



## CITY COUNCIL AGENDA REPORT

**Meeting Date:** May 5, 2020

**From:** Director of Public Works/City Engineer

**Subject:** Solid Waste Collection Rate Adjustment

**Community Goal/Result:** Ecological Sustainability

**Purpose:** To review rate adjustments submitted by one of the city's solid waste franchisees.

**Recommendation:** Receive South San Francisco Scavenger's 2022 rate increase of 5.19%.

### Background

The city has two Franchise Agreements dated November 20, 2014 for the provision of waste collection services, one with South San Francisco Scavenger Company in Solid Waste Collection Zones 1(A&B) and 2, and one with Recology Brisbane in Solid Waste Collection Zone 3. Both agreements have language specifying under what conditions a rate increase may occur.

### Discussion

South San Francisco did submit a request for rate increase; their proposed rates were reviewed by staff and found to be in accordance with their franchise agreement. Pursuant to each agreement, "... not later than June 30th of the year of the Notice of Intention, the City Council shall act upon the new maximum rates as appropriate, with any new maximum rates to become effective on July 1st of the same year."

With the company completing their calculation per the agreement, there is no discretionary action for the Council to take.

### Fiscal Impact


The proposed new rates are included as part of the company's correspondence to the city. The effective date of the new rates is July 1, 2022.


### Measure of Success

Compliance with the previously agreed upon terms and conditions for rate adjustments.

### Attachments

1. South San Francisco Scavenger letter of 3/29/22 and redacted rate adjustment language
2. Solid Waste Collection Zone Maps

  
\_\_\_\_\_  
Randy Breault, Public Works Director

  
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Clay Holstine, City Manager

SOUTH SAN FRANCISCO  
**SCAVENGER**  
— COMPANY, INC. —

March 29, 2022

Director Randy Breault, P.E.  
Public Works-Marina Services-Emergency Services  
City of Brisbane  
50 Park Lane  
Brisbane, CA 94005

Dear Director Breault,

In accordance with the terms of Section 6.2 of the Franchise Agreement, please accept this letter as the required Notice of Intent to adjust the current rates in Brisbane.

We are applying for a rate adjustment equal to 80% of the change in the Consumer Price Index for Urban Wage Earners and Clerical Workers, as described in section 6.2. The calculation for this year yields an increase of 5.19%.

Copies of the calculation, the relevant CPI data, and a proposed rate schedule, are attached for your consideration. The new rates will take effect July 1, 2022, if approved.

Thank you for your consideration of this matter. If you have any questions, please contact me at (650) 589-4020 at your earliest convenience. We are, of course, available to meet with you to discuss any concerns or issues, at your convenience.

Sincerely,



Paul Formosa, CFO  
South San Francisco Scavenger Co., Inc.

South San Francisco Scavenger Co.

City of Brisbane

Rate Computation  
March 31, 2022

CPI Index February 2021	297.170
CPI Index February 2022	316.463
Numerical change	19.293
Percentage change	6.49%
<b>80% of change</b>	<b>5.19%</b>

Index Used -

Consumer Price Index  
Urban Wage Earners and Clerical Workers  
San Francisco-Oakland-Hayward, CA  
All Items  
1982-84 = 100  
New Series ID - CWURS49BSAO  
Previous Series ID - CWURA422SAO  
(replaced as of January 2018)



## U.S. BUREAU OF LABOR STATISTICS

Bureau of Labor Statistics > Data Tools > Data Retrieval Tools > Top Picks

# Databases, Tables & Calculators by Subject

Change Output  
Options:

From: 2012 To: 2022



include graphs  include annual averages

[More Formatting Options](#) →

Data extracted on: March 28, 2022 (7:36:11 PM)

### CPI for Urban Wage Earners and Clerical Workers (CPI-W)

**Series Id:** CWURS49BSA0

Not Seasonally Adjusted

**Series** All items in San Francisco-Oakland-Hayward, CA, urban wage earners and clerical workers, not

**Title:** seasonally adjusted

**Area:** San Francisco-Oakland-Hayward, CA

**Item:** All items

**Base** 1982-84=100

**Period:**

Download: [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
2012		234.648		236.626		236.890		238.445		240.864		236.454	237.097	235.572	238.622
2013		240.262		241.764		243.052		242.903		243.711		242.602	242.125	241.141	243.109
2014		245.148		247.932		250.085		249.877		250.508		247.680	248.326	247.097	249.555
2015		249.809		252.875		254.736		256.060		256.107		255.492	253.910	252.041	255.780
2016		257.141		259.386		261.017		262.326		264.026		263.222	260.830	258.715	262.946
2017		265.569		268.896		269.508		269.827		271.272		271.342	268.990	267.426	270.555
2018		275.699		278.039		280.219		281.536		283.183		283.278	279.572	277.035	282.110
2019		284.758		288.266		288.581		288.514		291.707		289.456	288.192	286.615	289.770
2020		292.010		290.304		292.420		293.062		294.442		295.687	292.601	291.297	293.906
2021		297.170		302.294		304.971		307.423		309.656		312.019	304.602	300.275	308.928
2022		316.463													

U.S. BUREAU OF LABOR STATISTICS Postal Square Building 2 Massachusetts Avenue NE  
Washington, DC 20212-0001

Telephone:1-202-691-5200\_ Telecommunications Relay Service:7-1-1\_ [www.bls.gov](http://www.bls.gov) [Contact Us](#)

**SOUTH SAN FRANCISCO SCAVENGER, INC.  
RATES AND CHARGES EFFECTIVE JULY 1, 2022  
CITY OF BRISBANE, CALIFORNIA**

		Current <u>Rates</u>	<i>Proposed change</i>	<b>Proposed Maximum Rates</b>
<b>1. RESIDENTIAL PROPERTY SERVICE -</b>				
Single family, and up to four units. As per section 2.13				
Rate is per month, one pickup per week				
Includes 64 gallon weekly curbside recycling toter service				
Includes weekly mixed organic materials / yardwaste toter service				
20	Gallon Trash Toter	24.51	5.19%	25.78
32	Gallon Trash Toter	39.21	5.19%	41.24
64	Gallon Trash Toter	78.42	5.19%	82.48
<b>2. COMMERCIAL AND MULTIPLE UNIT RESIDENTIAL PROPERTY CAN SERVICE-</b>				
Multiple Unit Residential Property, 5 or more units, as per section 2.14				
Rate is per month, one pickup per week, for Solid Waste and / or Source Separated Organic Materials				
Includes Source Separated Recyclable Materials				
0 - 30	Gallons	33.88	5.19%	35.64
31 - 32	Gallons	36.18	5.19%	38.06
33 - 40	Gallons	45.15	5.19%	47.49
41 - 45	Gallons	50.88	5.19%	53.52
46 - 50	Gallons	62.11	5.19%	65.33
51 - 64	Gallons	72.28	5.19%	76.03
<b>3. COMPACTED YARDAGE</b>				
Residential, Multi Unit Residential, Commercial, Industrial Customers				
Per Cubic Yard, per pickup		71.62	5.19%	75.34
<b>4. DEBRIS BOXES</b>				
Temporary / One Time Use				
Residential, Multi Unit Residential, Commercial, Industrial Customers				
Rate is for each pickup				
5 yard	Container, 1 ton limit	306.94	5.19%	322.87
7 yard	Container, Dirt - Rock - Concre	670.14	5.19%	704.92
14 yard	Container, 3 ton limit	670.14	5.19%	704.92
20 yard	Container, 5 ton Limit	912.24	5.19%	959.59
30 yard	Container, 6 ton limit	1,315.81	5.19%	1,384.10
Rental Charge (per day, over 3 days for 5 yard and over 7 days for others)				
		30.23	5.19%	31.80

**SOUTH SAN FRANCISCO SCAVENGER, INC.  
RATES AND CHARGES EFFECTIVE JULY 1, 2022  
CITY OF BRISBANE, CALIFORNIA**

	<u>Current Rates</u>	<i>Proposed change</i>	<b>Proposed Maximum Rates</b>
<b>4. DEBRIS BOXES (continued)</b>			
Permanent Commercial and Industrial use			
7 yard Container, Dirt - Rock - Concre	564.99	5.19%	594.31
14 yard Container, 3 ton limit	564.99	5.19%	594.31
20 yard Container, 5 ton Limit	807.19	5.19%	849.08
30 yard Container, 6 ton limit	1,210.80	5.19%	1,273.64
Overweight Charge			
Per ton over limit	174.78	5.19%	183.85
<b>5. CONTAINER SERVICE</b>			
Residential, Multi Unit Residential, Commercial, Industrial Customers			
Rate is per month, one pickup per week, for Solid Waste			
and / or Source Separated Organic Materials			
Includes Source Separated Recyclable Materials			
A) Regular Pickup (Rate per month, one pickup per week)			
1/2 - yard (96 gal) Container	144.79	5.19%	152.30
1 - yard Container	289.55	5.19%	304.58
2 - yard Container	357.09	5.19%	375.62
3 - yard Container	535.60	5.19%	563.40
4 - yard Container	714.02	5.19%	751.08
5 - yard Container	892.55	5.19%	938.87
6 - yard Container	1,071.06	5.19%	1,126.65
B) On Call Pick-up Per yard			
Per pick-up, per yard	41.25	5.19%	43.39
Plus Container Rental per Month			
Rental charges (per month)			
1 - yard Container	64.44	5.19%	67.78
2 - yard Container	69.67	5.19%	73.29
3 - yard Container	74.91	5.19%	78.80
4 - yard Container	80.49	5.19%	84.67
5 - yard Container	91.12	5.19%	95.85
6 - yard Container	96.71	5.19%	101.73



**SOUTH SAN FRANCISCO SCAVENGER, INC.  
RATES AND CHARGES EFFECTIVE JULY 1, 2022  
CITY OF BRISBANE, CALIFORNIA**

<u>Current Rates</u>	<i>Proposed change</i>	<b>Proposed Maximum Rates</b>
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6. In the case of any additional service not described in the Agreement, Scavenger Company shall charge such amount as is agreed to by the customer.

7. Trash Container Management Policy Fees

Maximum fees allowed pursuant to approved Policy, as per Section 5.1.

Maximum fee consists of Admin Fee plus Extra Trip Fee for containers 1 yard and up.

Residential, Multi Unit Residential, Commercial, Industrial Customers

<u>Container Size</u>	<u>Admin fee</u>			<u>Admin Fee</u>
30 gallon	30.00	-	\$	30.00
32 gallon	30.00	-	\$	30.00
40 gallon	30.00	-	\$	30.00
45 gallon	30.00	-	\$	30.00
55 gallon	30.00	-	\$	30.00
64 gallon	30.00	-	\$	30.00
96 gallon	30.00	-	\$	30.00
1 yard	30.00	-	\$	30.00
1.5 yard	30.00	-	\$	30.00
2 yard	30.00	-	\$	30.00
3 yard	30.00	-	\$	30.00
4 yard	30.00	-	\$	30.00
5 yard	30.00	-	\$	30.00
6 yard	30.00	-	\$	30.00

<u>Container Size</u>	<u>Extra Trip Fee</u>			<u>Extra Trip Fee</u>
1 yard	66.82	5.19%	\$	70.29
1.5 yard	100.23	5.19%	\$	105.43
2 yard	82.41	5.19%	\$	86.68
3 yard	123.60	5.19%	\$	130.02
4 yard	164.77	5.19%	\$	173.33
5 yard	205.97	5.19%	\$	216.66
6 yard	247.17	5.19%	\$	260.00

Extra Trip Fee calculated as approved monthly 5.A) Container Service rates (one pickup per week) times 12 months per year divided by 52 weeks per year.

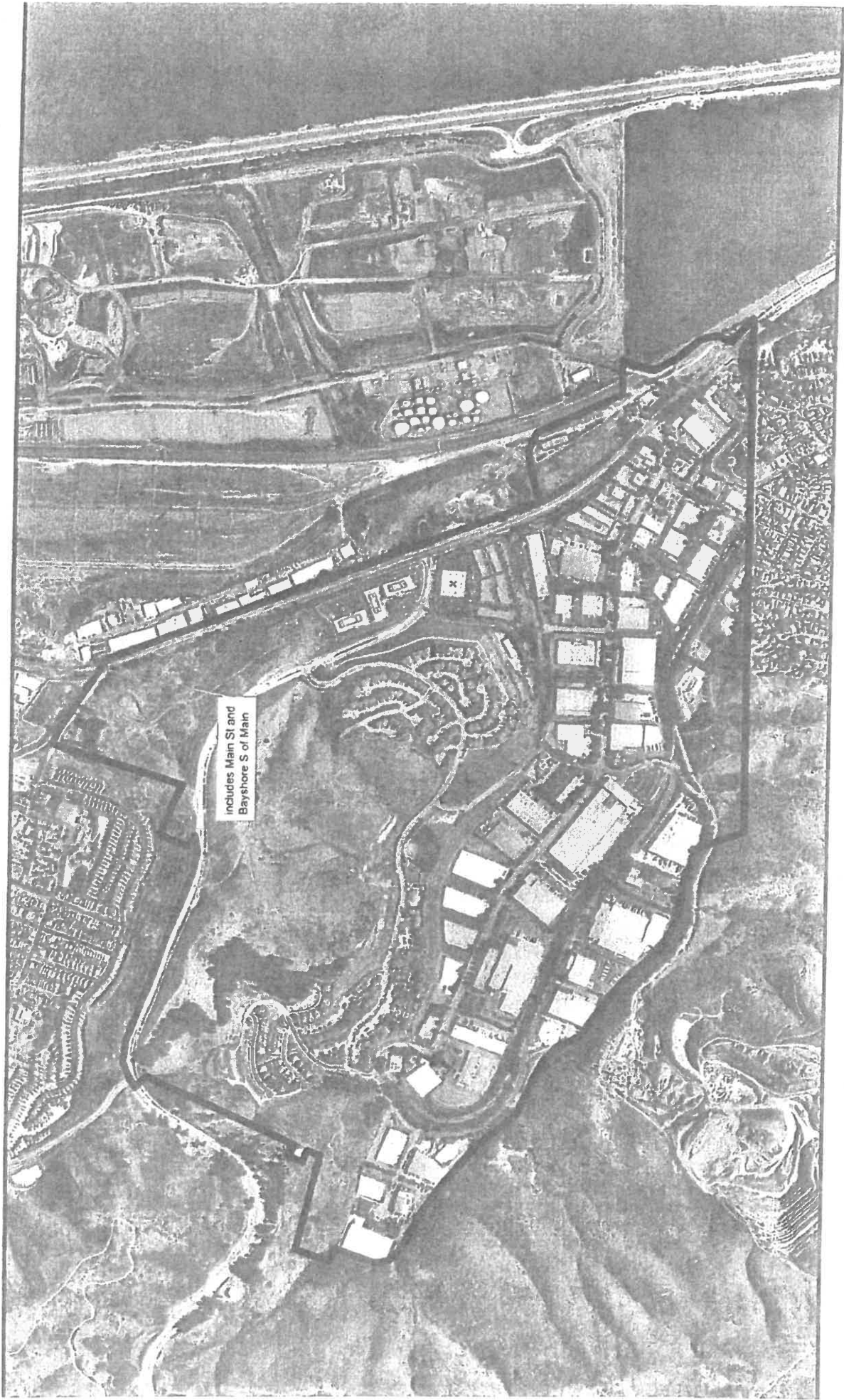
## South San Francisco Scavenger Company Rates and Adjustments Thereto

6.1 Establishment of Rates. The maximum service rates specified in Exhibit B to this Agreement have been agreed upon by City and Scavenger Company and shall take effect on the effective date of the franchise as set forth in Section 3 above. Such maximum service rates shall be subject to review and revision as set forth in Section 4.1 above, Sections 6.2, 6.3 and 6.4 below and other relevant provisions of this Agreement. Scavenger Company shall not charge any amount in excess of the approved rates for services required by or permitted under this Agreement.

6.2 Modification Based on Consumer Price Index. The maximum rates specified under this Agreement shall be adjusted July 1st every year (beginning in 2016, but excluding the year 2015 and every third year thereafter) by an amount equal to eighty percent (80%) of the percentage change, if any, in the Consumer Price Index for Urban Wage Earners and Clerical Workers, as published and maintained by the United States Bureau of Labor Statistics for the San Francisco-Oakland Metropolitan Area (1982-84=100), for the prior year, using the Index most recently published before March 31st of such year and before the prior March 31st. For example, if the Index should decrease by two percent (2%) as of March 31, 2016 as compared with March 31, 2015, each of the maximum rates set forth on Exhibit B, as previously adjusted, would be decreased as of July 1, 2016 by one and six-tenths percent (1.6%) [negative .02 multiplied by .8]. Likewise, if the Index should increase by three percent (3%) as of March 31, 2019 as compared with March 31, 2018, each of the maximum rates set forth on Exhibit B, as previously adjusted, would be increased as of July 1, 2019 by two and four-tenths percent (2.4%) [.03 multiplied by .8]. The procedure for rate adjustments under this Section 6.2 shall be as follows:

- (a) Not later than March 31st of each year that is subject to a rate adjustment under this Section 6.2, Scavenger Company shall file with City a written Notice of Intention to increase each of the then current rates effective as of July 1st of the same year in accordance with the above-specified formula, if Scavenger Company believes such an increase to be called for, or City shall provide to Scavenger Company a written Notice of Intention to decrease each of the then current rates effective as of July 1st of the same year in accordance with the above-specified formula, if City believes such a decrease to be called for.
- (b) Within thirty (30) days of the filing of the Notice of Intention, the City Manager shall review the Notice of Intention with Scavenger Company, and either confirm that the proposed rates are within the limit of Section 6.2(a) above or establish by mutual agreement with Scavenger Company any necessary changes to the proposed maximum rates to make such confirmation.
- (c) The City Manager shall immediately inform the City Council in writing of the new maximum rates determined in accordance with this Section 6.2 and, not later than June 30th of the year of the Notice of Intention, the City Council shall act upon the new maximum rates as appropriate, with any new maximum rates to become effective on July 1st of the same year.

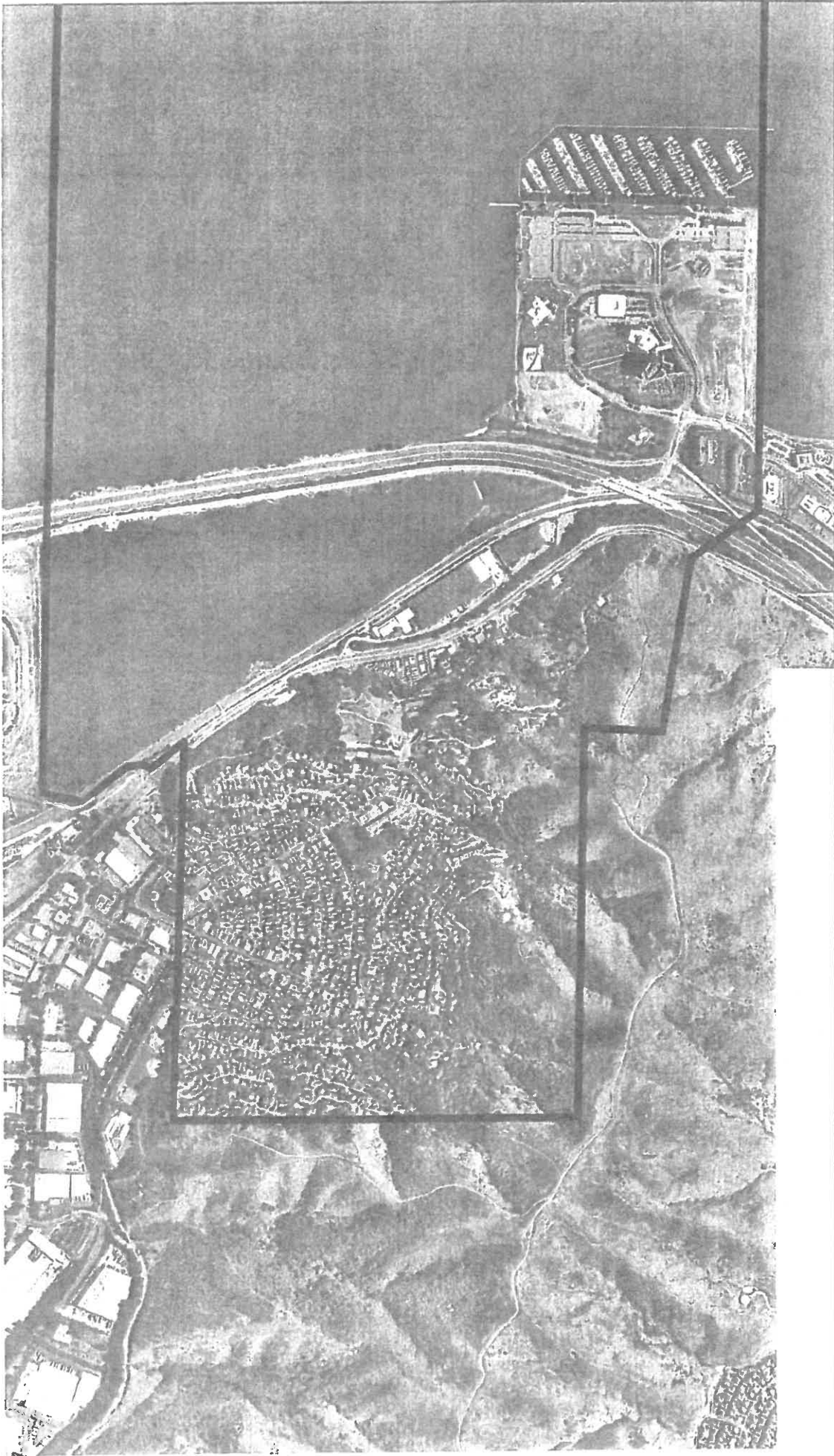




Includes Main St and Bayshore S of Main



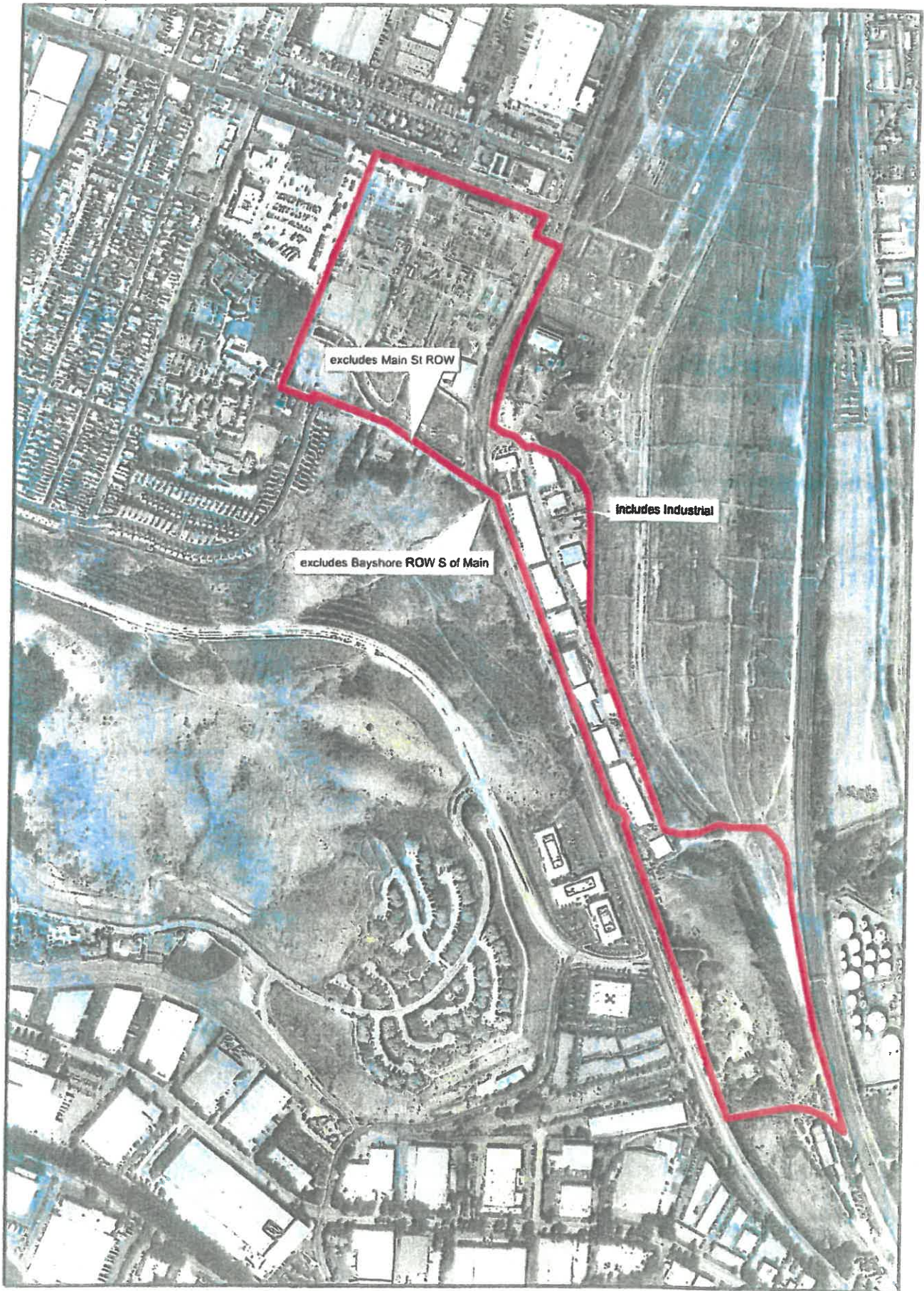
**City of Brisbane  
Solid Waste Collection Zone  
1 - A**



**City of Brisbane  
Solid Waste Collection Zone  
1 - B**

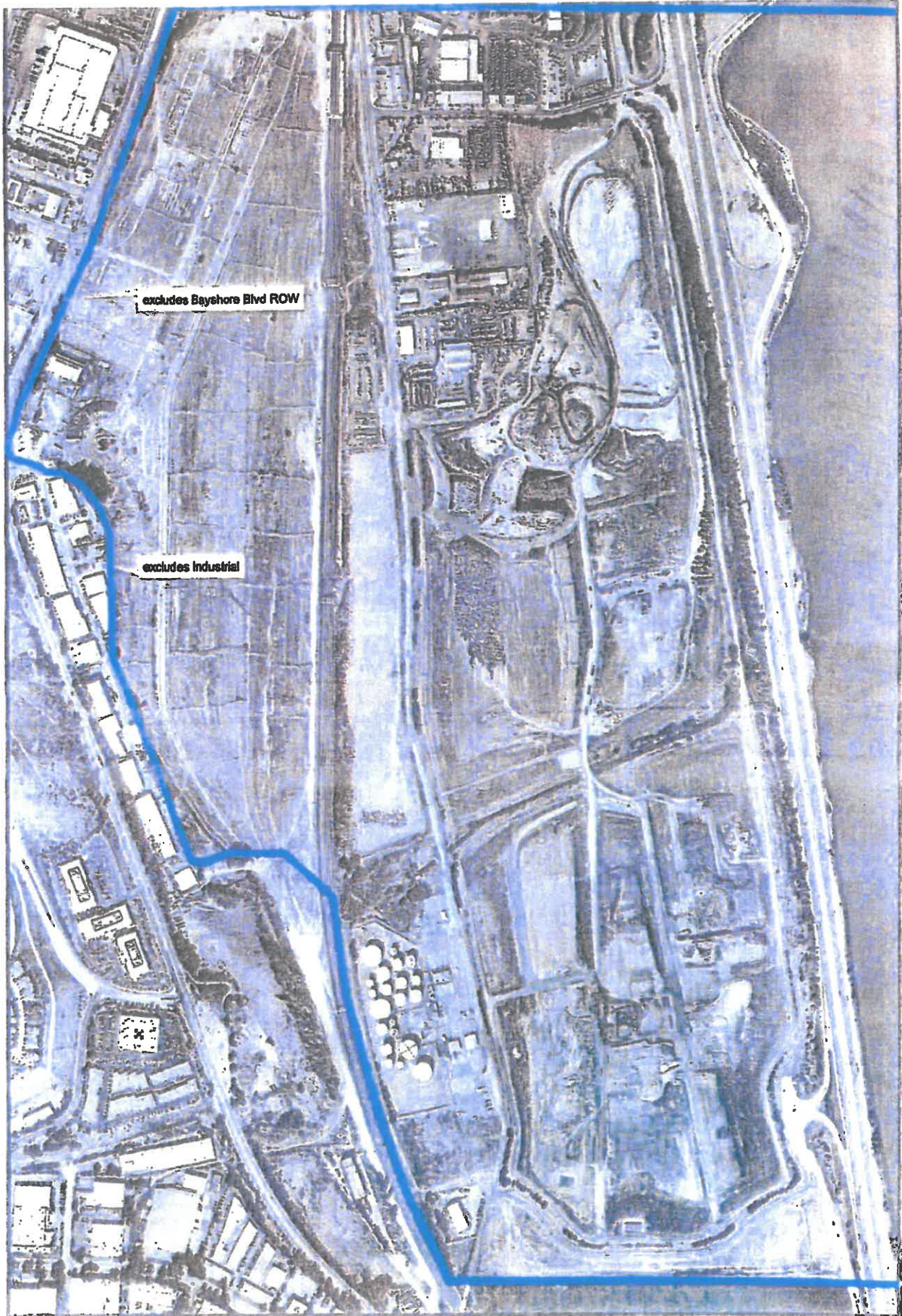






**City of Brisbane  
Solid Waste Collection Zone  
2**





0 250 500 1,000 Feet



**City of Brisbane  
Solid Waste Collection Zone**