



# SANITATION RATE STUDY –

# BENCHMARKING UPDATE

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August 2022

City of Pensacola, FL

# Why increase rates?



Ensure continuity of services



Replenish reserves



Account for rising labor costs



Replace aging equipment

# Proposed Rate Increases





Fiscal Year	FY 23	FY 24	FY 25	FY 26	FY 27
Proposed Garbage and Trash Collection Fee	\$27.44	\$28.55	\$29.70	\$31.47	\$32.26
Proposed Annual Increase in Garbage and Trash Collection Fee	\$1.29	\$1.11	\$1.15	\$1.77	\$0.79
Proposed Annual Increase in Garbage and Trash Collection Fee (%)	4.9%	4.0%	4.0%	6.0%	2.5%
Proposed Sanitation Equipment Surcharge	\$4.12	\$5.12	\$5.12	\$5.12	\$5.12
Proposed Annual Increase in Sanitation Equipment Surcharge	\$1.00	\$1.00	\$ -	\$ -	\$ -
Proposed Annual Increase in Sanitation Equipment Surcharge (%)	32%	24%	0%	0%	0%
<b>Total Annual Increase (\$ per month per customer)</b>	<b>\$2.29</b>	<b>\$2.11</b>	<b>\$1.15</b>	<b>\$1.77</b>	<b>\$0.79</b>

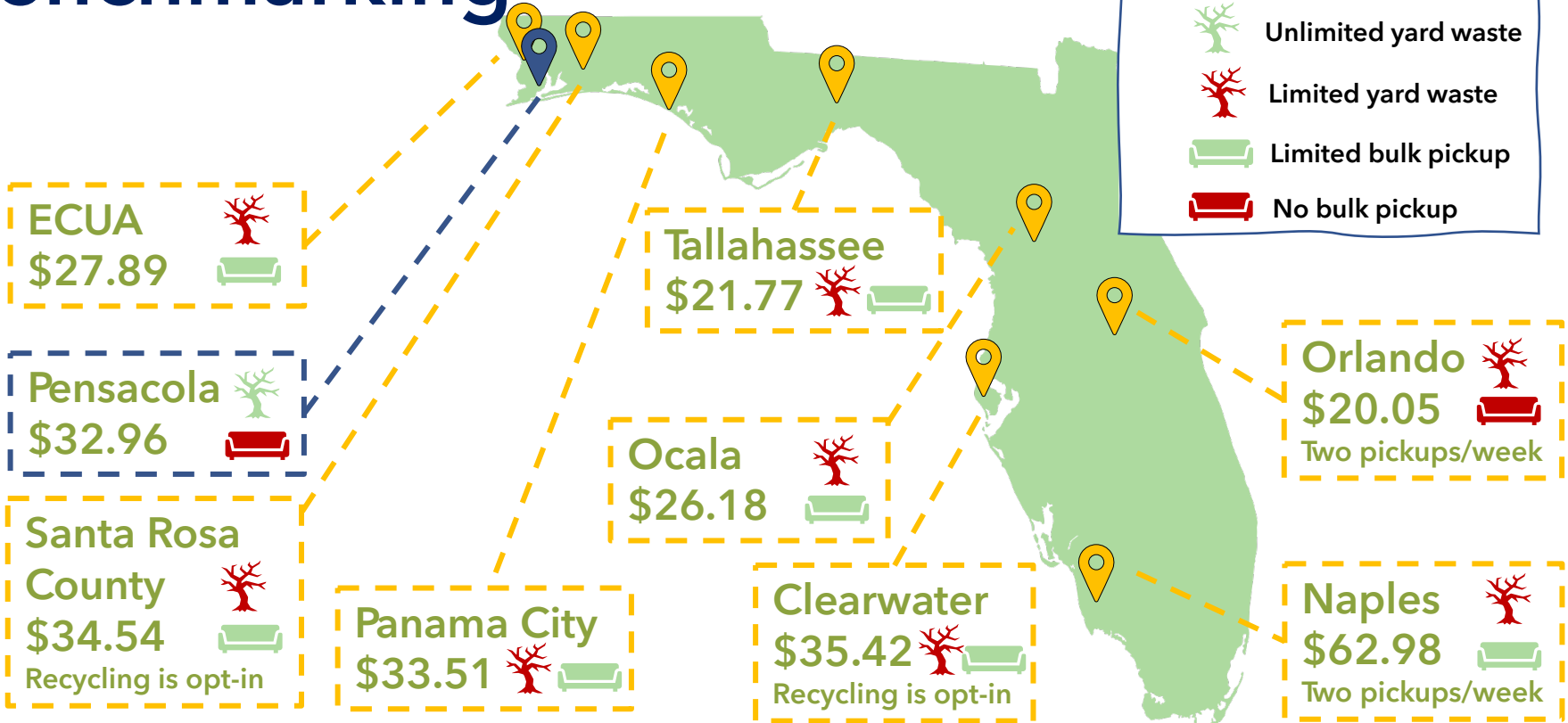
## Effects of Proposed Rate Increases

Fiscal Year	FY 23	FY 24	FY 25	FY 26	FY 27
Net Revenue to Reserves with Proposed Increases	\$(51,415)	\$(44,722)	\$(38,954)	\$111,135	\$3,136
Reserves Year End Balance with Proposed Increases (Including Net Revenue)	\$235,372	\$190,649	\$151,696	\$262,831	\$265,967
Reserves as a Percent of Annual Operating Costs	3.0%	2.4%	1.8%	3.0%	3.1%
Equipment Fund Year End Balance with Proposed Increases	\$(547,139)	\$639,046	\$604,731	\$700,916	\$539,601

# Benchmarking

**Included in Fees Shown**

-  Unlimited yard waste
-  Limited yard waste
-  Limited bulk pickup
-  No bulk pickup



Unless otherwise noted, collection services offered are comparable to Pensacola. Rates shown include recycling collection for areas with opt-in recycling.

# Yard Waste – Strategies in Other Areas

City/County	Yard Waste Collection Frequency	Max. Amt. Collected for No Additional Fee	Minimum Charge for Oversize Loads	Per Minute Labor Fee (Y/N)
<b>Santa Rosa County</b>	Weekly	90 gal	\$25	N
<b>Panama City</b>	Weekly	5 CY	\$46	N
<b>Tallahassee</b>	Biweekly	10 CY*	\$84.78	Y
<b>Ocala</b>	Weekly	<5 CY	\$33	Y
<b>ECUA</b>	Weekly	20 bags + 2 piles of limbs	\$42.67	N
<b>Clearwater</b>	Weekly	Non-Excessive Loads**	\$73.69	Y
<b>Naples</b>	Weekly	4 CY	\$15.56	N
<b>Orlando</b>	Weekly	4 CY	\$30	N
<b>Pensacola</b>	Weekly	∞	\$0	N

\*Residents can place two 5 CY piles of either yard waste or bulky materials out for collection per pickup time.

\*\*As identified by drivers

# Bulk Pickup – Strategies in Other Areas

City/County	Bulk Pickup Frequency	Max. Amt. Collected for No Additional Fee	Minimum Charge for Oversize Loads	Per Minute Labor Fee (Y/N)
Santa Rosa County	Weekly	2 CY	\$25	N
Panama City	Weekly	5 CY	\$46	N
Tallahassee	Biweekly	10 CY*	\$84.78	Y
Ocala	Weekly	<5 CY	\$33	Y
ECUA	Weekly	1 pile up to 6'W x 6'D x 6'H (8 CY)	\$42.67	N
Clearwater	Weekly	Non-Excessive Loads**	\$73.69	Y
Naples	Must be Scheduled	∞	Free	N
Orlando	Must be Scheduled	Individually Assessed	Individually Assessed	N
Pensacola	Weekly	None	\$15	Y

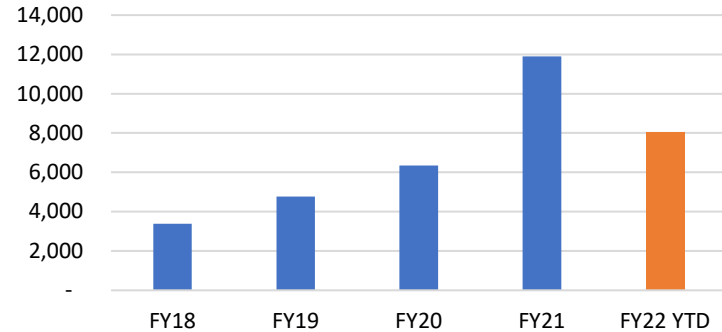
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# Overtime

- OT hours are normalizing based on YTD data
- Trash (yard waste) collection has high OT/salary ratio compared to other cost centers
- Operations with OT/Salary Ratios >20% could hide inefficiencies - **but** pandemic-induced staffing difficulties are still in effect

## Total Overtime Hours



## Overtime/Salary Ratio

Service (Cost Center)	(FY19-FY21) AVERAGE	YTD
 RESIDENTIAL COLLECTION	11%	6%
 RECYCLING COLLECTION	27%	14%
 TRANSFER STATION	42%	19%
 TRASH (YW) COLLECTION	39%	52%



# Opportunities for Efficiency



Utilize Rubicon to streamline service



Balance routes



Loads to facility



Pack out ratio



Workload balance





# Cost Saving Options



Eliminate unlimited yard waste



Schedule all bulk pickups



Eliminate any C&D from bulk pickups



Track & incentivize employee productivity

# Collection Trends

