

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

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

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

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

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

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

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

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

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

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

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