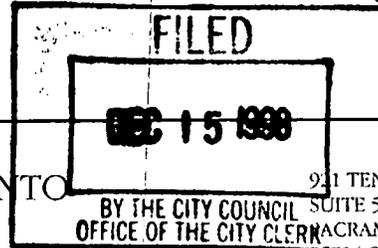




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DEPARTMENT OF  
PUBLIC WORKS

SOLID WASTE DIVISION

CITY OF SACRAMENTO  
CALIFORNIA

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SUITE 500  
BY THE CITY COUNCIL  
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November 25, 1998

City Council  
Sacramento, California

Honorable Members in Session:

**SUBJECT:** PROGRESS REPORT ON VARIABLE CAN IMPLEMENTATION

**LOCATION AND COUNCIL DISTRICT:** Citywide

**RECOMMENDATION:** This report is for information only.

**CONTACT PERSON:** Reina J. Schwartz, Manager, Solid Waste, 264-7043

**FOR COUNCIL MEETING OF:** December 15, 1998

**SUMMARY:**

This report provides to the City Council a progress report on the implementation of the variable can program implemented by the Public Works Department, Solid Waste Division.

**COMMITTEE/COMMISSION ACTION:** None.

**BACKGROUND INFORMATION:**

In April 1998, City Council directed staff to implement a variable rate system for solid waste collection. In July 1998, a utility bill insert advertising an opportunity for residents to subscribe to smaller-sized cans was mailed to all City residences. The *Sacramento Bee* also carried an article publicizing this opportunity for City residents to reduce both the size of their can and to reduce the cost of their service by subscribing to either a 60-gallon can or a 32-gallon can.

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The City began distributing cans to residents on a first-come-first-served basis. As of this writing, requests for changes in subscription to smaller sized cans are as follows:

- 32-gallon cans                   1,300 households
- 60-gallon cans                   2,500 households  
  3,800 households

All of these can requests have been delivered except for 300 which are back-ordered. We anticipate delivery of those cans within the next several weeks. In order to accommodate the number of requests, the City temporarily rented three flatbed trucks and hired four limited-term workers for the delivery of containers.

**FINANCIAL CONSIDERATIONS:**

In March 1998, City Council awarded Bid No. 1771 to Otto Industries, Inc., in an amount not to exceed \$200,000. This contract included firm pricing for three (3) sizes of containers. In April of 1998, the City Council authorized an expenditure of \$200,000 on an annual basis for the procurement of various sized containers. It was anticipated that a significant number of the 90-gallon cans which were being exchanged for smaller containers would be available for re-use. Given the age of our automated system however, many of the 90-gallon cans are not suitable for re-use. As a result, the City exhausted its purchase order for the procurement of garbage containers in Fall 1998.

On October 6, 1998, City Council authorized an additional \$200,000 for the continued purchase of various sized containers. Funds for this augmentation of our purchase order are available in the Solid Waste Division's operating budget. The need for increased monies to pay for the continued distribution of various sized containers on an on-going basis will be addressed during the regular budget hearings for the Solid Waste operating budget in June 1999.

**ENVIRONMENTAL CONSIDERATIONS:**

The April 1998 City Council report authorizing implementation of a variable rate based system concluded that this action was categorically exempt under Section 15308 of the CEQA Guidelines as an action authorized for the enhancement or protection of the environment. The implementation of a variable rate based system is also categorically exempt under Section 15273(a)-(c) of the CEQA Guidelines vis-à-vis the restructuring and approval of rates and charges by a public agency.

**POLICY CONSIDERATIONS:**

Implementation of a variable rate system and the distribution of smaller sized solid waste collection containers is consistent with the City Council's established recycling goals and policies.

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**MBE/WBE:**

All City M/WBE policies and practices were observed in the procurement process for containers. M/WBE considerations are not applicable to this report since no goods or services are being purchased.

Respectfully submitted,



Reina J. Schwartz  
Solid Waste Manager

FOR INFORMATION ONLY:



WILLIAM H. EDGAR  
City Manager

Approved:



Michael Kashiwagi  
Director of Public Works