

REFUSE COLLECTION AND DISPOSAL RATES

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DEPARTMENT OF ELECTIONS

The Way It Is Now

In 1932, the voters adopted an ordinance regulating the collection, transport, and disposal of refuse in San Francisco. Refuse includes trash, recyclables, and compostable materials. Under the ordinance, each company that collects refuse must have a City permit. Recology San Francisco, through its subsidiaries, currently holds all of the permits for refuse collection in the City.

In 1954, the voters amended this ordinance to create a Rate Board that has the authority to set and change refuse rates. The Rate Board sets the rates for residential refuse collection and the rates for all refuse disposal. The Rate Board does not set the collection rates for commercial customers, and they are instead set by private contract between the customer and the refuse collector. The Rate Board has three members: the City Administrator, the City Controller, and the General Manager of the Public Utilities Commission.

When the Rate Board receives an application to change refuse rates, it first refers the application to the Director of Public Works ("Director"). The Director must hold a public hearing on the application and then provide a recommendation to the Rate Board. If nobody objects to the Director's recommendation, it becomes final. If someone objects, then the Rate Board holds a public hearing and can modify the Director's recommendation.

The Proposal

The proposed measure would remove the Controller from the Rate Board and replace the Controller with a Ratepayer Advocate. The Ratepayer Advocate would be nominated by an organization dedicated to protecting ratepayers.

Instead of serving on the Rate Board, the Controller would serve as the Refuse Rate Administrator. As the Refuse Rate Administrator, the Controller would be responsible for monitoring rates and proposing new rates to the Rate Board instead of the Director of Public Works. Before proposing any new rates to the Rate Board, the Refuse Rate Administrator would be required to present its proposals at public hearings before the Commission on the Environment and Commission on Streets and Sanitation. The Rate Board would then hold a public hearing on the Refuse Rate Administrator's proposed rates and would publish its final decision.

Under the proposed measure, commercial customers would have the choice to either pay the rates that they and their refuse collector have agreed to, or to pay the rate for commercial customers as set through the Rate Board process.

After the Rate Board's approval of new rates, the Refuse Rate Administrator would be required to monitor refuse rates and update the Rate Board at least once a year. The Refuse Rate Administrator would also be required to initiate a review of these rates at least once every five years.