recycle America (K&M) Currently \$25/ton

Grover Landscape Currently \$38.65

County Tip Fee at NARS \$3.52/ton store
and reload

Annual budget \$2.4 Million

Containerized collection vs. \$11.64 for Loose in the Street Service). This differential of \$5.46 per month reflects the projected true cost if customers were offered either exclusive Loose in the Street versus Containerized service.

- Our analysis projected costs for the City's Garden/Green Waste Collection Program at approximately \$14.3 million compared to the FY 2008 Approved Budget of \$13.9 million, a difference of approximately \$400,000. The reason(s) for this discrepancy is not readily apparent.
- At current rates the Garden/Green Waste Collection Program is projected to generate approximately \$12.8 million in annual revenues, \$1.2 million less than the Approved Budget and \$1.6 million less than the \$14.3 million expense projected as part of this analysis.

The following table provides a summary of our cost of service analysis. Additional detailed worksheets with the results of our analysis have been provided to the City under separate cover.

Service	Accounts	Current Rates	Current Revenues	Projected Cost of Current Service		Projected Cost of Baseline Service ⁽¹⁾	
				Cost	Rate	Cost	Rate
Loose in the Street	66,000	\$ 10.41	\$ 8,245,000	\$ 9,222,000	\$ 11.64	\$ 9,222,000	\$ 11.64
Containerized	48,100	\$ 7.86	\$ 4,537,000	\$ 5,120,000	\$ 8.87	\$ 3,569,000	\$ 6.19
Total	114,100		\$ 12,782,000	\$ 14,342,000		\$ 12,791,000	
Rate Variance		\$ 2.55			\$ 2.77		\$ 5.46

⁽¹⁾ Baseline service reflects scenario where special Loose in the Street collection service to Containerized accounts would be eliminated.

PROJECT UNDERSTANDING

The City's Solid Waste Division (Division) provides weekly green waste collection service to approximately 114,100 single-family residential customers. Collection service is provided either of two ways, depending on route location and customer preference. Approximately 66,000 of the residences place their leaves, lawn trimmings, and other green waste materials Loose in the Street, or stockpiled at the curb. These materials are collected by 2-person crews using a bucket loader equipped with a special claw-type grabber, in tandem with a rear-load packer vehicle. This has historically been the baseline level of service in Sacramento. The remaining customers are provided with 90-gallon wheeled containers for their source-separated green waste. Collection service for these accounts is provided by one-person crews using automated side-load packer vehicles. We understand approximately 48,100 accounts utilize this service. Historically on eight (8) occasions per year during leaf season and pruning season, Container customers are free to place their excess green and pruning waste loose in the street for pick-up as described above.¹

¹ The City provided a total of 12 weeks of Loose in the Street collections to Containerized accounts during the 12 month period covered in our analysis. Typically Containerized accounts are provided 8 weeks of Loose in the Street collections per year.

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Street Sweeping Services – Residential and Commercial

- 6 Motor Sweeper Operators
- 5 **Motor Sweeper Operators (4/10 schedule)**
- Number of Curb Miles swept annually: 30,000



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Neighborhood Clean-up & Illegal Dumping

- 16 Rear Loader and Claw Drivers
- 16 **Rear Loader and Claw Drivers (4/10 schedule)**
- Tonnage collected annually:
ABNCU- 8,609 tons
Illegal Dumping- 2,338 tons
- Level of Service:
Illegal Dumping – within 72 hours
ABNCU – Annually



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Bin Maintenance and Delivery

- **8 Maintenance Workers**
- **Containers delivered annually:
FY07-08 – 39,985***
 - * **16,812 greenwaste containers, some delivered by supplier**



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Landfill Closure and Technical Services/Public Outreach

- 2 Landfill Engineering Technicians
- 1 Program Analyst



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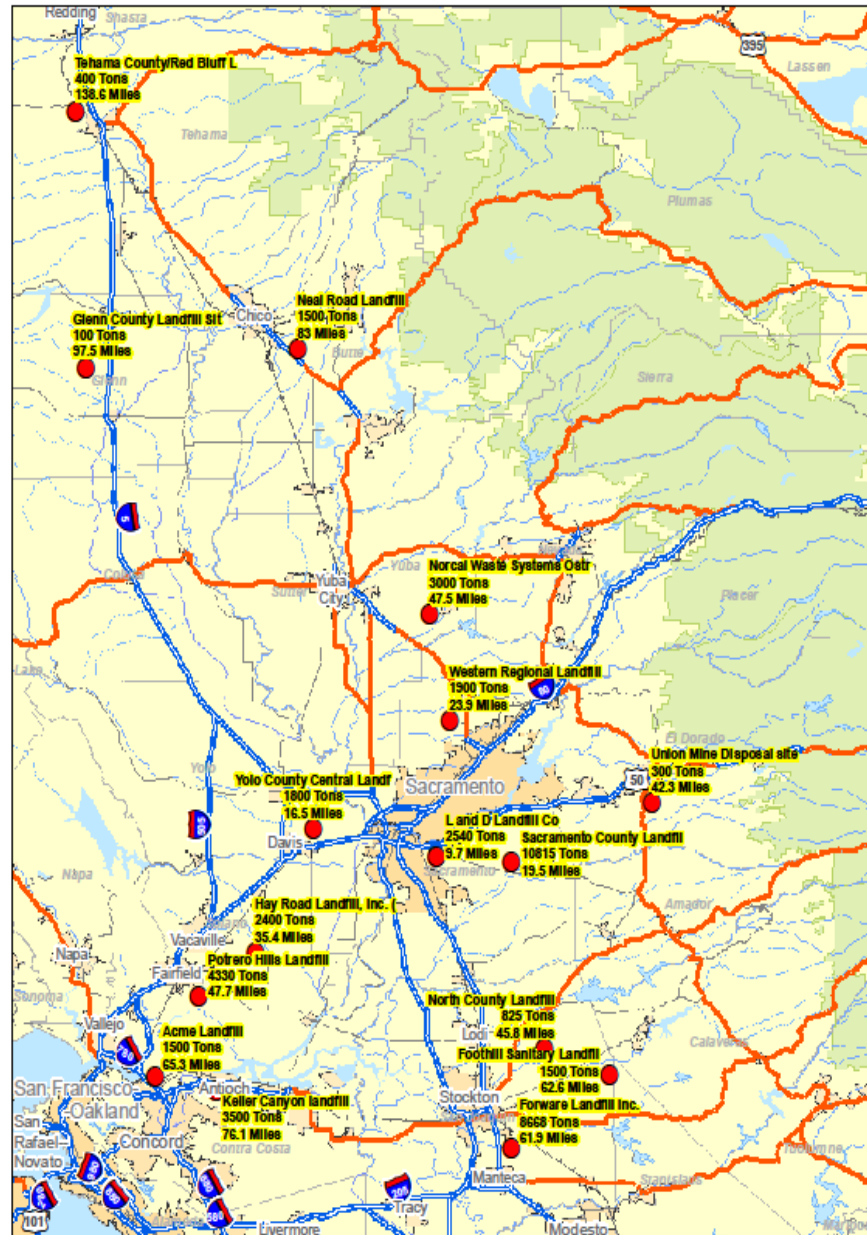
LANDFILLS

28th Street Landfill (Sutter Landing Park)

Old Elvas Landfill

Dellar Landfill

Alternative Landfills Analyzed for Future Disposal of MSW



● LANDFILL FACILITIES



DEPARTMENT OF PUBLIC UTILITIES

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REGULATORY COST DRIVERS

1. **Weekly Recycling**
\$1,145,902
2. **Green Waste (Containerized and Loose in the Street)**
\$3,936,852 Per Year Plus Processing Cost of \$2.4 Million
3. **Municipal Solid Waste (MSW) Weekly**
\$12,501,000 per Year
4. **Household Hazardous Waste**
\$425,000
5. **Landfill Post Closure Monitoring**
\$800,000 Per Year Plus \$217,000 Financial Assurance CIP
6. **Regulatory Fees in 2008**
\$54,056.59