



CITY COUNCIL AGENDA REPORT

Meeting Date: May 5, 2023

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 2023 rate increase of 3.90%.

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 rate increase for this year is 3.90%. Last year's approved rate increase was 5.19%.

With the company completing their calculation 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, 2023.

Measure of Success


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

Attachments

1. Scavenger's letter of 4/29/23 and redacted rate adjustment language
2. Solid Waste Collection Zone Maps



Randy Breault, Public Works Director



Clay Holstine, City Manager

SOUTH SAN FRANCISCO
SCAVENGER
— COMPANY, INC. —

March 29, 2023

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

Dear Director Breault,

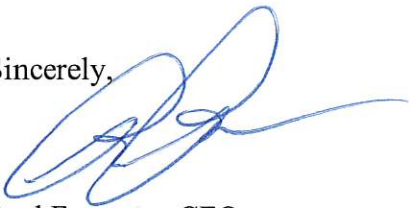
In accordance with the terms of Section 6.2 of the Franchise Agreement, please accept this letter as the required Notice of Intent to adjust the current rates in Brisbane.

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 3.90%.

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, 2023, 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, 2023

CPI Index February 2022	316.463
CPI Index February 2023	331.875
Numerical change	15.412
Percentage change	4.87%
80% of change	3.90%

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

Change Output Options: From: 2013 To: 2023 [GO](#)
 include graphs include annual averages [More Formatting Options](#)

Data extracted on: March 17, 2023 (6:52:08 PM)

CPI 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: [xlsx](#)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual	HALF1	HALF2
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		322.021		328.137		325.932		329.331		326.465	323.900	320.408	327.391
2023		331.875													

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

**SOUTH SAN FRANCISCO SCAVENGER, INC.
RATES AND CHARGES EFFECTIVE JULY 1, 2023
CITY OF BRISBANE, CALIFORNIA**

	<u>Current Rates</u>	<i>Proposed change</i>	Proposed Maximum Rates
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	25.78	3.90%
32	Gallon Trash Toter	41.24	3.90%
64	Gallon Trash Toter	82.48	3.90%
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	35.64	3.90%
31 - 32	Gallons	38.06	3.90%
33 - 40	Gallons	47.49	3.90%
41 - 45	Gallons	53.52	3.90%
46 - 50	Gallons	65.33	3.90%
51 - 64	Gallons	76.03	3.90%
3. COMPACTED YARDAGE			
Residential, Multi Unit Residential, Commercial, Industrial Customers			
	Per Cubic Yard, per pickup	75.34	3.90%
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	322.87	3.90%
7 yard	Container, Dirt - Rock - Concrete	704.92	3.90%
14 yard	Container, 3 ton limit	704.92	3.90%
20 yard	Container, 5 ton Limit	959.59	3.90%
30 yard	Container, 6 ton limit	1,384.10	3.90%
Rental Charge (per day, over 3 days for 5 yard and over 7 days for others)			
		31.80	3.90%

**SOUTH SAN FRANCISCO SCAVENGER, INC.
RATES AND CHARGES EFFECTIVE JULY 1, 2023
CITY OF BRISBANE, CALIFORNIA**

	Current Rates	<i>Proposed change</i>	Proposed Maximum Rates
4. DEBRIS BOXES (continued)			
Permanent Commercial and Industrial use			
7 yard Container, Dirt - Rock - Concrete	594.31	3.90%	617.49
14 yard Container, 3 ton limit	594.31	3.90%	617.49
20 yard Container, 5 ton Limit	849.08	3.90%	882.19
30 yard Container, 6 ton limit	1,273.64	3.90%	1,323.31
Overweight Charge			
Per ton over limit	183.85	3.90%	191.02
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	152.30	3.90%	158.24
1 - yard Container	304.58	3.90%	316.46
2 - yard Container	375.62	3.90%	390.27
3 - yard Container	563.40	3.90%	585.37
4 - yard Container	751.08	3.90%	780.37
5 - yard Container	938.87	3.90%	975.49
6 - yard Container	1,126.65	3.90%	1,170.59
B) On Call Pick-up Per yard			
Per pick-up, per yard	43.39	3.90%	45.08
Plus Container Rental per Month			
Rental charges (per month)			
1 - yard Container	67.78	3.90%	70.42
2 - yard Container	73.29	3.90%	76.15
3 - yard Container	78.80	3.90%	81.87
4 - yard Container	84.67	3.90%	87.97
5 - yard Container	95.85	3.90%	99.59
6 - yard Container	101.73	3.90%	105.70

**SOUTH SAN FRANCISCO SCAVENGER, INC.
RATES AND CHARGES EFFECTIVE JULY 1, 2023
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 (TCMP) Fees

Fees allowed pursuant to approved policy required per Section 5.1 of the November 20, 2014 Franchise Agreement

Container Size	ADMIN FEE			EXTRA TRIP FEE		
	Current Rate	Proposed Change	Proposed Rate	Current Rate	Proposed Change	Proposed Rate
20 gallon	\$30.00	0%	\$30.00	\$0.00	0%	\$0.00
32 gallon	\$30.00	0%	\$30.00	\$0.00	0%	\$0.00
40 gallon	\$30.00	0%	\$30.00	\$0.00	0%	\$0.00
45 gallon	\$30.00	0%	\$30.00	\$0.00	0%	\$0.00
45 gallon	\$30.00	0%	\$30.00	\$0.00	0%	\$0.00
55 gallon	\$30.00	0%	\$30.00	\$0.00	0%	\$0.00
64 gallon	\$30.00	0%	\$30.00	\$0.00	0%	\$0.00
96 gallon	\$30.00	0%	\$30.00	\$0.00	0%	\$0.00
1 yard	\$30.00	0%	\$30.00	\$70.29	3.90%	\$73.03
1.5 yard	\$30.00	0%	\$30.00	\$105.44	3.90%	\$109.54
2 yard	\$30.00	0%	\$30.00	\$86.68	3.90%	\$90.06
3 yard	\$30.00	0%	\$30.00	\$130.02	3.90%	\$135.09
4 yard	\$30.00	0%	\$30.00	\$173.33	3.90%	\$180.09
5 yard	\$30.00	0%	\$30.00	\$216.66	3.90%	\$225.11
6 yard	\$30.00	0%	\$30.00	\$260.00	3.90%	\$270.14

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

Residential, Multi Unit Residential, Commercial, Industrial Customers

Trash Container Monitoring Fees per Amendment to TCMP

Fees allowed pursuant to approved policy and to allow for compliance with new law as required by Section 7 of the November 20, 2014 Franchise Agreement, specifically, to enforce source separation required by BMC 8.25.030 B.1.a and 8.25.040 B.1.a

Container Size	ADMIN FEE			EXTRA TRIP FEE			SOURCE SEPARATION FEE		
	Current Rate	Proposed Change	Proposed Rate	Current Rate	Proposed Change	Proposed Rate	Current Rate	Proposed Change	Proposed Rate
20 gallon	-	-	\$30.00	-	-	\$11.00	-	-	\$30.00
32 gallon	-	-	\$30.00	-	-	\$11.00	-	-	\$30.00
40 gallon	-	-	\$30.00	-	-	\$14.00	-	-	\$30.00
45 gallon	-	-	\$30.00	-	-	\$15.00	-	-	\$30.00
55 gallon	-	-	\$30.00	-	-	\$19.00	-	-	\$30.00
64 gallon	-	-	\$30.00	-	-	\$22.00	-	-	\$30.00
96 gallon	-	-	\$30.00	-	-	\$33.00	-	-	\$30.00
1 yard	-	-	\$30.00	\$70.29	3.90%	\$73.03	-	-	\$30.00
1.5 yard	-	-	\$30.00	\$105.44	3.90%	\$109.54	-	-	\$45.00
2 yard	-	-	\$30.00	\$86.68	3.90%	\$90.06	-	-	\$60.00
3 yard	-	-	\$30.00	\$130.02	3.90%	\$135.09	-	-	\$60.00
4 yard	-	-	\$30.00	\$173.33	3.90%	\$180.09	-	-	\$120.00
5 yard	-	-	\$30.00	\$216.66	3.90%	\$225.11	-	-	\$150.00
6 yard	-	-	\$30.00	\$260.00	3.90%	\$270.14	-	-	\$180.00

I. When service of any container is delayed due to contamination and then corrected, no extra fees will apply if collected on next regular service day.

II. When service of any container is delayed due to contamination, and then corrected, and return trip is requested prior to next pickup day, the Admin Fee will apply.

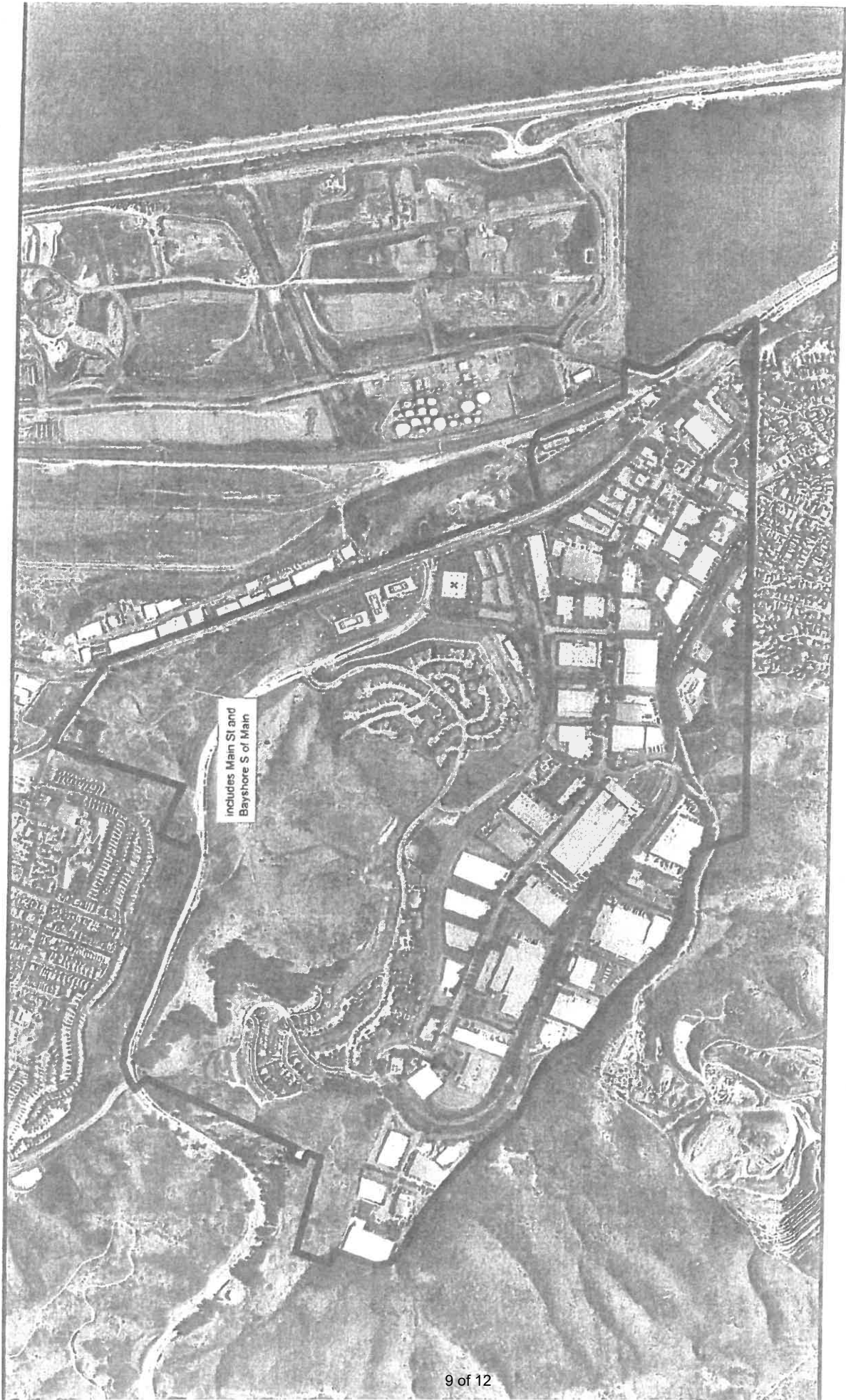
III. When container is contaminated, and customer requests to empty the contents as is, the Extra Trip Fee and Source Separation Fee will apply.

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.

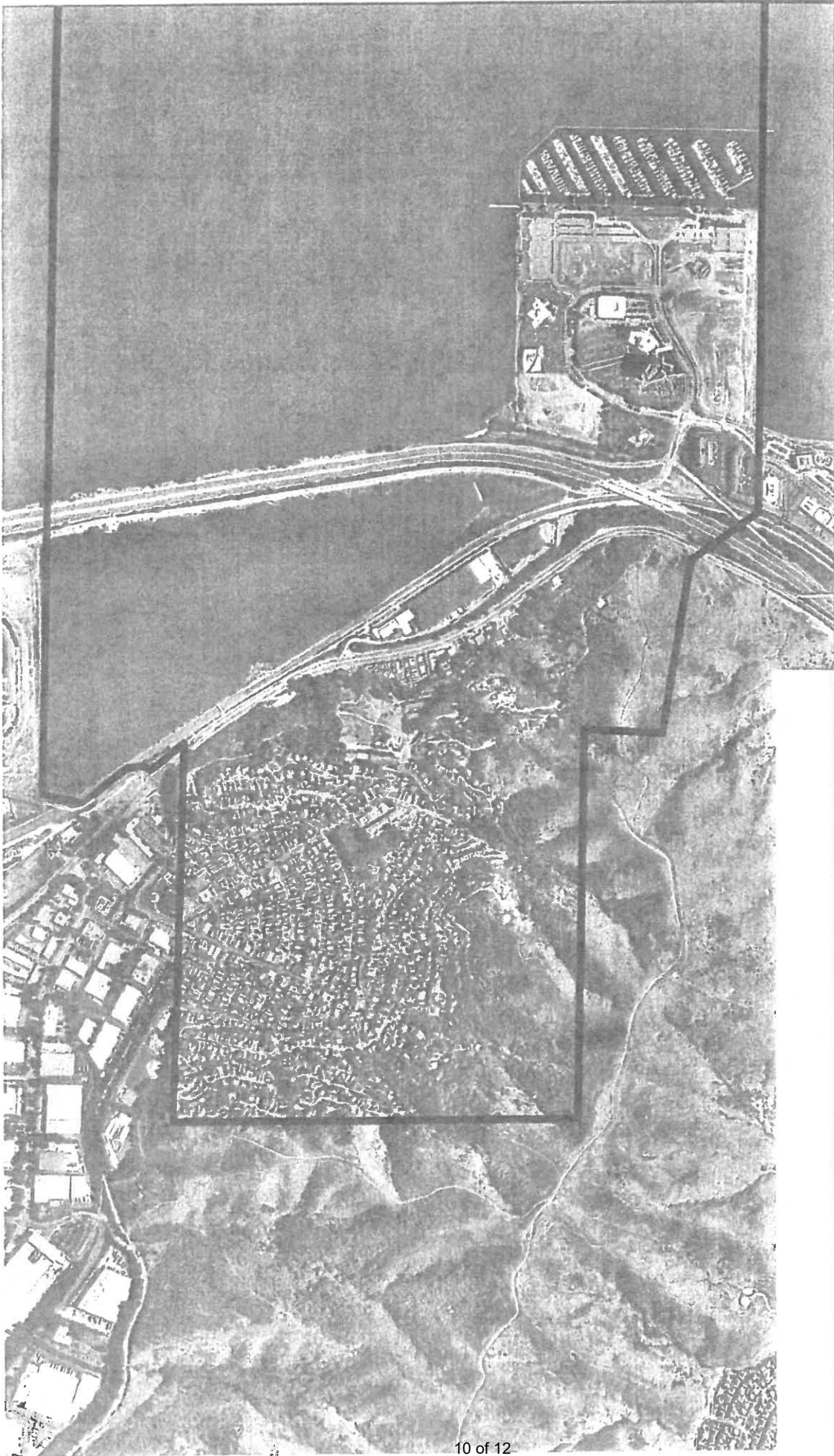
6.2 Modification Based on Consumer Price Index. The maximum rates specified under this Agreement shall be adjusted July 1st every year (beginning in 2016, but excluding the year 2015 and every third year thereafter) by an amount equal to eighty percent (80%) of the percentage change, if any, in the Consumer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



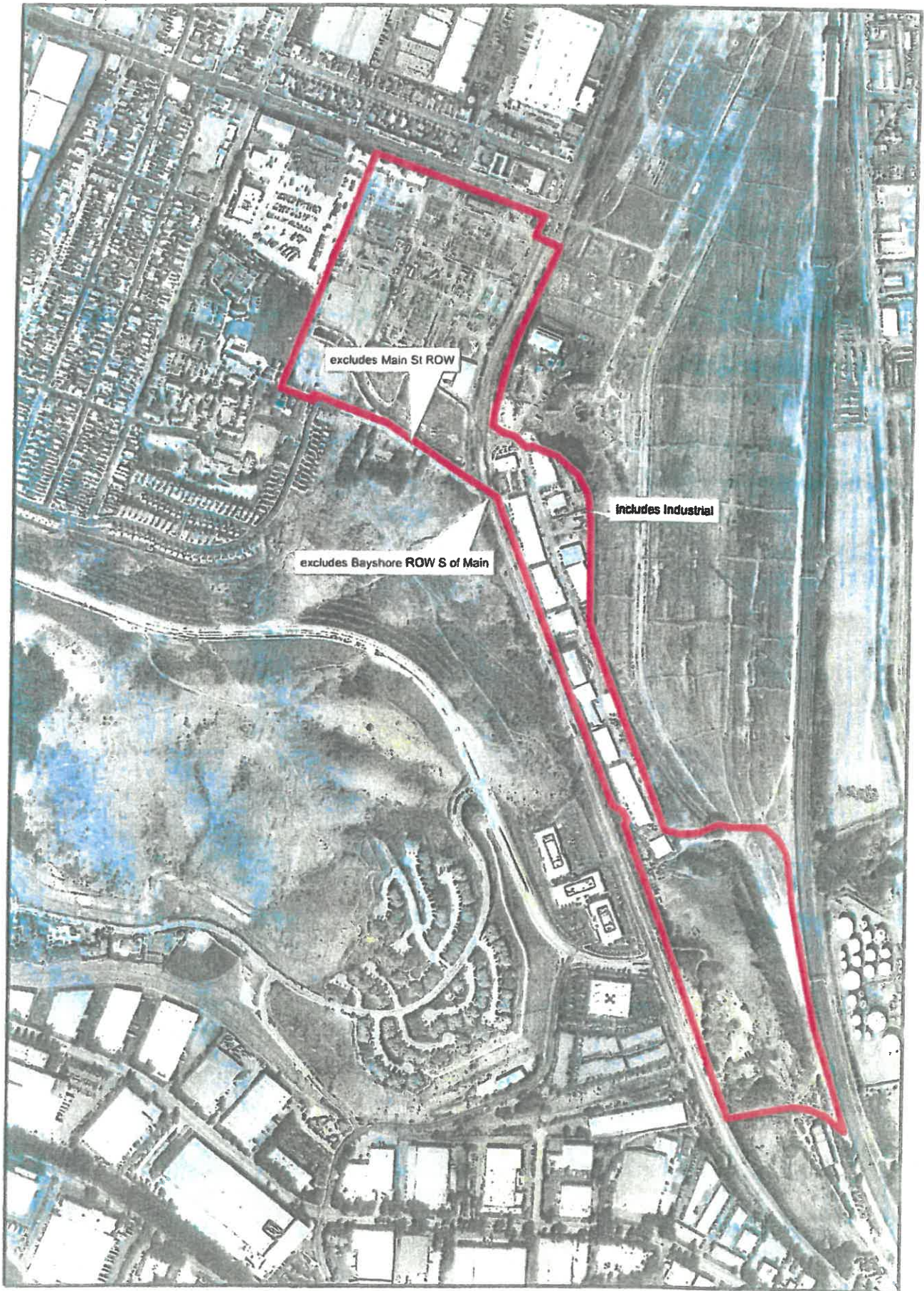
**City of Brisbane
Solid Waste Collection Zone
1 - A**



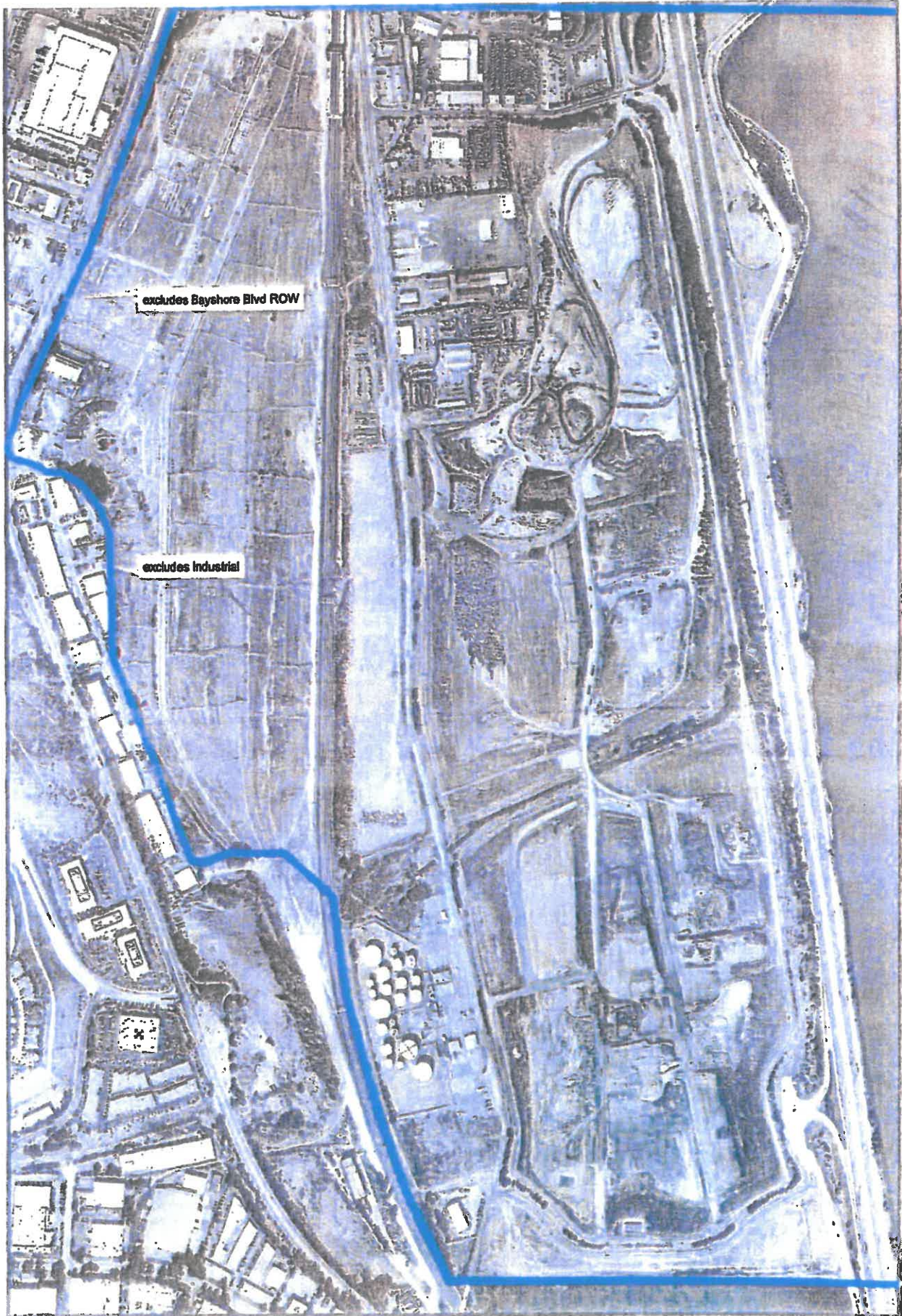


**City of Brisbane
Solid Waste Collection Zone
1 - B**





**City of Brisbane
Solid Waste Collection Zone**



excludes Bayshore Blvd ROW

excludes Industrial



City of Brisbane
Solid Waste Collection Zone