

Policy 3.2.3 Solid Waste Rate Restructuring Policy

POLICY PURPOSE:

Provide a consistent method, based on cost of service, for setting rates for solid waste services.

POLICY STATEMENT:

I. COLLECTION COSTS

Direct collection costs within each customer group are allocated based on the time and motion analysis information provided in the 1993 Hilton Farnkopf & Hobson study and (for the residential group) the results of the 1991 residential collection vehicle Pilot Program analysis performed by SCS Engineers.

II. SMaRT COSTS/REVENUES

SMaRT Station expenses and revenues are allocated to the residential, commercial, and industrial groups based on each group's portion of the refuse tonnage received at the SMaRT Station. Within each customer group, costs are allocated by volume of waste (cubic yard or can equivalent) for each service level. For example, a customer having six cubic yards of waste removed each week would be allocated twice as much of this cost element as a customer having three cubic yards removed per week.

III. LANDFILL (DISPOSAL) EXPENSES

Landfill disposal expenses are allocated to the residential, commercial, and industrial sectors based on each group's portion of the refuse tonnage received at the SMaRT Station, adjusted to reflect the estimated SMaRT Station recycling level for each group's waste. Within each customer group, costs are allocated by volume of waste (cubic yard or can equivalent) for each service level.

IV. SUPPORT EXPENSES

City support expenses are allocated to the residential, commercial and industrial customer groups based on each group's portion of the refuse tonnage received at the SMaRT Station.

Franchised hauler administrative expenses are allocated to the residential, commercial and industrial customer groups by direct cost of service (as a percent of total expenses).

Within the residential customer group, the above costs are allocated first to single family homes and mobile home parks by volume, then within those areas by the number of billing units, and within the commercial and industrial groups these costs are allocated by volume of refuse for each service level.

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V. FRANCHISE FEE

The franchise fee is allocated in the same manner as City support costs.

VI. RECYCLING PROGRAMS

Recycling program expenses and revenues are allocated in the same manner as City support costs.

VII. INCENTIVES

In the commercial and industrial customer groups, rate adjustments are not used to encourage less-frequent pickup. Rather, the City relies on rates that reflect cost of service to achieve this goal.

In the residential customer group, customers are provided three rate options based on cart sizes.

VIII. AMERICANS WITH DISABILITIES ACT

Disabled residents are charged the same rates for rear yard collection that non-disabled residents are charged for curbside collection of refuse for single-family homes and mobile homes.

(Adopted: RTC #93-221 (5/11/1993); Amended: RTC #06-397 (12/12/2006); Administrative Update (March 2012))

Lead Department: Department of Environmental Services