

To:	Lee Withers, <i>Deputy Public Works Director</i> Robert Rivers, <i>Principal Management Analyst</i>
From:	Garth Schultz, <i>Principal</i> Maryann Hulsman, <i>Consultant</i>
Date:	December 30, 2024
Subject:	Initial Design of Pilot Program for 64-Gallon Trash Bin

Background

The City of Riverside (City) is considering offering a 64-gallon trash bin service option at a reduced rate as an option for low trash generating residents. The City is particularly interested in making this option available for seniors, who often generate low quantities of waste and have physical limitations that lead to a preference for smaller bin sizing.

R3 Consulting Group, Inc. (R3) was engaged by the City to help with the design of a pilot program for the 64-gallon trash bin service option. This memo presents our initial recommendations for the design of a pilot program. These initial recommendations are subject to revision based on discussion with and feedback from City staff.

The Basics of the Pilot Program

The pilot program will provide up to 300 participants living in one of two City-served waste collection routes (150 participants per route) with the opportunity to exchange their 96-gallon trash bin for a 64-gallon trash bin. In return, each participant's monthly refuse rate will be reduced by 15% during the period of the pilot program (representing the highest level of rate discount that our research indicates is reasonable and customary for such a program). We recommend that the pilot program be conducted over a period of twelve months, in order to allow sufficient time for data collection during all four seasons.

In order to participate, customers should attest that they are willing to adhere to the City's current coverage and contamination rules. Participants may voluntarily leave the program at any time (meaning they may switch back to the standard 96-gallon trash bin offering and equivalent monthly refuse rate) or they may be removed by the City if they are found to be consistently violating coverage and contamination rules.

Participant Selection

R3 recommends that the City select two of the routes serviced by the City (as opposed to routes serviced by Athens) and offer the pilot program to every customer on each of those two routes, on a first-come, first-served basis, up to a maximum of 150 participants for each route¹. We recommend you select the two routes based primarily on ease of implementation and the operational fit, taking into account factors such as route terrain, route simplicity, and driver enthusiasm. If many routes seem equally acceptable as potential pilot routes, the City may secondarily wish to take into account the demographics of the routes and select routes with a substantial percentage of seniors or routes with a good diversity of housing/demographic types.

Based on cost calculations in our initial memo, R3 recommends enlisting no more than 300 customers in the pilot program. Assuming that each of the participating routes has around 1,000 customers, this would

¹ R3 recommends limiting participation to customers with one trash bin, excluding those with service for multiple trash bins, since the intent is to offer a lower size for low-waste generators and customers with more than one trash bin are not low-waste generators.

be approximately 15% of customers who were offered the pilot program. The City may wish to set a lower maximum number of participants based on current budget constraints.

Program Intake and Notification Systems

Prior to soliciting participants, the City must set up a process for customers to use to sign up for the program. This could be an online form that the customer fills out, an email address the customer writes to, a phone number the customer calls, or some combination of these options. If multiple methods are available for signing up, the City will need a system to centralize and tally inquiries.

The City must also set up a process for notifying customers whether/when they have been accepted into the program. R3 recommends that the City accept inquiries for an initial period of one month before beginning to respond to inquiries. After that initial period of inquiries and acceptances, if more program slots are available, the City could switch to a rolling acceptance process. R3 does not recommend a cut-off date for sign-ups. The City may be able to glean some information or observations based on how interest in the pilot program changes over time.

Communications and Outreach

R3 recommends sending both hard-copy mailings and email announcements out to all customers on the two selected routes. What follows is a sample letter that could be adjusted to meet the needs of the City.

Dear Customer,

You have been selected to be a potential participant in a pilot program related to your waste collection service! You are now eligible, on a first-come first-served basis, to opt into a smaller bin size for your trash container, at a 15% reduction in your monthly refuse rate for the duration of the program. The eligibility criteria for participating in the pilot program for a smaller trash bin are:

- Your household consistently uses no more than two-thirds of the space available in your current 96-gallon trash bin, OR
- You are confident your household would consistently use no more than two-thirds of the space available in your current 96-gallon trash bin once your household began composting and recycling more regularly, and you have the means to immediately begin composting and recycling more regularly.

This offer is not available to households that receive service for more than one trash bin.

By opting into the pilot program, you are agreeing to the following parameters and conditions:

- You are confident that a switch to a 64-gallon trash bin will be “right-sizing” your trash bin size and will not result in you overfilling your trash bin. With a 64-gallon trash bin, the lid of your bin will still lie flat against the top of the container.
- Trash overage rules and consequences still apply. If your trash bin is found to be in an overage condition, you will be subject to noticing and potential removal from eligibility for the smaller trash bin program and the accompanying reduced monthly refuse rate.
- Recycling and compost contamination rules and consequences still apply. If your recycling and/or compost bin is found to be contaminated, you will be subject to noticing and potential removal from eligibility for the smaller trash bin program and the accompanying reduced monthly refuse rate.
- If you discover during the pilot program that the smaller size bin is not right for your household for any reason, you may exit the program and return to normal 96-gallon trash bin service, with the accompanying standard monthly refuse rate, at any time.

If you would like to participate in this pilot program, please go to *[link]* and fill out the form. You will need the name of the account holder, the address of service, and *[anything else needed]* to fill out the form.

We will be accepting the first 150 customers on your trash route who are interested in participating, first-come-first-served, and will let you know via email on a rolling basis whether you have been accepted into the program.

Please note that this is a pilot program, and as such it may not be continued past the one-year trial period. In that event, your trash bin service level and monthly refuse rate may be adjusted back to the standard 96-gallon trash service level and rate.

Data Collection

This pilot program is an opportunity to collect data on current behavior as well as on how the change in trash bin size might influence behavior. This can be done both through observation and through customer surveys. Ideally the City will begin amassing baseline data before the program begins, in order to have a point of comparison when reviewing program results. Since new bins won't be deployed as part of the pilot program until approximately July of 2025 (see Steps and Timeline for Implementation, below), there should be time to gather baseline data in advance of the new bins.

Tracking Interest Levels, Overage, and Contamination

R3 recommends that the City set up systems to capture interest levels in the program over time. That could be as simple as maintaining the log of inquiries from customers who were offered the program and then adding a second log to track inquiries from other residents on other routes around the City.

R3 also recommends setting up systems to track and document overage and contaminations incidents, if such systems don't already exist. The City should implement these systems as soon as possible, to begin gathering baseline data. If overage and contamination tracking is currently minimal, and if budget is available, the City could consider investing more resources into contamination and overage tagging during the time periods directly before and during the pilot program.

In order to maximize the usefulness of existing systems, R3 recommends that the City plan their SB 1383-required route reviews for 2025 and 2026 such that the 2025 route reviews take place before the pilot program begins (e.g., May and June 2025) and the 2026 route reviews take place while the program is in full swing (e.g., May and June 2026). Ideally the route review address lists for both years would include a larger-than-average sample of customers from the two pilot program routes, and the address list for 2026 would include a significant number of pilot program participants. Alternately, the City could use its normal sampling methodology for the SB 1383-required route reviews, and supplement those route reviews with additional voluntary route reviews of just the pilot program routes.

Participant Surveys

R3 recommends that, following the completion of the pilot program, the City survey all customers who were offered participation in the pilot program. The survey should include questions such as the following:

- Whether the customer participated in the program
- Why they did or did not participate
- What they liked and disliked about the program
- How they felt about the smaller bin size
- Whether the lower price was a sufficient incentive
- Whether they would be interested in smaller recycling and compost bins as well, if offered

Surveys should also include questions about demographics, such as age, income level, household size, number of children, number of adults, and number of seniors. This data can help the City ascertain whether assumptions are correct about which demographics would most benefit from the program.

Steps and Timeline for Implementation

Getting the pilot program up and running is expected to take about seven months, provided that there are no delays in delivery of new 64-gallon trash bins. Table 1 shows the expected timeline, assuming bin delivery by May 2025. This timeline allows for the City to analyze the results of the pilot program in time to incorporate the results into the new rate plan scheduled for late 2027.

Table 1: Timeline for Pilot Program Implementation

Implementation Steps	Proposed Timing
Pilot Design Development	November 2024
Inquire with Bin Supplier re Availability and Timeline	December 2024
Bring Proposal to City Council Committee	January 2025
Compile / Start Tracking Baseline Data on Contamination and Overage Confirm whether data on contamination and overage is being tracked Assess whether tracking / documentation systems are sufficiently robust Begin implementing any improvements to tracking / documentation systems	December 2024
Plan and Design Program Components Place order for bins Design and build program intake systems Design and build program notification systems Draft hard-copy and email communications Set up interest tracking log	February – March 2024
Begin Outreach and Education Send hard-copy announcement and offer to all potential participants Send email announcement and offer to all potential participants	April 2025
Customers Start Signing Up for Pilot Participation	May 2025
Bin Delivery and Additional Outreach Receive bins and confirm plans for delivery to participants Send hard-copy and email reminders to all potential participants	June 2025
Final Preparations for Pilot Implementation Undertake SB 1383 Route Reviews for 2025 (if not already completed)	June – July 2025
Deliver Bins and Start Pilot Program	August 2025
Undertake SB 1383 Route Reviews for 2026	June – July 2025
End Program Send Out Post-Program Survey via Mail and Email	July / August 2026
Collect Survey Results	August / September 2026
Analyze Results from Pilot Program Compile and analyze survey responses Analyze 2026 vs 2026 route review data Analyze any additional contamination and overage data from 2025-2026	September / October 2026
City Studying Residential Service in Advance of New Rate Plan Incorporate results of analysis of pilot program	Early / Mid 2027
New Rate Plan Proposed to Council	Late 2027

Note, in particular, that R3 recommends that the City immediately inquire with the City's trash bin supplier regarding available inventory and expected fulfillment and delivery timelines.

As noted above, in terms of the overall length of the pilot program, R3 recommends that the City run the program for at least a year. Ultimately, the City should keep the program in place long enough to assess operational and behavioral impacts. The pilot program period should also be sure to include all four seasons, to assess operational and behavioral changes that are frequently associated with changes in weather and holidays.