

Annual Rate Review 2019

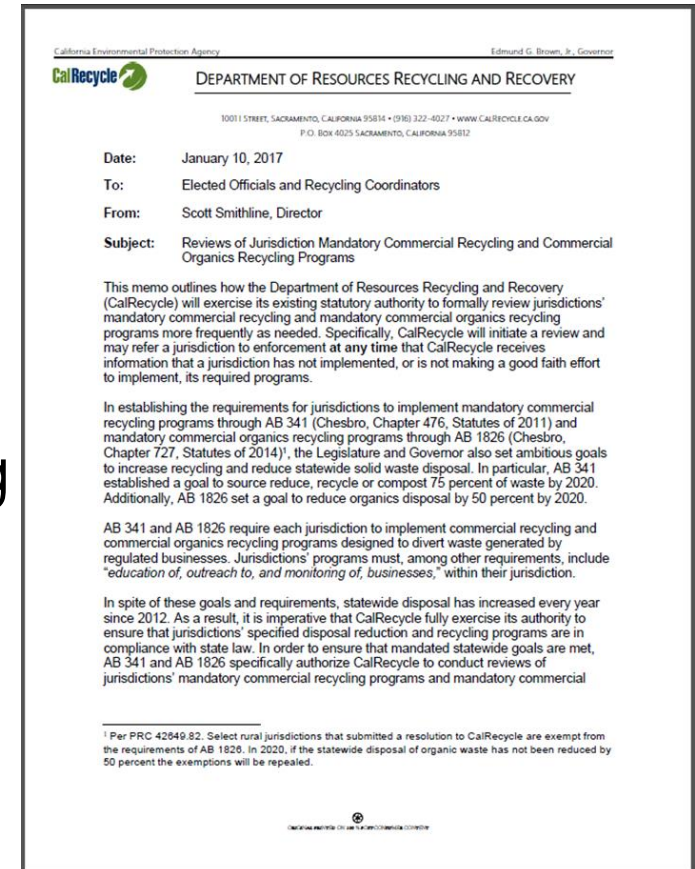
Presented to the City of Rialto

Agenda

- Diversion & Recycling Compliance
- Commercial Recycling (AB 341)
- Commercial Organics (AB1826)
- Annual Rate Review Components & 2019 Impacts
- Pavement Maintenance Fee
- 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



Commercial Recycling – AB341 Compliance

- January 2019

AB 341 accounts recycling with Burrtec	AB 341 accounts without recycling with Burrtec	AB 341 Total number	AB 341 Participation Rate
389	155	544	72%

- January 2018

AB 341 accounts recycling with Burrtec	AB 341 accounts without recycling with Burrtec	AB 341 Total number	AB 341 Participation Rate
305	206	511	60%

Note: January 2014 at 19% 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 costs same as Food Waste
- Minimal Participation
 - January 2019: 52 food waste accounts

2019 Rate Review Impacts

- Cost Component Analysis & Review with July implementation
- Adjustments:
 - Service Consumer Price Index: 3.8%
 - Disposal and processing cost components
 - Trash, Green & Food Waste, Recyclables, Construction & Demolition
 - No changes to City fees including Pavement Maintenance
 - Programs
 - Commercial Recycling & Multi-Family Bulky

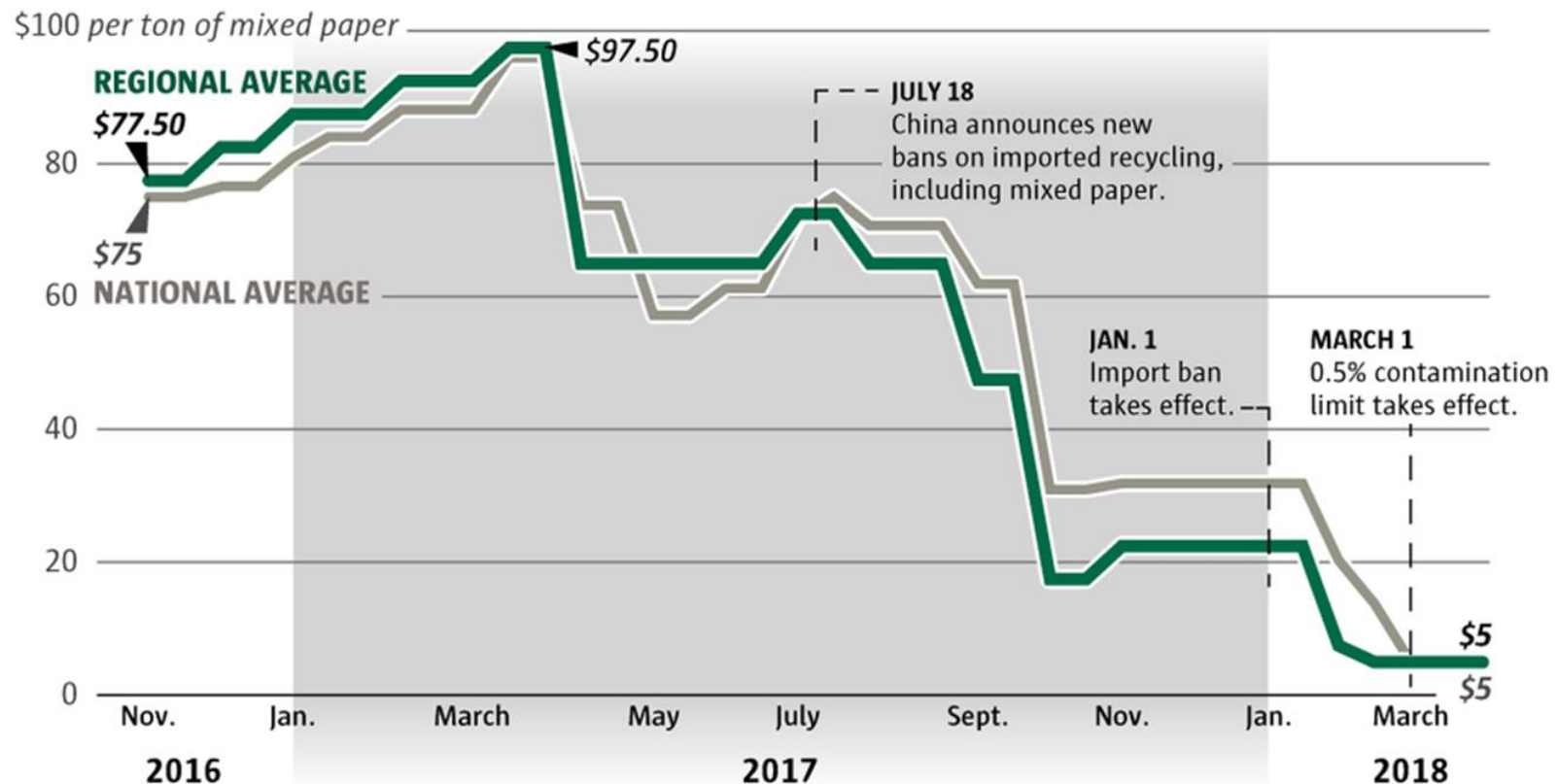
Disposal and Processing

- Title 14 – Green Waste Processing Contamination Limits
 - Compost shall not contain more than 0.5% by dry weight of physical contaminants greater than 4 millimeters
 - Compost shall contain no more than 20% by dry weight of the film plastic contaminants greater than 4 millimeters
- China's National Sword Policy
 - Recyclable Commodity markets collapse in early 2018
 - Impact: Mixed paper market decline of 82%;
\$181/ton in 2011 decreased to \$32/ton in October 2018

Recyclables: China's Policy Impacts

China closes the door, prices crash

The average price paid to recyclers for a ton of mixed paper in the Pacific Northwest and across North America has plummeted in the last year.



Source: RecyclingMarkets.net

EMILY M. ENG / THE SEATTLE TIMES

Disposal and Processing

Cost Component (per ton)	Current	New	Change	Cause
Trash	\$38.21	\$39.55	\$1.34	County annual cost adjustment
Green Waste	\$42.44	\$49.93	\$7.49	Title 14, Green Waste Contamination Limits
Recyclables	\$7.22	\$37.40	\$30.18	China's policy impacts to global recycling markets
Food Waste	\$73.11	\$84.24	\$11.13	Title 14 and processing costs increases

Pavement Maintenance Fee Budget

Pavement Maintenance Fees			
Fiscal Year	Revenues	Budgeted Expenditures	Project Notes
2014/15	\$ 632,117	\$ -	n/a
2015/16	\$ 785,007	\$ -	n/a
2016/17	\$ 1,549,609	\$ -	n/a
2017/18	\$ 1,453,924	\$ 1,000,000	Slurry Seal/Chip Seal Zone 5, Project # 170805 All local streets South of Randall Ave. between Maple Ave. and Cactus Ave., and a line roughly 1300 feet North of Randall Ave.
2018/19 estimated	\$ 1,550,000	\$ 4,200,000	Slurry Seal Zone 4, Project #180805 (Construction to begin July, 2019) Slurry Seal Zone 3, Project # 190805 (Construction to begin November, 2019)

Slurry Seal Zone Map

Pavement Maintenance Fees

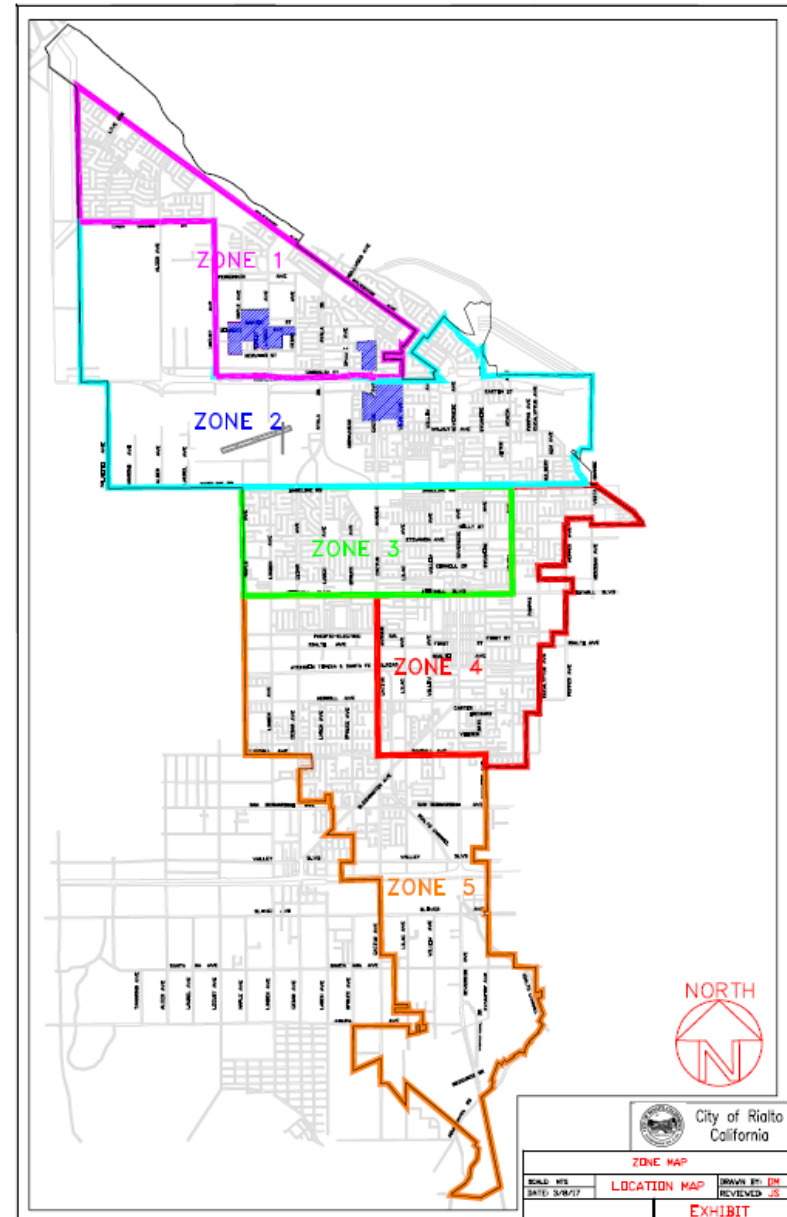
2017-18

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

2018-19

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

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



Residential – Standard Review 60 gallon at \$29.96 (Tax Roll Billing)

- Burrtec CPI increase of \$0.58 or 3.80%
- Disposal & Materials Processing increase to \$7.16 or 19.96%
- No changes to City fees (Franchise, AB939, Pavement Maintenance and HazMat)

Residential Rates

Service	Monthly Charge	
	Current 2018-19	Proposed 2019-20
60 gallon tax roll	\$ 28.19	\$ 29.96
60 gallon direct bill	\$ 28.75	\$ 30.54
40 gallon tax roll	\$ 27.49	\$ 29.25
40 gallon direct bill	\$ 28.07	\$ 29.85
Senior tax roll	\$ 21.24	\$ 22.74
Senior direct bill	\$ 21.73	\$ 23.25

Rate Survey

Note: Many rates under review for 2019 adjustment.

2019 RESIDENTIAL RATE SURVEY	
Jurisdiction	Monthly Rate
Rancho Cucamonga	\$23.26
Grand Terrace	\$23.98
San Bernardino	\$24.31
Colton	\$25.10
Highland	\$25.23
Upland	\$26.23
Yucaipa	\$26.89
Fontana	\$27.65
Rialto (current tax roll)	\$28.19
Rialto (current direct)	\$28.75
Montclair	\$29.12
Rialto (proposed tax roll)	\$29.96
San Bernardino County	\$29.98
Rialto (proposed direct)	\$30.54
Ontario	\$31.27
Redlands	\$35.85

Compliance Fee Commercial and Multi-Family Trash

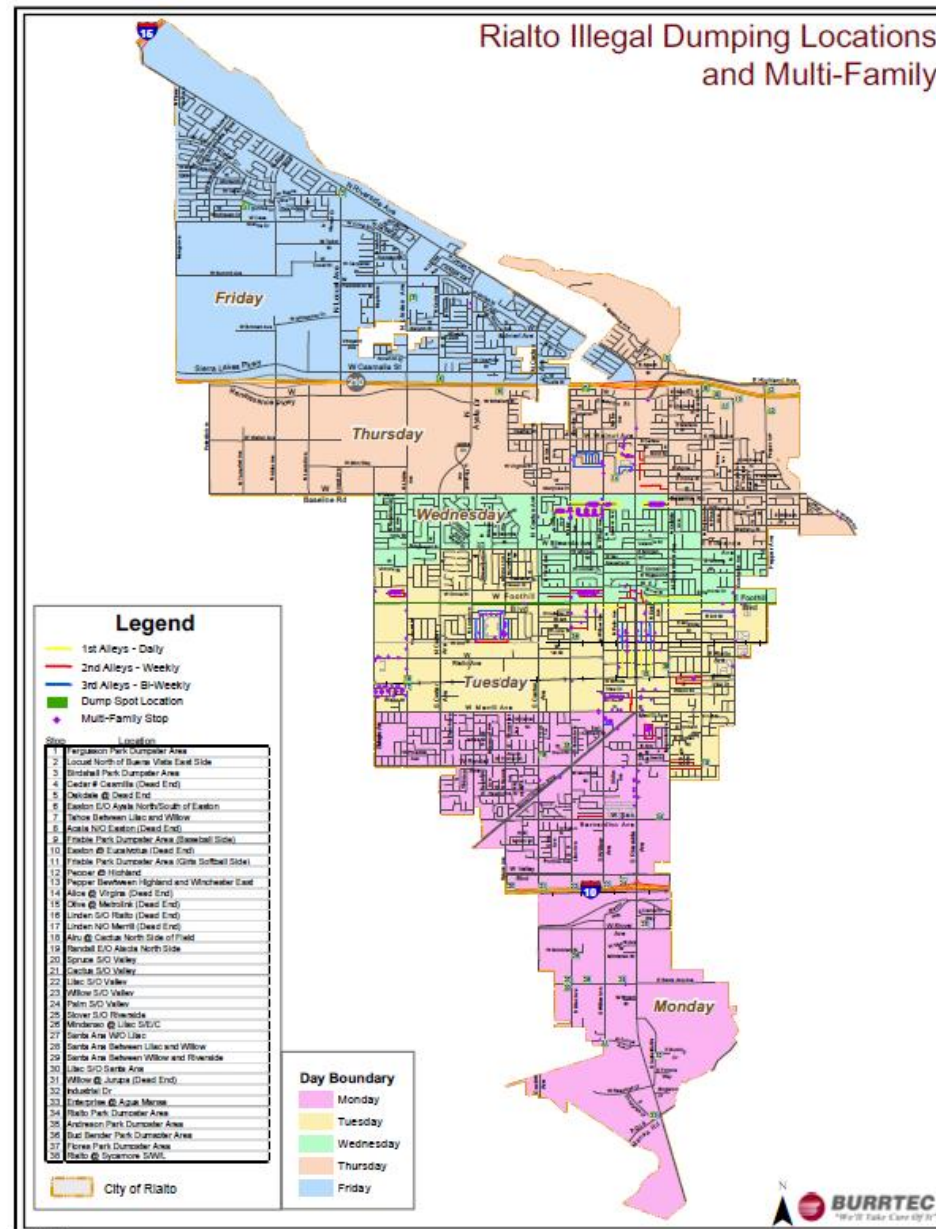
- Equivalent to \$1.95 per month for common service 1–3 yard bin - 1x/week
- Implementing new state compliance requirements
- Food waste generators, green waste recycling validations, exemptions validation, food recovery tracking, self haul 3rd party & compliance tracking systems, audits and organics generators, mailings, trainings

Multi-Family Bulky Item Program

- Burrtec collects bulky items at MF complexes
- Includes 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

Multi-Family Bulky Item Tonnage	
December 2018	July – December 2018
82.29 tons	372.37 tons

Illegal Dumping Map



Commercial & Multi-Family Rates

Service	Monthly Charge	
	Current 2018-19	Proposed 2019-20
Commercial services One time per week		
3 yard trash bin	\$217.03	\$242.91
2 yard food waste or trash bin	\$164.62	\$182.47
Multi-family 3 yard bin With bulky item collection program	\$225.74	\$245.77

Ongoing Impacts

- China's National Sword Policy - impact on recycling values ongoing global impacts
- SB1383: 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

Recommendation

- No Change to City Fees (Franchise, AB939, Pavement Maintenance and HazMat)
- Three Year Rate Estimates & Prop.218 Hearing



?? Questions ??