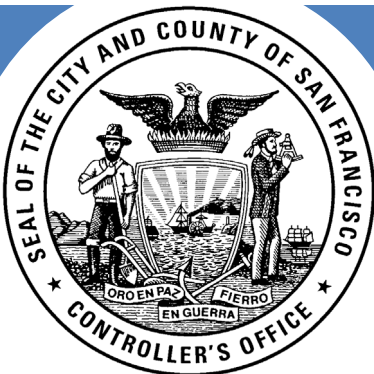


# Rate Order for Rate Year 2024 and Rate Year 2025



**CITY & COUNTY OF SAN FRANCISCO**

Office of the Controller, Office of the Refuse  
Rates Administrator

August 31, 2023

- Prop F Objections and Comments
- Refuse Rate Order

## **Prop F Written Objections and Comments**

# Prop F Written Objection and Comment Hearing

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- Proposition F allows anyone affected by the rates or proposed rates to file a written objection to the Refuse Rates Administrator.
- 220 Written Objections were filed with our Office and were considered and addressed at the last Refuse Rate Board Hearing on July 24, 2023.
- Due to technical issues during the hearing, some ratepayers were unable to comment on their objection remotely. This agenda item was continued in part to give those ratepayers another opportunity to make comment.
- As a recap, major themes from the objections include:
  - Rate Increase Objection
  - Service Issues
  - Rate Increase Support

Refuse Rate Order

# Rate Adjustment Summary

Rate Change	Rate Year 2024			Rate Year 2025		
	Recology Proposal	Refuse Rates Administrator Proposal	Refuse Rate Board Rate Order	Recology Proposal	Refuse Rates Administrator Proposal	Refuse Rate Board Rate Order
<b>Collections Rate</b>						
<b>Effective Date</b>	<b>Oct 1, 2023</b>	<b>Oct 1, 2023</b>	<b>Jan 1, 2024</b>	<b>Oct 1, 2024</b>	<b>Oct 1, 2024</b>	<b>Oct 1, 2024</b>
Annual % Change Proposed	3.90%	0.00%	1.33%	2.17%	3.92%	2.55%
Cumulative % Change from Current Year	3.90%	0.00%	1.00%	6.15%	3.92%	3.92%

- The Refuse Rate Board’s Rate Order sets rate to no change at the beginning of Rate Year 2024 on October 1, 2023. Then, on January 1, 2024 (3 months into Rate Year 2024), the Rate Order will increase rates by 1.33%.
- The Rate Order further increases rates by 2.5% in Rate Year 2025
- This will amount to a 3.92% cumulative 2-year increase, which is lower than Recology’s proposal of a 6.15% cumulative rate increase and equal to the Refuse Rates Administrator’s proposal of a 3.92% cumulative rate increase.
- As directed by the Refuse Rate Board in the July 24, 2023 hearing, this Rate Order includes an increase to the Programmatic Reserve of \$750k in Rate Year 2025.
- The Planning Department has determined that the adoption of this Rate Order is exempt from the California Environmental Quality Act.

# Rate Order New Investments

Goal	Investment
<b>Maintaining Service Levels</b>	Estimated 3.4% increase in Rate Year 2024 and an additional 1% in Rate Year 2025, which accounts for negotiated salaries and benefits and growth in other costs to operations
<b>Enhancing Service Levels</b>	Abandoned Materials Collections: 2 new drivers and an additional zone to increase capacity by 20%
	Public Receptcales Collections: 2 new drivers and 2 additional routes. Increases capaicty by 20%.
	Enhancing Operations and Administration: 2 Relief Drivers to ensure adequate and regular collection; 2 Cardboard Pickup Drivers; additonal supervisors and amnagers to support new drivers, improve safety and efficiency in collections and maintenance; analytical support to address new reporting requirements.
<b>Ensuring Safety</b>	3 additional drivers to establish two-person routes as well as new supervisor for increased supervision.
<b>Improving Contamination and Diversion</b>	Organics Pre-processing Investment Trash Processing Pilot
<b>Building In Flexibility</b>	Programmatic Reserve to allow for City requests beyond Rate Order
<b>Finding Cost Savings</b>	Savings would not impact service delivery.
<b>Improving Reporting</b>	Increased reporting requirements for greater transparency and tracking of oepritional and financial performance.