



CITY COUNCIL AGENDA REPORT

Meeting Date: April 17, 2025

From: Director of Public Works/City Engineer

Subject: Solid Waste Collection Rate Adjustment-Scavenger

The recommended action is exempt from CEQA because it is not a project (CCR Title 14 §15378 (b) (4)).

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

Recommendation Receive South San Francisco Scavenger's 2025 rate increases.

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 (Scavenger) 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

Scavenger 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."

The calculated rate increase for this year is 2.17%.

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

Fiscal Impact The effective date of the new rates is July 1, 2025.

Environmental Review

Adoption of this ordinance does not require further environmental review under the California Environmental Quality Act because it is a governmental fiscal activity which does not involve any commitment to any specific project which may result in a potentially sign physical impact on the environment and hence it is not a "project". CEQA Guidelines, Section 15378 (b) (4).

Attachments

1. Scavenger's letter of 3/29/25 and redacted rate adjustment language
2. Solid Waste Collection Zone Maps

R.L. Breault

Randy Breault, Public Works Director

Jeremy Dennis

Jeremy Dennis, City Manager

SOUTH SAN FRANCISCO
SCAVENGER
— COMPANY, INC. —

March 29, 2025

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 2.17%.

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, 2025, 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, 2025

CPI Index February 2024	341.595
CPI Index February 2025	350.836
Numerical change	9.241
Percentage change	2.71%
80% of change	2.17%

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

Databases, Tables & Calculators by Subject

Special Notices 4/25/2024

Change Output Options:

From: 2015

To: 2025


☐

include graphs

☐

include annual averages

More Formatting Options ➔

Data extracted on: March 18, 2025 (4:57:58 PM)

Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W)

Series Id: CWURS49BSA0,CWUSS49BSA0

Not Seasonally Adjusted

Series Title: All Items in San Francisco-Oakland-Hayward, CA, urban wage earners and clerical workers, not seasonally adjusted

Area: San Francisco-Oakland-Hayward, CA

Item: All Items

Base Period: 1982-84=100

Download:



Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
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		322.021		328.137		325.932		329.331		326.465	323.900	320.408	327.391
2023		331.875		333.478		335.725		336.663		337.698		335.597	334.662	332.718	336.605
2024		341.595		346.671		345.789		344.633		345.472		342.582	343.886	343.520	344.253
2025		350.836													

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**SOUTH SAN FRANCISCO SCAVENGER, INC.
RATES AND CHARGES EFFECTIVE JULY 1, 2025
CITY OF BRISBANE, CALIFORNIA**

		<u>Current Rates</u>	<i>Proposed change</i>	<u>Proposed Maximum Rates</u>
1. RESIDENTIAL PROPERTY SERVICE -				
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	28.58	2.17%	29.20
32	Gallon Trash Toter	45.72	2.17%	46.71
64	Gallon Trash Toter	91.44	2.17%	93.42
2. COMMERCIAL AND MULTIPLE UNIT RESIDENTIAL PROPERTY CAN SERVICE-				
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	39.54	2.17%	40.40
31 - 32	Gallons	42.22	2.17%	43.14
33 - 40	Gallons	52.69	2.17%	53.83
41 - 45	Gallons	59.38	2.17%	60.67
46 - 50	Gallons	72.48	2.17%	74.05
51 - 64	Gallons	84.36	2.17%	86.19
3. COMPACTED YARDAGE				
Residential, Multi Unit Residential, Commercial, Industrial Customers				
Per Cubic Yard, per pickup		85.48	2.17%	87.33
4. DEBRIS BOXES				
Temporary / One Time Use				
Residential, Multi Unit Residential, Commercial, Industrial Customers				
Rate is for each pickup				
5 yard	Container, 1 ton limit	354.48	2.17%	362.17
7 yard	Container, Dirt - Rock - Concre	773.94	2.17%	790.73
14 yard	Container, 3 ton limit	773.94	2.17%	790.73
20 yard	Container, 5 ton Limit	1,053.54	2.17%	1,076.40
30 yard	Container, 6 ton limit	1,519.62	2.17%	1,552.60
Rental Charge (per day, over 3 days for 5 yard				
and over 7 days for others)				
		34.91	2.17%	35.67

**SOUTH SAN FRANCISCO SCAVENGER, INC.
RATES AND CHARGES EFFECTIVE JULY 1, 2025
CITY OF BRISBANE, CALIFORNIA**

		<u>Current Rates</u>	<i>Proposed change</i>	<u>Proposed Maximum Rates</u>
4. DEBRIS BOXES (continued)				
Permanent Commercial and Industrial use				
7 yard	Container, Dirt - Rock - Concre	652.50	2.17%	666.66
14 yard	Container, 3 ton limit	652.50	2.17%	666.66
20 yard	Container, 5 ton Limit	932.21	2.17%	952.44
30 yard	Container, 6 ton limit	1,398.34	2.17%	1,428.68
Overweight Charge				
Per ton over limit		201.85	2.17%	206.23
5. CONTAINER SERVICE				
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	167.29	2.17%	170.92
1 - yard	Container	334.56	2.17%	341.82
2 - yard	Container	412.59	2.17%	421.54
3 - yard	Container	618.85	2.17%	632.28
4 - yard	Container	825.01	2.17%	842.91
5 - yard	Container	1,031.29	2.17%	1,053.67
6 - yard	Container	1,237.55	2.17%	1,264.40
B) On Call Pick-up Per yard				
Per pick-up, per yard		47.66	2.17%	48.69
Plus Container Rental per Month				
Rental charges (per month)				
1 - yard	Container	74.45	2.17%	76.07
2 - yard	Container	80.51	2.17%	82.26
3 - yard	Container	86.55	2.17%	88.43
4 - yard	Container	93.00	2.17%	95.02
5 - yard	Container	105.29	2.17%	107.57
6 - yard	Container	111.75	2.17%	114.17

**SOUTH SAN FRANCISCO SCAVENGER, INC.
RATES AND CHARGES EFFECTIVE JULY 1, 2025
CITY OF BRISBANE, CALIFORNIA**

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

	Current <u>Rates</u>	<i>Proposed change</i>	Proposed <u>Maximum Rates</u>
<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	77.21	2.17%	\$ 78.88
1.5 yard	115.82	2.17%	\$ 118.32
2 yard	95.21	2.17%	\$ 97.28
3 yard	142.81	2.17%	\$ 145.91
4 yard	190.39	2.17%	\$ 194.52
5 yard	237.99	2.17%	\$ 243.15
6 yard	285.59	2.17%	\$ 291.78

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.

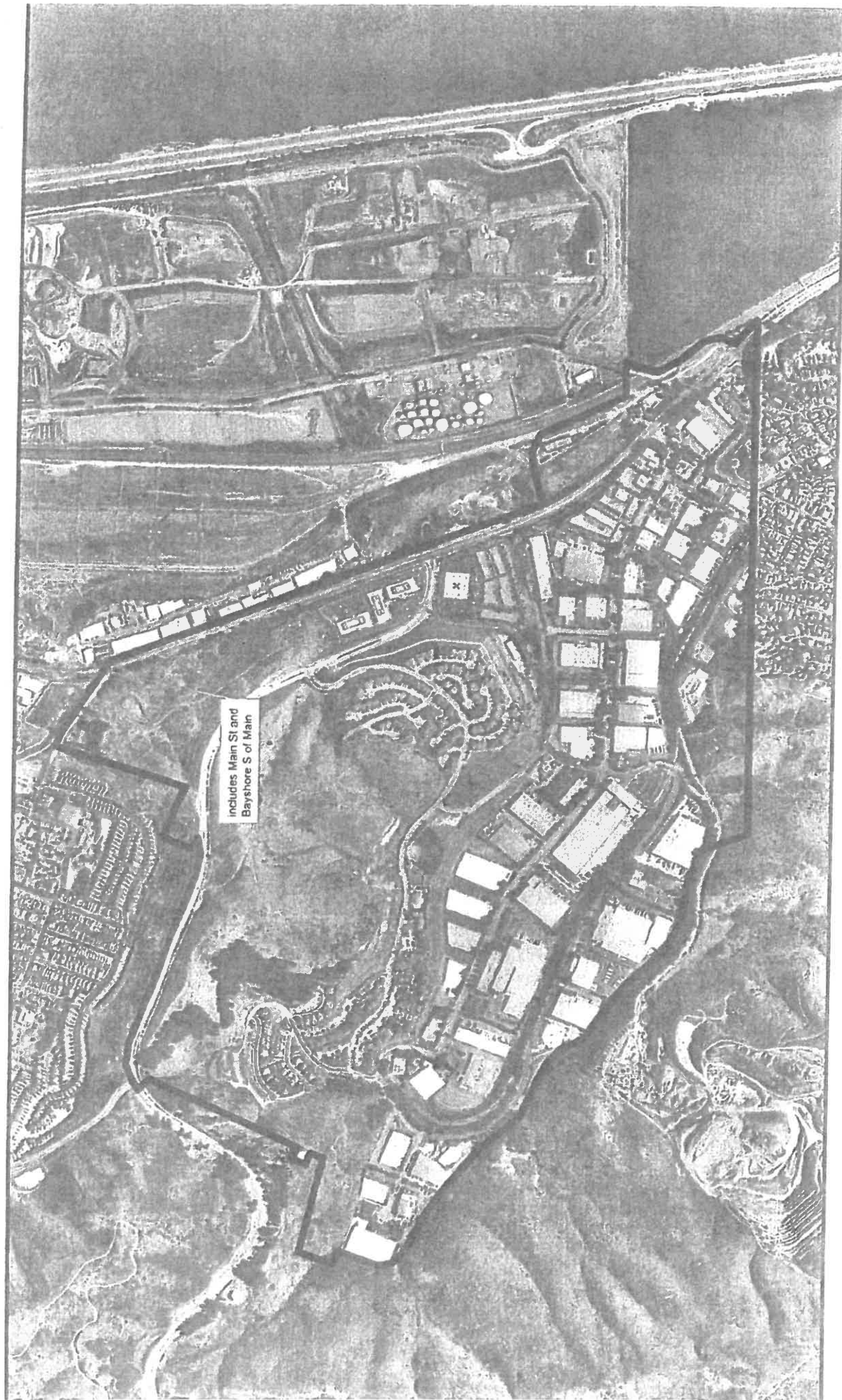
6.2 Modification Based on Consumer Price Index. The maximum rates specified under this Agreement shall be adjusted July 1st every year (beginning in 2016, but excluding the year 2015 and every third year thereafter) by an amount equal to eighty percent (80%) of the percentage change, if any, in the Consumer 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.

6.4 Modification Based on Neighboring Cities' Rates. Irrespective of any adjustments to maximum rates pursuant to Sections 6.2 and/or 6.3 above, every maximum service rate applicable under this Agreement shall be adjusted effective as of July 1 in each of the years 2015 and every third year thereafter (i) in the case of each of the service categories set forth in Exhibit C attached to this Agreement, so as to equal eighty-eight percent (88%) plus the percentage of the Franchise Fee times the average of the most current rates for such service category charged in the jurisdictions set forth in Exhibit D, and (ii) in the case of every other service category not set forth on Exhibit C, so as to equal an amount reasonably arrived at by extrapolating from the new rates determined in accordance with Section 6.4(i) above. The most current rate charged in each jurisdiction listed in Exhibit D for a service category listed in Exhibit C shall mean the rate that applies as of the date Scavenger Company files the Notice of Intention described in Section 6.4(a) below, and shall be based on the actual published rate for a period including such date. The average of the most current rates for a particular service category listed on Exhibit C shall be determined by adding all the most current rates for such service category, and dividing by the number of jurisdictions set forth in Exhibit D. The procedure for rate adjustments under this Section 6.4 shall be as follows.

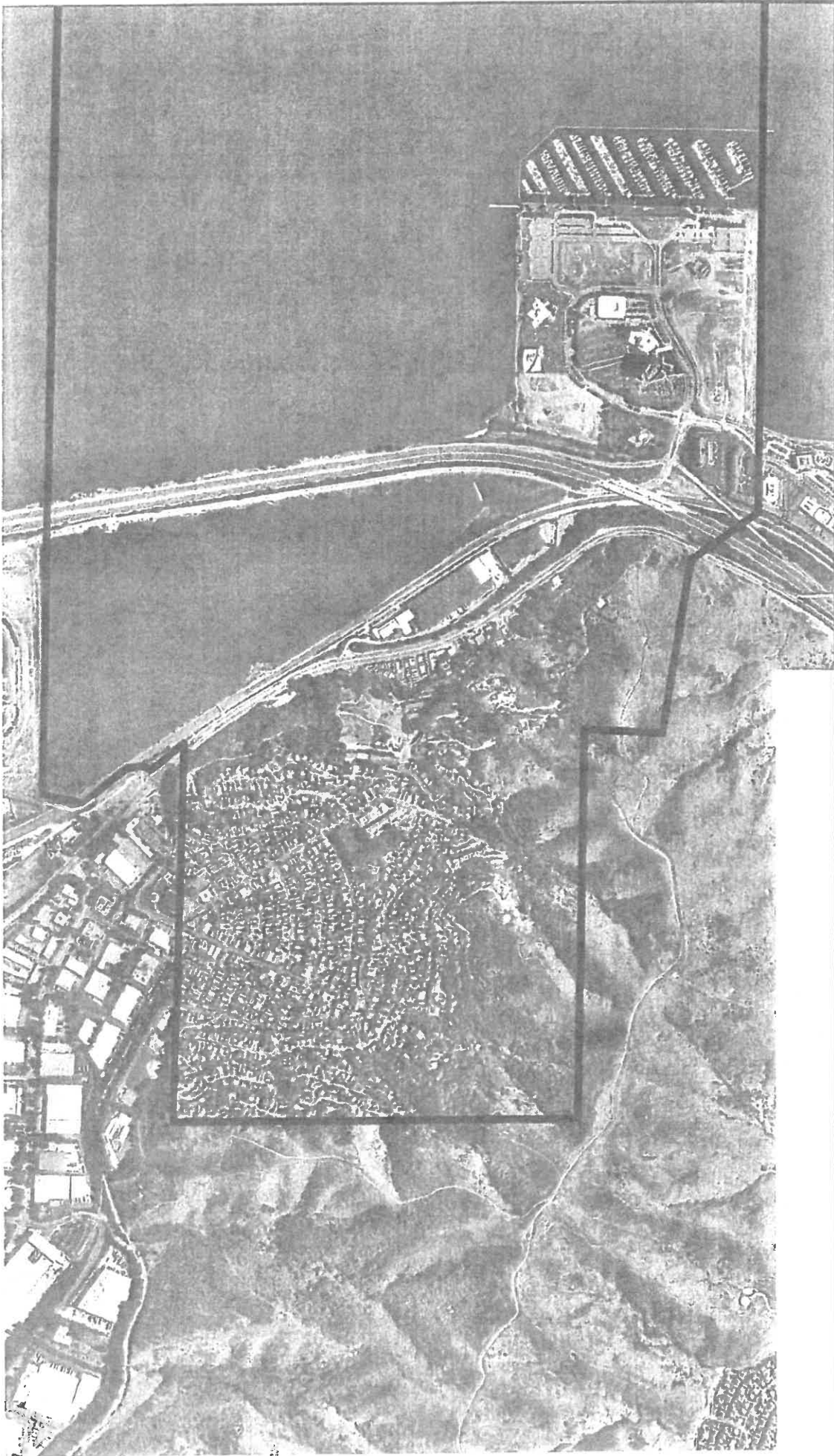
- (a) Not later than March 31st of each year that is subject to a rate adjustment under this Section 6.4, Scavenger Company shall file with City a written Notice of Intention to adjust, effective as of July 1st of the same year, each of the then current maximum service rates in accordance with Section 6.4 above.

An example of such calculation for an Exhibit C service category and for a related service category not listed in Exhibit C is as follows: if the total of the most current rates in the applicable jurisdictions, which number thirty-two (32), for weekly 2-yard commercial front end loader service per month as of March 31, 2018 were \$4,800, Scavenger Company's Notice of Intention for July 1, 2018 would specify \$150.00 [$\$4,800$ divided by 32 multiplied by .88 plus the percentage of the Franchise Fee] as the new maximum rate for such service category, and could specify \$300.00 for weekly 4-yard commercial front end loader service per month.



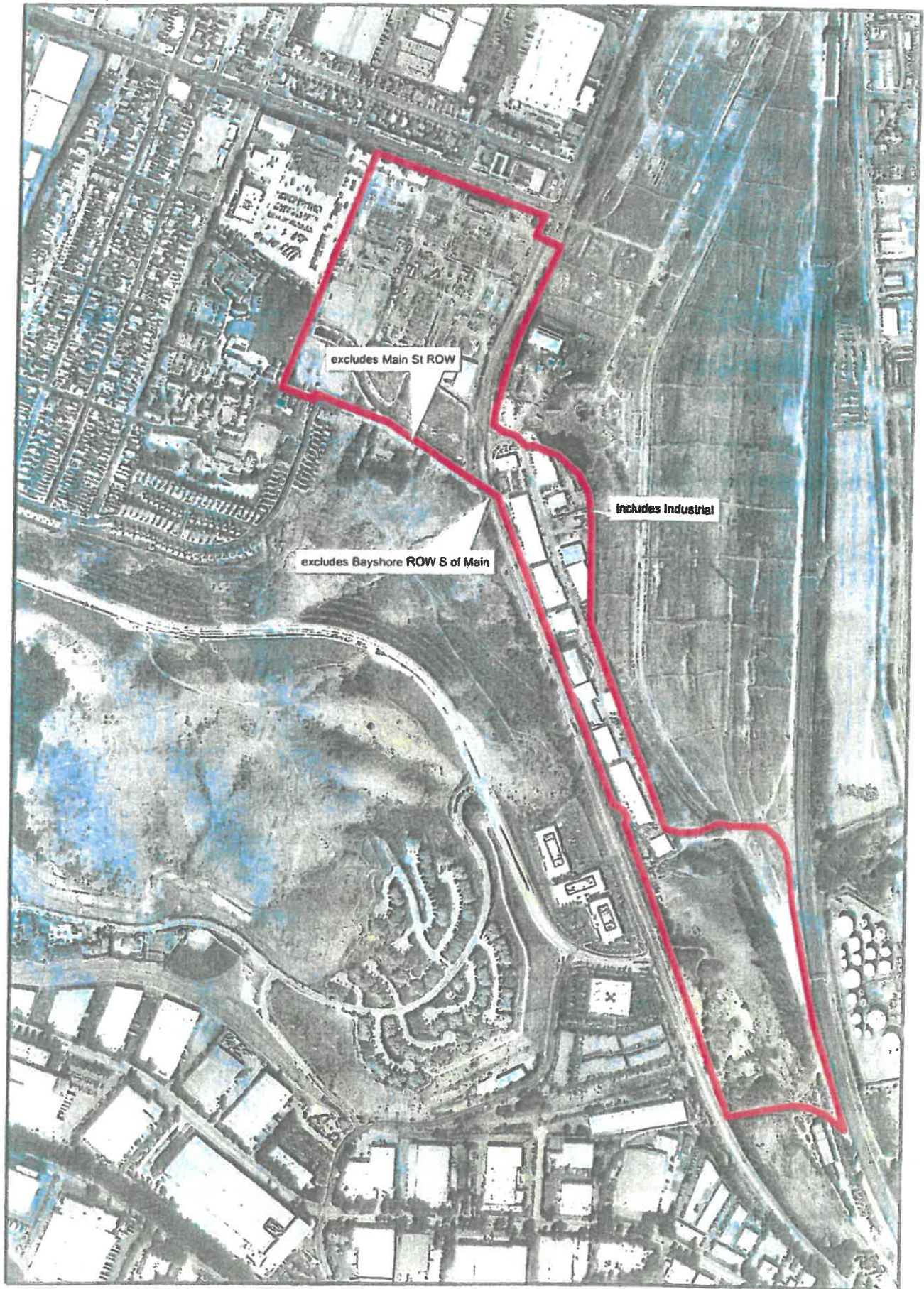
City of Brisbane
Solid Waste Collection Zone
1 - A





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



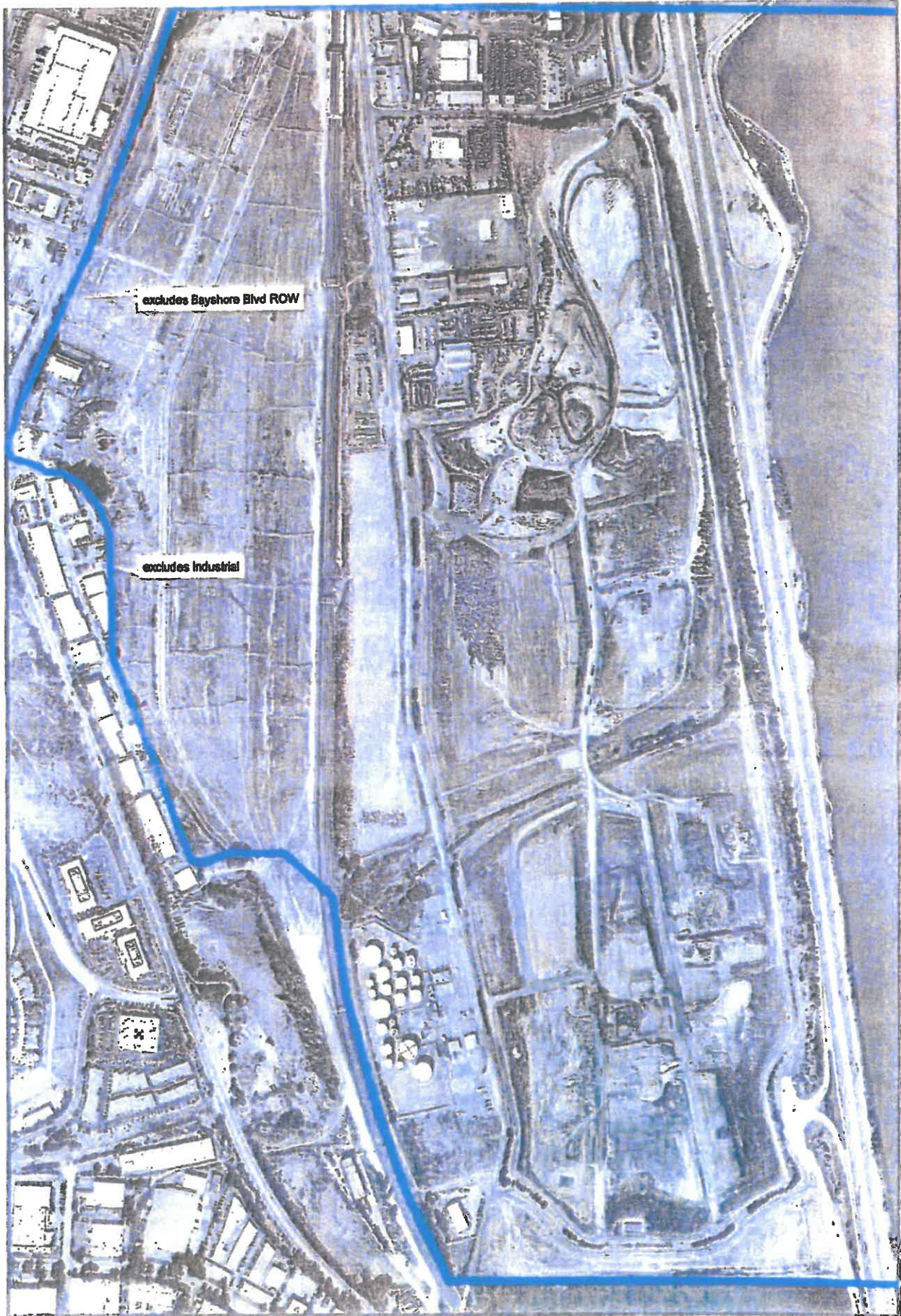


0 250 500 1,000 Feet



**City of Brisbane
Solid Waste Collection Zone**

2



0 250 500 1,000 Feet



City of Brisbane
Solid Waste Collection Zone