



# HF&H Consultants, LLC

## City of Berkeley Presentation to Zero Waste Commission

September 23, 2013



# Rate Study Project Objectives

- Fiscal Responsibility
  - Inadequate current annual revenues
  - Inevitable decline in disposed tons
- 218 Compliance
  - Calculations
  - Processing
- Zero Waste Policy Commitment
  - Incentives



# Shifting the Paradigm: Historical Structures

A rate structure that does NOT:

- Assume disposal as the primary funding source for programs
- Ignore expenses incurred throughout the system
- Tie revenues to a “collection point”
- Produce unintended consequences



# Shifting the Paradigm: Benchmark Programs

- Document program costs
  - Department, division, etc.
    - Residential (Refuse, Recyclables, Organics)
    - Commercial (Refuse, Recyclables, Organics)
    - Roll-off
- Identify shared costs/resources
- Allocation of overhead
- Identify all current revenue sources



# Shifting the Paradigm: Developing a Viable Rate Structure

- Establish “consensus” in regards to property-related vs non-property-related services
- Evaluate the “program costs” and funding sources
- Determine the “fixed” vs “variable” cost components of each program



# Zero Waste Funding Strategy

- Accounting and Information Systems
  - Enhancements to maintain program level budgets and performance measures
- Diversified & Sustainable Funding Sources
  - Common, nexus-base, next generations
  - Consistent with the City's values



# Other Tasks

- Review of Franchised Operations
  - Field work this week

