# Annual Rate Review 2018

**Presented to the City of Rialto** 



#### Agenda

- Diversion & Recycling Compliance
- Commercial Recycling (AB 341)
- Commercial Organics (AB1826)
- Annual Rate Review Components
- 2018 Rate Review Impacts
- Pavement Maintenance Fee
- Residential Rate Options
- Multi-Family Bulky Item Program
- Future Impacts

## Diversion and Recycling Compliance

- 50% Waste Reduction (AB939)
- 2020 Goal of 75% (AB341)
- Mandatory Commercial Recycling
- Mandatory Food Waste/Organics
- CalRecycle Anytime letter

California Environmental Protection Agency

Edmund G. Brown, Jr., Governo



#### DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

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Date: January 10, 2017

To: Elected Officials and Recycling Coordinators

From: Scott Smithline, Director

ect: Reviews of Jurisdiction Mandatory Commercial Recycling and Commercial

Organics Recycling Programs

This memo outlines how the Department of Resources Recycling and Recovery (CalRecycle) will exercise its existing statutory authority to formally review jurisdictions' mandatory commercial recycling and mandatory commercial organics recycling programs more frequently as needed. Specifically, CalRecycle will initiate a review and may refer a jurisdiction to enforcement at any time that CalRecycle receives information that a jurisdiction has not implemented, or is not making a good faith effort to implement, its required programs.

In establishing the requirements for jurisdictions to implement mandatory commercial recycling programs through AB 341 (Chesbro, Chapter 476, Statutes of 2011) and mandatory commercial organics recycling programs through AB 1826 (Chesbro, Chapter 727, Statutes of 2014); the Legislature and Governor also set ambitious goals to increase recycling and reduce statewide solid waste disposal. In particular, AB 341 established a goal to source reduce, recycle or compost 75 percent of waste by 2020. Additionally, AB 1826 set a goal to reduce organics disposal by 50 percent by 2020.

AB 341 and AB 1826 require each jurisdiction to implement commercial recycling and commercial organics recycling programs designed to divert waste generated by regulated businesses. Jurisdictions' programs must, among other requirements, include "education of, outreach to, and monitoring of, businesses," within their jurisdiction.

In spite of these goals and requirements, statewide disposal has increased every year since 2012. As a result, it is imperative that CalRecycle fully exercise its authority to ensure that jurisdictions' specified disposal reduction and recycling programs are in compliance with state law. In order to ensure that mandated statewide goals are met, AB 341 and AB 1826 specifically authorize CalRecycle to conduct reviews of jurisdictions' mandatory commercial recycling programs and mandatory commercial

Per PRC 42649.82. Select rural jurisdictions that submitted a resolution to CalRecycle are exempt from the requirements of AB 1826. In 2020, if the statewide disposal of organic waste has not been reduced by 50 percent the exemptions wilb erepealed.

#### AB341 Compliance

January 2018

AB 341	AB 341 accounts without	AB 341 Total	AB 341 Participation
accounts recycling with Burrtec	recycling with Burrtec	number	Rate
307	307	614	50%

January 2017

AB 341 accounts recycling with Burrtec	AB 341 accounts without recycling with Burrtec	AB 341 Total number	AB 341 Participation Rate
258	371	629	41%

Future Mandatory Commercial Recycling Ordinance

Note: January 2014 at 19% and February 2015 at 32% compliance

#### Commercial Organics AB 1826

Californians throw away nearly 6 million tons of food scraps each year.

- April 1, 2016, Businesses that generate 8 cubic yards (cy) or more a week must source separate food scraps and yard trimmings and arrange for organic recycling services
- January 1, 2017, Businesses generating 4 cy or more per week of organics
- January 1, 2019, Business that generates 4 cy or more of commercial solid waste per week

#### Business Compliance

- Food rescue-Donate food to local food banks
- Self haul to organics processor
- Subscribe to City's food waste/green waste organics program
- Multi-family complexes Green Waste Only



#### Food Waste Program

- Adopted by City 2016
- Equalized Rates
  - Trash Same costs as Food Waste
- Minimal Participation

#### Annual Rate Review

- Cost Component Analysis & Review with July implementation
- Adjustments:
  - Service Consumer Price Index
  - Disposal and processing cost components
    - Trash, Green & Food Waste, Recyclables, Construction & Demolition
  - City Fees
  - Programs

#### 2018 Rate Review Impacts

- Service: Consumer Price Index Change: 2.8%
- Disposal and Processing Costs
  - Trash
  - Green Waste
  - Recyclables
- Bin Service Compliance Programs
  - Commercial Recycling & Organics
  - Multi-Family Bulky Item
- Pavement Maintenance Fee

#### Disposal and Processing

Cost Component (per ton)	Current	New	Change
Trash	\$37.13	\$38.21	\$1.08
Green Waste	\$40.97	\$42.44	\$1.47
Recyclables	\$8.70	\$7.22	(\$1.48)

#### Pavement Maintenance Fee Budget

Pavement Maintenance Fees						
				Budgeted		
Fiscal Year		Revenues	E	xpenditures	Project Notes	
2014/15	\$	632,117	\$	-		
2015/16	\$	785,007	\$	-		
					Slurry Seal/Chip Seal Zone 5	
					All local streets South of Randall	
					Ave. between Maple Ave. and	
					Cactus Ave., and a line roughly	
2016/17	\$	1,549,609	\$	1,000,000	1300 feet North of Randall Ave.	
					Slurry Seal Zone 4	
2017/18	\$	1,068,652	\$	1,800,000	(Construction to begin Qtr. 1 of 2019)	
Expected						
Revenues for					Slurry Seal Zone 3	
2018/19	\$	1,279,600	\$	2,400,000	(Construction to begin Qtr. 3 of 2019)	

#### Slurry Seal Zone Map

#### Pavement Maintenance Fees

2016-17

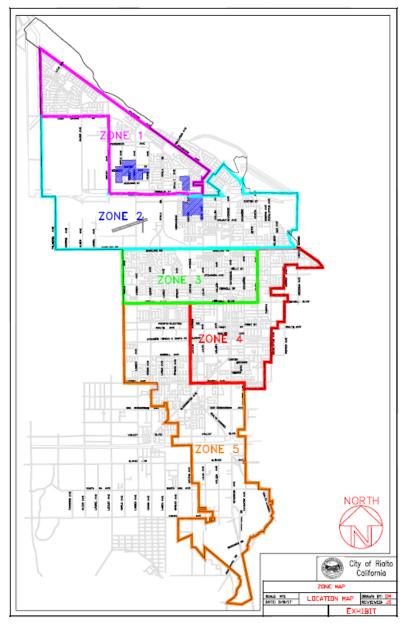
\$1,000,000 awarded for Zone 5 Slurry Seal Project.

2017-18

\$1,800,000 budgeted for Zone 4 Slurry Seal Project.

2018-19

\$2,400,000 budgeted for Zone 3 Slurry Seal Project.



#### Residential Option 1 – Standard Review 60 gallon at \$29.33 (Tax Roll Billing)

- Disposal & Materials Processing increase of \$0.46 or 8.35%
- Burrtec CPI increase of \$0.42 or 2.83%
- City fees (Franchise, AB939 and HazMat) increase by \$0.24 or 3.93%
- No change in Pavement Maintenance Fee

Residential Option 2 – Utilities Commission Recommendation Reduced AB939 & HHW Fee 60 gallon at \$28.19 (Tax Roll Billing)

- Disposal & Materials Processing increase of \$0.46 or 8.35%
- Burrtec CPI increase of \$0.42 or 2.83%
- Reduce City fees for AB939 and HHW to \$0.49 each
- No change in Pavement Maintenance Fee

#### Residential Rates

		Proposed		
Service	Current 2017-18	Standard Review Option 1	AB939 & HHW Fee Reduced Option 2 Utility Commission Recommendation	Prop 218 2018
60 gallon tax roll	\$ 28.22	\$ 29.33	\$ 28.19	\$ 32.72
60 gallon direct bill	\$ 28.82	\$ 29.94	\$ 28.75	\$ 33.72
40 gallon tax roll	\$ 27.50	\$ 28.58	\$ 27.49	\$ 32.84
40 gallon direct bill	\$ 28.10	\$ 29.19	\$ 28.07	\$ 32.84
Senior tax roll	\$ 21.25	\$ 22.17	\$ 21.24	\$ 23.66
Senior direct bill	\$ 21.76	\$ 22.69	\$ 21.73	\$ 23.66

#### Rate Survey

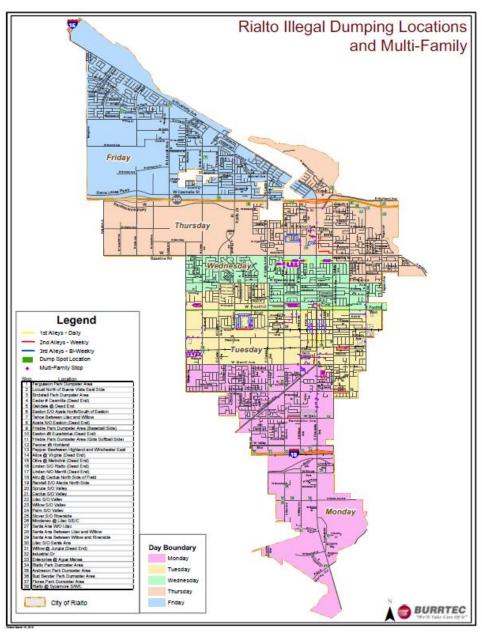
Note: Many rates under review for 2018 adjustment.

2018 RESIDENTIAL RATE SURVEY						
Jurisdiction	Monthly Rate					
Rancho Cucamonga	\$	23.26				
San Bernardino	\$	23.28				
Highland	\$	23.91				
Grand Terrace	\$	23.98				
Colton	\$	24.77				
Upland	\$	26.23				
Yucaipa	\$	26.29				
Fontana	\$	26.34				
Montclair	\$	26.88				
Rialto (Tax Roll Option 2)	\$	28.19				
Rialto (current tax roll)	\$	28.22				
San Bernardino County	\$	28.35				
Rialto (Direct Option 2)	\$	28.75				
Rialto (current direct)	\$	28.82				
Rialto (Tax Roll Option 1)	\$	29.33				
Rialto (Direct Option 1)	\$	29.94				
Ontario	\$	31.27				
Redlands	\$	32.00				

#### Illegal Dumping Issues

- City staff assigned to illegal dumping sweeps
- Burrtec will collect bulky items at MF complexes
- First year implementation to include 52 hours per week (excess hours to be used for illegal dumping of bulky items)
- Majority of material identified as bulky items

### Illegal Dumping Map



#### Multi-Family Bulky Item Program

- Few MF complexes bulky items requests
- Burrtec will collect bulky items at MF complexes
- First year implementation to include 52 hours per week (excess hours to be used for illegal dumping of bulky items)
- Multiple vehicles for different commodities in order to comply with disposal regulations

### Commercial & Multi-Family

NGIC3	Monthly Charge			
Service	Current 2017-18	Standard Review Proposed 2018-19	Utility Comm. Recomm. Proposed 2018-19	Prop 218 2018
Commercial services One time per week				
3 yard trash bin	\$201.22	\$221.36	\$217.16	\$243.66
2 yard food waste or trash bin	\$153.64	\$167.62	\$164.71	\$183.48
Multi-family 3 yard bin With bulky item collection program	\$201.22	\$232.36	\$225.87	\$243.66

#### Future Impacts

- China's National Sword Policy impact on recycling values
- AB1383: Regulations and Enforcement for solid waste diversion and recycling
- Green Waste: Alternative Daily Cover will not count as Diversion
- Organics Reduction at landfills
- Land Application and Compost contamination: Title 14

#### \$\$ Questions \$\$