



R
Recology
Sunset Scavenger
Golden Gate
San Francisco
WASTE ZERO



RECOLOGY 2017 RATE APPLICATION TECHNICAL WORKSHOP

February 2017

AGENDA



- 1. Overview – Collection, Processing & Disposal Services**
- 2. Facility Improvements – Included in the application**
- 3. Additional Facility Improvements – Contingent Items**
- 4. Collection Service Changes**
- 5. Rate Changes**
- 6. Rebates & Reserves**
- 7. Opportunities for public input – Public Works**

SERVICES OVERVIEW

R
Recology
Sunset Scavenger
Golden Gate
San Francisco
WASTE ZERO



Collection



Processing



Compostables

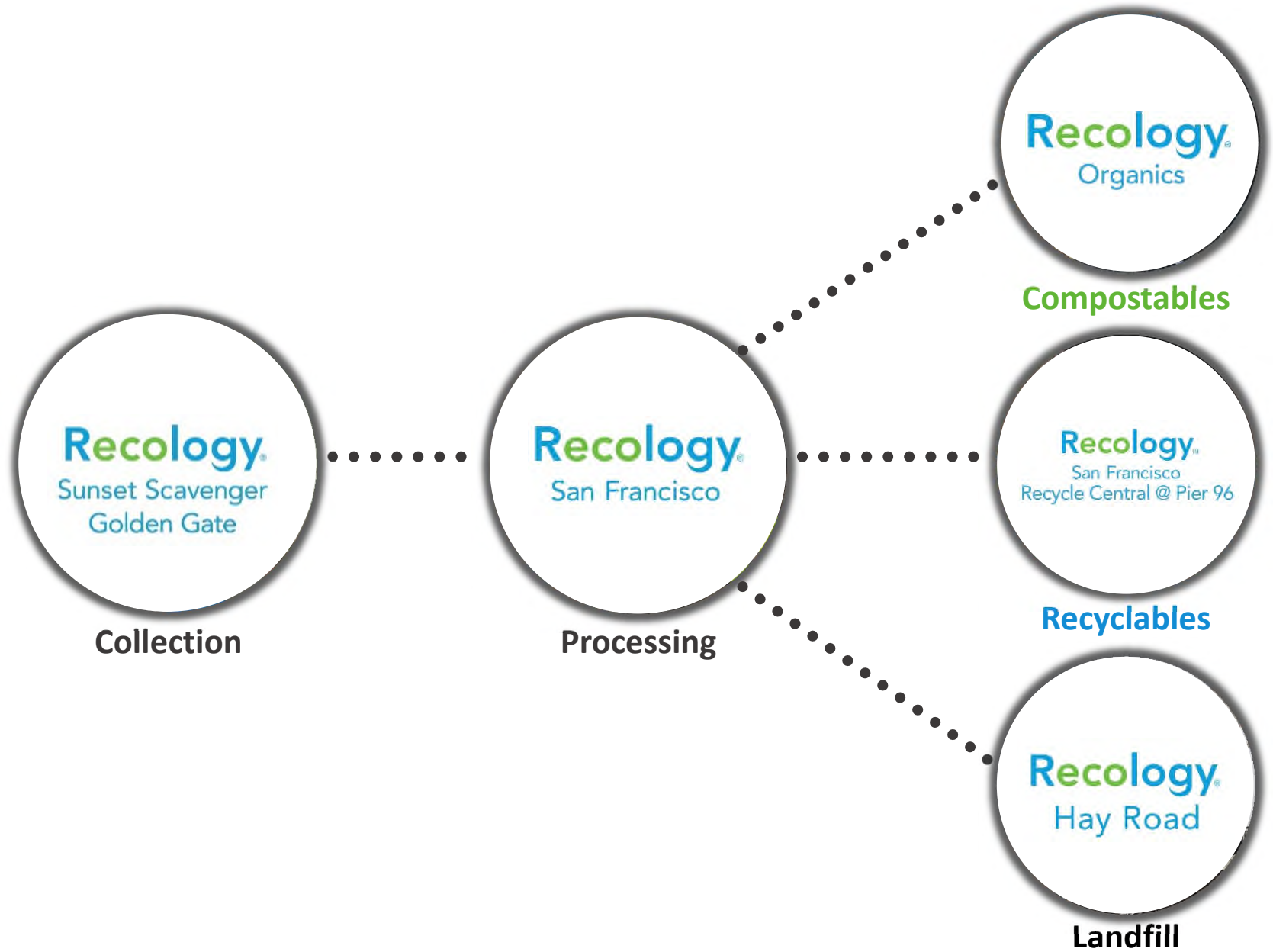


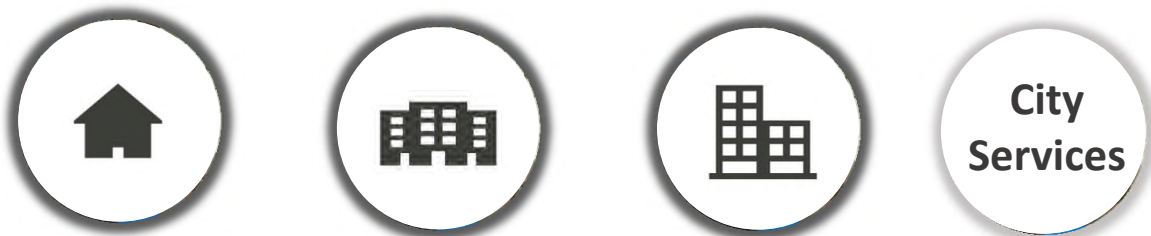
Recyclables



Landfill

SERVICES OVERVIEW





Residential Apartment Commercial



Programs

- Total Collection Routes: 350
- Bulky Item & Abandoned Materials
- Small Quantity Hazardous Waste
- Education and Outreach (Waste Zero Team)
- Public Receptacle Collection

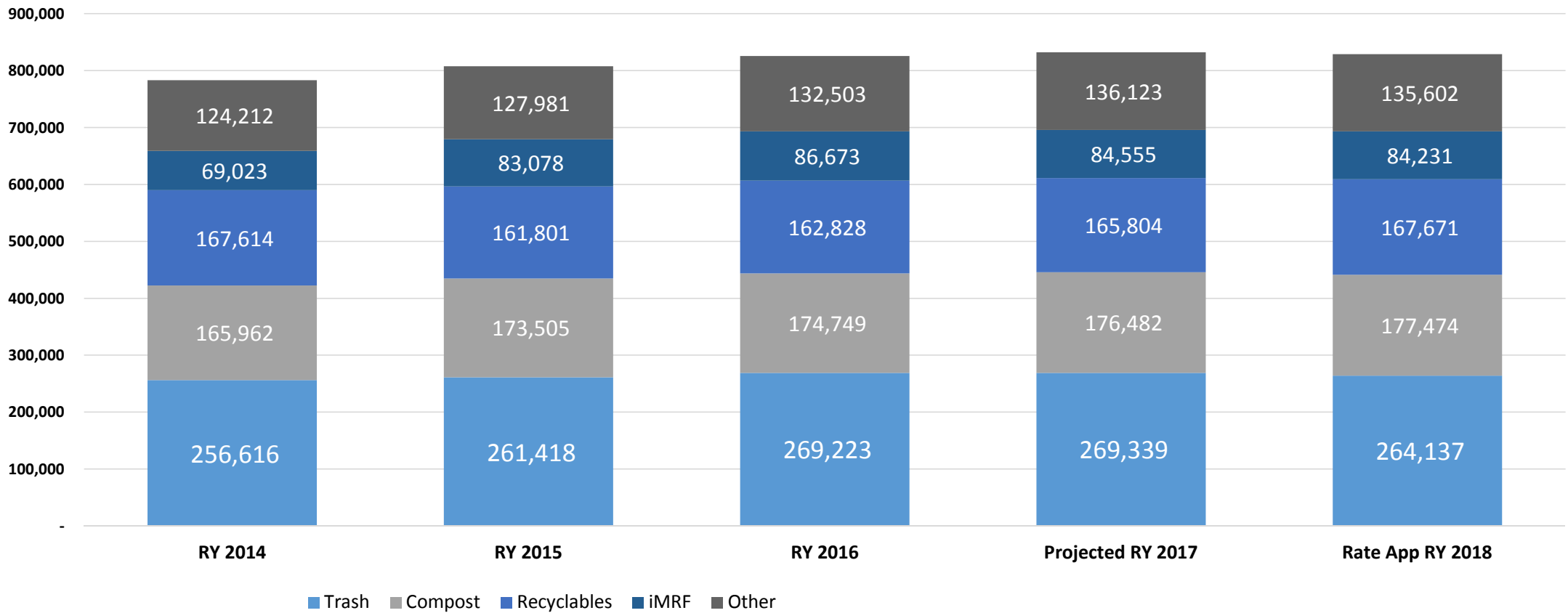
COLLECTION OVERVIEW



Recology
 Sunset Scavenger
 Golden Gate
 San Francisco
 WASTE ZERO

Overview - Total Tonnage

Tons Received



OVERVIEW - SIGNIFICANT FEATURES OF APPLICATIONS

Program Changes

- Reducing size of trash bin and increasing size of blue bin
- Repurpose single-chamber trucks from Organics to Recyclables
- Increase abandoned materials collection

Facility Improvements

- Organics transfer station
- C&D processing – Contingent Item
- Black bin processing – Contingent Item

Higher Costs

- Composting regulations
- Landfill agreement
- Labor Rates

FACILITY IMPROVEMENTS – INCLUDED IN APPLICATION

West Wing

- New addition for organics transfer. \$19M facility providing state-of-the-art odor management system and expanded floor space for managing flow of material volumes

Trash Processing

- Pilot program to process 100 tons per day of trash from black bins to extract organics for digestion at EBMUD to produce electricity. Sort remaining material for recovery of marketable recyclables to be further processed at Recycle Central, resulting in reducing materials to landfill by approximately 25 tons per day.

ADDITIONAL FACILITY IMPROVEMENTS – CONTINGENT ITEMS

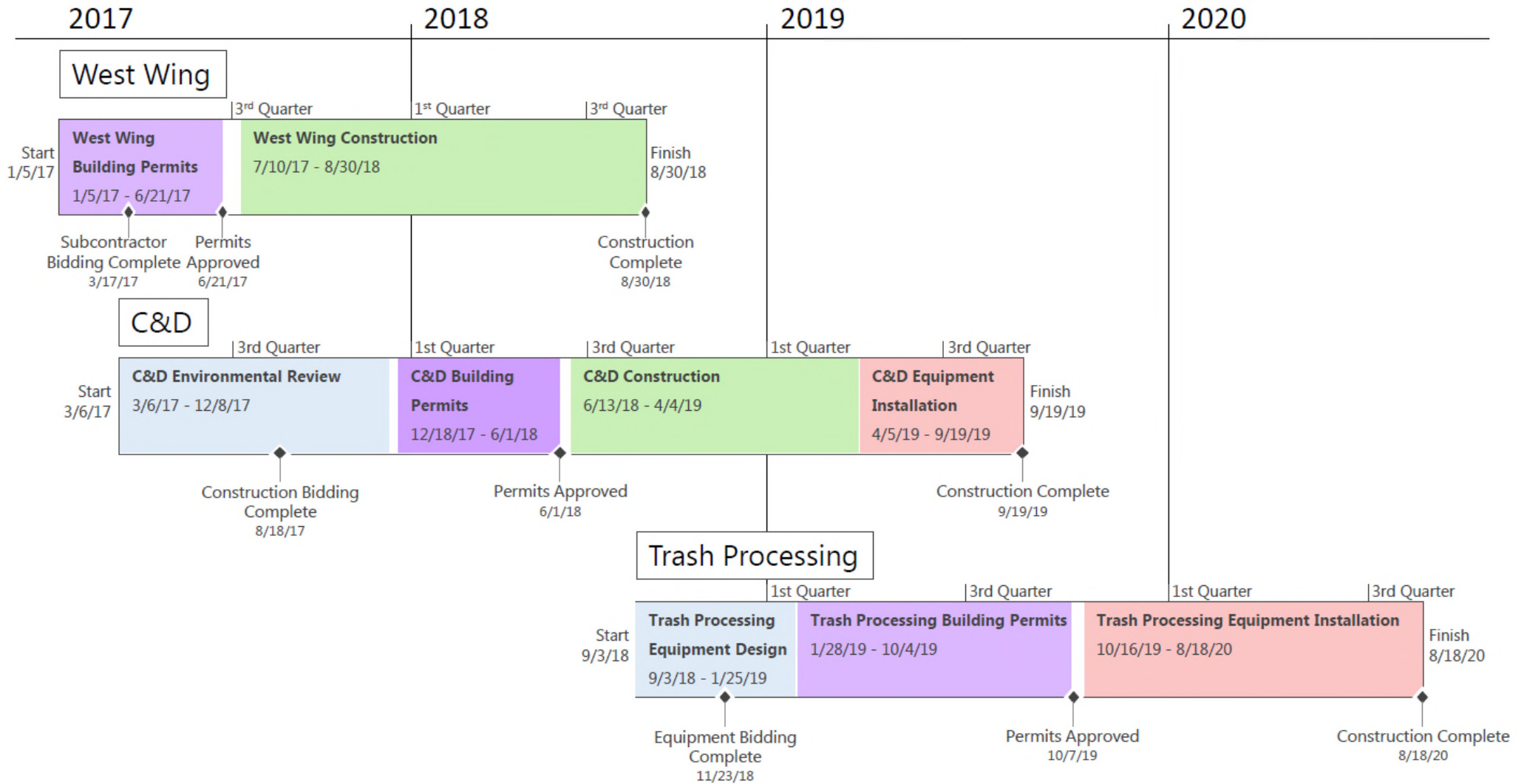
***i*MRF**

- Relocate and construct a new C&D and mixed materials processing building and sort system.
 - 100,000 sq. ft. facility. Estimated cost: \$64 million.
 - Advanced technology, capable of processing up to 1,000 tons per day
 - Increasing diversion from current level of approximately 50% to 70%

Trash Processing

- Repurpose *i*MRF and transfer pit to process all remaining trash in black bins
 - 45,000 sq. ft. facility. Estimated cost: \$19 million.
 - Advanced technology, capable of processing up to 1,100 tons per day
 - Increasing diversion from currently no diversion to 50% depending upon end users

San Francisco Facilities Timeline



COLLECTION SERVICE CHANGES

ROUTE CHANGES

- Increase capacity to collect recyclables: single-body blue, split-body black/green
- Addition of 23 routes, blue to Recycle Central, black/green to Tunnel Avenue
- On-board Route Management System

SERVICE LEVEL ADJUSTMENTS

- New default service levels for single family residences

RATE CHANGES

AVERAGE SINGLE FAMILY INCREASE OF 16.4% IN YEAR ONE

Component	Current Default Service Level and Rates		Current Default Service Levels with New Rates		Proposed Default Service Levels with New Rates	
	Volume (gallons)	Charge	Volume (gallons)	Charge	Volume (gallons)	Charge
Unit Charge	N/A	\$5.16	N/A	\$20.00	N/A	\$20.00
Trash (black)	32	25.90	32	10.44	16	5.22
Recycling (blue)	32	2.06	32	5.22	64	10.44
Composting (green)	32	2.06	32	5.22	32	5.22
Monthly charge	--	\$35.18	--	\$40.88	--	\$40.88

RATE CHANGES

AVERAGE SINGLE FAMILY INCREASE OF 16.4% IN YEAR ONE

Trash	Recycling	Composting	% of Residential Customers	Current Monthly Rates	New Monthly Rates	Change (%)
32 gal	32 gal	32 gal	34%	\$35.18	\$40.88	16.20%
20 gal	32 gal	32 gal	17%	\$25.47	\$31.97*	25.5%*
32 gal	64 gal	32 gal	9%	\$37.24	\$46.10	23.79%
16 gal	64 gal	32 gal	N/A	N/A	\$40.88	N/A

*Includes \$5.00 per month transition credit

REBATES & RESERVES

ZERO WASTE INCENTIVE (ZWI) FUND

- How funds are used to offset capital (Example - Recycle Central)
- How funds are used to reduce rates (Example – RY 2018 increase)

OLD SPECIAL RESERVE FUND – NEW RESERVE FUND

- How funds will be applied to build new reserve fund (in lieu of the prior 1% surcharge mechanism)
- How funds will be applied to offset rate increases in RY 18, RY 19, and RY 20

IMPACT OF REBATES AND CREDITS

	RY 2018		RY 2019		RY 2020		RY 2021	
Revenue at Current Rates	\$	264,280,618	\$	307,631,006	\$	321,213,160	\$	321,213,160
Cost-of-living-adjustment		N/A		TBD		TBD		TBD
Revenue Requirement		324,964,140		324,964,140		324,964,140		324,964,140
Zero Waste Incentive Rebate		(11,587,896)		-		-		-
Special Reserve Fund Rebate		(2,500,000)		(2,000,000)		(2,000,000)		-
RY 2017 Tier 3 & 4 Pier 96 Improvement Reimbursement		(3,245,238)		-		-		-
20-Gallon Transition Credit		-		(1,750,980)		(1,750,980)		(1,750,980)
Net revenue requirement		307,631,006		321,213,160		321,213,160		323,213,160
Change (\$)	\$	43,350,388	\$	13,582,154	\$	-	\$	2,000,000
Increase (%)		16.40%		4.42%		0.00%		0.62%

OPPORTUNITIES FOR PUBLIC INPUT

SCHEDULE OF DIRECTOR'S HEARINGS

RATEPAYER ADVOCATE