

SANITATION AND ENVIRONMENTAL SERVICES

COST OF SERVICE STUDY (COS) AND OPERATIONS DISCUSSION

February 12, 2019



Cost of Service (COS) and Operations Evaluation

- COS scenarios for Residential, Commercial and Transfer Station
 - FY 2018 Baseline
 - FY 2018 Baseline plus Sustainable Fleet
 - FY 2018 Baseline with Modified Operations plus Sustainable Fleet
- Curbside Recycling
- Commercial Collection

Summary of Scenarios

OPERATIONS SCENARIO	BASELINE OPERATIONS (FY 2018 ACTUAL)	SUSTAINABLE FLEET	MODIFIED OPERATIONS, SUSTAINABLE FLEET
ANNUAL EXPENDITURES	\$8,387,377	\$9,601,882	\$9,158,738
RESIDENTIAL COSTS	\$18.95	\$22.45	\$20.75
COMMERCIAL COSTS	\$85.35	\$101.88	\$101.52
TRANSFER STATION COSTS	\$47.84	\$50.58	\$49.98

Modified Operations Scenario

- Eliminate use of split rear loaders
 - Majority of ground trash picked up during MSW collection
 - Majority of yard waste collected with knucklebooms
- Enforce ground trash (buck-a-bag) program
- Use of air curtain burner for wood waste management and disposal
 - Refer to January 8, 2019 Work Session
- Automated collection of curbside recycling
- Refocus efforts on core residential operations and limited commercial collections

Automated Curbside Recycling

- Status of recycling
 - Locally – processing facility has ongoing issues with processing of blue bags
 - Globally
 - Chinese market – 0.5% contamination standard
 - Shipping costs to other markets reduces profitability
 - US does not have adequate end markets or facilities to achieve contamination standard
- Employee safety
 - Five year period 2013-2017 had a total of 38 claims totaling \$265,944
- Consolidation of equipment types
 - Collection trucks and carts
- Efficiencies
 - Ability to route recycling collection
 - Reduced time at customer service location

Automated Curbside Recycling

- Program Elements
 - Voluntary
 - Those that wish to participate will register and pay an administrative setup fee at the time of cart delivery – estimated to be <\$45
 - Service included in residential fee like blue bag service
 - Weekly service using a 64 gallon cart
 - Information will be affixed to cart identifying appropriate recyclables
- Anticipated Schedule
 - Calendar year 2019
 - Communications and education with customers
 - Establish registration capability, cart tracking and accountability
 - January 2020 – start delivery of recycling carts; rolled out in a 3-6 month period
 - Allow grace period to accept blue bags but have a hard cutoff date based on delivery dates of cart; provide educational materials if there is continued use

Commercial Collection

- Annual expenditures of over \$1.4M, assuming funding of sustainable fleet
- 873 monthly customers equivalents (~624 actual customers)
 - 486 dumpster customers eq; 387 rollout customers eq
 - Rates: Dumpster - \$95/mo (1/week service); Rollout - \$30/mo (1/week service)
 - COS - ~\$101/month
- Anticipate eliminating commercial dumpster service starting July 1, 2019 – will require early notification
 - Considerations include disposal of City owned dumpsters; COF accounts

Discussion