



City Council Memorandum

City of Arts & Innovation

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JUNE 28, 2022**
FROM: PUBLIC WORKS DEPARTMENT **WARDS: ALL**
SUBJECT: UPDATE ON THE CITY'S RESIDENTIAL SOLID WASTE SERVICES

ISSUE:

The issue for consideration is to receive an update on the Public Works Solid Waste Division.

RECOMMENDATION:

That the City Council receive an update on the Public Works Solid Waste Division.

BACKGROUND:

On February 1, 2022, the City Council requested that staff provide an update regarding hiring, vacancies, and the state of equipment in the Public Works Solid Waste Division.

DISCUSSION:

Industry-Wide Impacts

The Public Works Solid Waste Division provides residential solid waste services to the majority of residential customers in the City, although select areas of the City including neighborhoods in the La Sierra, University, and Orangecrest area are serviced by Burrtec Waste Industries which are under contract with the City.

Over the past year, residents have experienced delays in their solid waste services. These delays are a direct result of ongoing staffing and equipment shortages that have impacted the solid waste industry nationwide.

The Solid Waste Association of North America (SWANA) has documented a pervasive hiring and retention challenge for the solid waste industry (Attachment 1). SWANA identified several causes, including "increased demand for trucking services caused in part by the substantial growth in online shopping and home delivery services." Many solid waste drivers are helping to fill the gap in the goods movement sector with many private sector companies offering substantial hiring bonuses. The nationwide shortage of truck drivers has been further documented by the New York Times in their article, 'The Biggest Kink in America's Supply Chain: Not Enough Truckers' (Attachment 2). The article notes that "a wave of retirements combined with those simply quitting for less stressful jobs is exacerbating the supply chain crisis in the United States."

Supply chain disruptions resulting from labor shortages, along with the ongoing chip shortage, has reduced the pool of available solid waste vehicles for purchase and rental. Similar labor shortages in the vehicle maintenance and repair industries have made it difficult for agencies to keep their existing fleets up and running. Fleet Management Weekly has covered the continued impacts to the fleet industry in their '2022 look ahead' publication (Attachment 3).

Beyond equipment concerns and industry-wide personnel shortages, the solid waste industry has been further impacted by increased volumes of residential waste throughout the COVID-19 pandemic. With more residents spending additional time at home, an increase in home improvement projects, and increases in online shopping, has resulted in more packaging being disposed of at home (in addition to contributing to the demand for truck drivers in the goods movement sector). Additionally, tonnages of solid waste serviced on a per-home basis have measurably increased. This means that solid waste drivers must make more trips to the materials transfer facility to empty their trucks throughout the day, making it more challenging to service the same routes. Trash delays and impacts throughout the Inland Empire are covered in a recent Press Enterprise article which covered both the public and private sector (Attachment 4).

Notably, the aforementioned changes in labor, materials, and behavior have been influenced by COVID-19 and the virus continues to have a direct impact on labor availability. Employees impacted by COVID-19 must quarantine, isolate, or are required to stay at home to care for loved ones. Further, these difficulties are compounded as the state is mandating changes to organics recycling (Senate Bill 1383) which require modifications to collections and waste processing and collectively have placed additional financial and operational strain on Solid Waste teams across California.

Riverside Specific Impacts

The City of Riverside continues to experience a high rate of vacancy and turnover in the Solid Waste Division. The division has 11 Solid Waste Operator and 27 Senior Operator positions. Of the 38 assigned positions, 14 are vacant (9 Solid Waste Operator and 5 Senior Solid Waste Operator positions) although six of those recruitments are currently in the pre-employment process. The vacancy rate for the division is 37% and this recruitment challenge has caused some residents to experience 2-3 day delays in the pickup of their recycle and green waste containers.

The City is additionally contending with an aging fleet. While the City recently adopted new refuse rates with the intent of modernizing its fleet, unexpected costs as a result of disruptions to the recycling industry have limited available capital funds for the Solid Waste Division. Currently, 14 trucks within the Solid Waste division are in need of immediate replacement, with an additional 8 vehicles at or beyond the recommended 9-year life cycle. The amount of vehicles routinely under repair impacts truck availability for our drivers.

Solid Waste Fund Impacts

The Solid Waste rate plan adopted by City Council in September 2020 included a Year 2 increase in rates effective July 1, 2021. While as of the end of the third quarter revenues were trending higher than the same period last year, several costs are contributing to an anticipated deficit for the Solid Waste fund, including:

- New & increased costs to process commingled green waste (mandated by Senate Bill 1383, anticipated to exceed \$1M annually)
- Ongoing costs to process recycled goods (the City previously received a credit for recyclables)

- Deferred vehicle replacement & high maintenance costs
- Increased tipping fees & operational costs
- Costs associated with procurement of processed organics waste (mandated by Senate Bill 1383)

These costs have outpaced the recently adopted rate plan and will very likely require the review and consideration of increased solid waste rates.

Strategies to Address Challenges

The Solid Waste Division remains committed to providing dependable trash service and programs that benefit the City and help residents do their part to keep Riverside clean and beautiful. During these difficult times, the team has:

- Continued to work overtime on a voluntary basis on Wednesdays, Saturdays, and Sundays
- Implemented the emergency assistance provision of its contract with Burrtec Waste Industries to reduce service delays
- Increased communications between Solid Waste frontline staff and management to listen to challenges and collaborate on solutions
- Aggressively advertised available positions in the Solid Waste Division, placing the positions on 'continuous recruitment' and hosting interviews on weekends to facilitate the schedules of prospective candidates
- Utilized volunteer employees from the Public Works Streets Division to assist the Solid Waste Division
- Purchased 3 new solid waste vehicles, which are set to be delivered by August (will reduce the total 14 vehicles in need of immediate replacement)
- Continued to pursue prospective rental of solid waste vehicles
- Collaborated with the 311 Call Center to provide current information on route-specific delays
- Advanced several employees to Senior Solid Waste Operator Trainee positions to allow them to progress in their career and improve employee retention

Moving forward, additional efforts will be needed to combat vacancy rates in the Solid Waste Division. Potential strategies that may be brought before Council to consider include:

- Review of existing salaries for Solid Waste positions
- Consideration of financial incentives for hiring and employee retention
- Allocation of funds to purchase additional solid waste vehicles (despite anticipated lengthy delivery windows)
- Implementation of routing, navigation, and task management software to reduce paperwork and assist employees in accomplishing their duties

Many of these proposed additional measures require conference with the Service Employees International Union (SEIU) in addition to Council approval.

STRATEGIC PLAN ALIGNMENT:

Through the implementation of additional strategies to bolster the Public Works Solid Waste Division team, the City is furthering **Strategic Priority 5 – High Performing Government** and

goal 5.1, “Attract, develop, engage and retain a diverse and highly skilled workforce across the entire City organization.”

Additionally these efforts align with each of the five Cross-Cutting Threads as detailed below:

1. **Community Trust:** The City has kept its workforce and residents informed of ongoing challenges and service delays.
2. **Equity:** The Solid Waste Division seeks to equally distribute service across neighborhoods despite ongoing delays.
3. **Fiscal Responsibility:** The Solid Waste Division is seeking creative funding mechanisms for additional vehicle leases and/or purchases.
4. **Innovation:** The City has aggressively recruited for the Solid Waste Operator and Senior Operator positions.
5. **Sustainability and Resiliency:** The Solid Waste Division continues to pursue and advocate for the purchase of additional vehicles, along with the development of a healthy replacement program, to minimize the impacts of future supply chain failures.

FISCAL IMPACT:

There is no fiscal impact associated with this report.

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Attachment:

1. Article: Addressing the Labor Shortage in Solid Waste Collection Services
2. Article: The Biggest Kink in America’s Supply Chain: Not Enough Truckers
3. Article: Fleet Industry in for Much of the Same in 2022
4. Article: Why your trash is getting picked up late in the Inland Empire
5. Presentation