FILE NO. 220614

RESOLUTION NO. 254-22

[Urging Controller to Apply For an Adjustment to Refuse Rates]

Resolution urging the Controller to submit an application to the Refuse Rate Board to adjust the rates for residential refuse collection pursuant to the Refuse Collection and Disposal Ordinance.

WHEREAS, The City's Refuse Rate Board sets the rates for the collection and disposal of residential refuse pursuant to the Refuse Collection and Disposal Ordinance (the "Refuse Ordinance"), and in 2017, ordered a significant rate increase; and

WHEREAS, Starting in 2020, a series of public reports revealed that the City's refuse collection system was in need of reform, as evidenced by Recology, the City's sole permitted refuse collector, overcharging San Francisco residents and businesses by almost \$100 million; the City corrected this error, but even afterwards continued to have significant concerns that Recology's expenses may have been inflated and had difficulty ascertaining answers because of the lack of transparency in the current regulatory structure; and

WHEREAS, On May 16, 2022, the City Controller released a public report describing errors and inconsistencies in Recology's 2017 rate application, which had been used to justify the 2017 rate increases; and

WHEREAS, The 2017 rates are still in effect, along with provisions that allow those rates to increase each year based on the formula that the Rate Board approved at the time, and the rates will continue to remain effect until such time as the Refuse Rate Board adjusts the rate; and

WHEREAS, The Refuse Ordinance allows any person, not just Recology, to submit an application to the Refuse Rate Board to adjust the rates; and

WHEREAS, The Controller has significant expertise and knowledge as to the refuse rate-setting process and would be well-qualified to submit an application to the Refuse Rate Board to adjust the rates; and

WHEREAS, The voters at the June 7, 2022, election will consider Proposition F, which, if adopted, would require the Controller to serve as Refuse Rate Administrator and monitor rates and recommend adjustments to the Rate Board, and would appoint a Ratepayer Representative to replace the Controller on the Refuse Rate Board; and

WHEREAS, The rates should be just and reasonable, and it essential to conduct the rate adjustment process at the highest standards of fairness and transparency; now, therefore, be it

RESOLVED, That the Board of Supervisors urges the Controller to submit an application to the Refuse Rate Board to adjust the refuse rates.



City and County of San Francisco

Tails

Resolution

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

File Number: 220614 Date Passed: May 24, 2022

Resolution urging the Controller to submit an application to the Refuse Rate Board to adjust the rates for residential refuse collection pursuant to the Refuse Collection and Disposal Ordinance.

May 24, 2022 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Dorsey, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 220614

I hereby certify that the foregoing Resolution was ADOPTED on 5/24/2022 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo Clerk of the Board

<u>Unsigned</u> London N. Breed Mayor

6/3/22

Date Approved

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo Clerk of the Board