



# MEMORANDUM

Public Works Department

**DATE:** April 6, 2022

**TO:** Mayor and Council

**THROUGH:** Steve McHarris, City Manager *Steve McHarris*

**FROM:** Tony Ndah, Public Works Director

**SUBJECT: Pilot Voucher Program for Self-haul of Unwanted Items Report**

The purpose of this memorandum is to provide Council with a report on the Pilot Voucher Program for Milpitas residents to self-haul unwanted items to Milpitas Sanitation (MSI) facilities in Santa Clara.

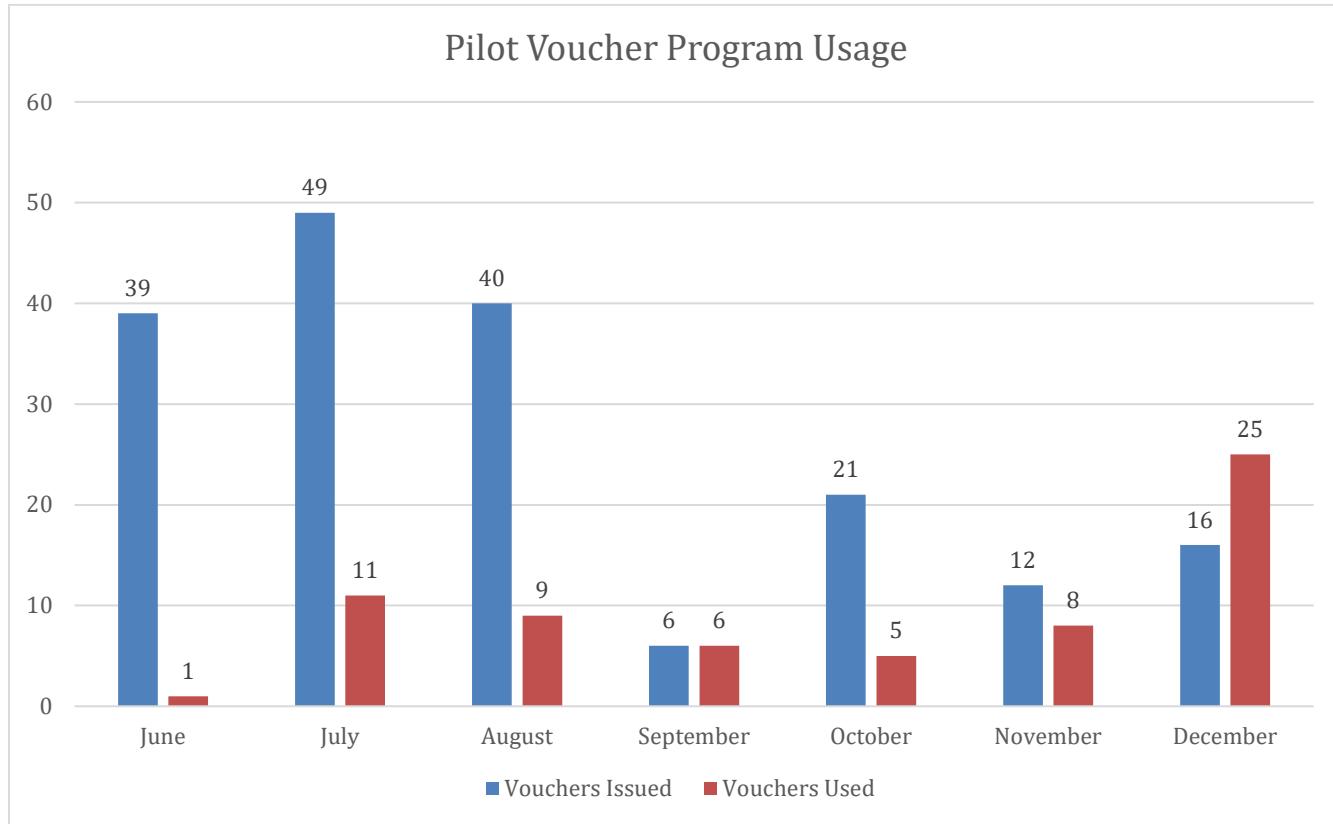
## **Background**

As part of the Neighborhood Cleanup Program (Dumpster Days) that was approved by Council as part of the FY21 annual budget, the City, in coordination with MSI, implemented a Pilot Voucher Program (Program) for residents to self-haul unwanted items to MSI facilities located in the City of Santa Clara. The Program began on June 1, 2021, and ended on December 31, 2021, and was intended to provide for a maximum of 50 vouchers per month.

The Program allowed residents to dispose of unwanted items by taking them to Mission Trail Waste Systems in Santa Clara, Monday – Friday between the hours of 6:00am–2:30pm. For the most part, residents who were interested in disposing unwanted items at the Dumpster Days events but were not able make it to a scheduled event, were offered the choice of receiving a voucher and hauling their unwanted items to MSI's facilities instead. MSI Customer Service Representatives also provided the Program as an option for residents that reached out to schedule a Bulky-Item Pick-up under the City's current program. The Program allowed for more flexibility with multiple days being available for self-hauling items and with the types of items that were allowed to be disposed at the MSI facility, as opposed to the Dumpster Days events which took place once a month between May and August 2021.

## **Pilot Voucher Program Analysis**

In total, 183 vouchers were issued during the seven-month pilot period for the Program and 65 vouchers or 36% of the vouchers were used by the December 31, 2021 expiration date of the pilot. As shown on the graph (on the following page), residents requested the majority of vouchers during the beginning of the pilot with the highest utilization during the last month of the pilot. In order to increase utilization of the vouchers, staff sent out postcards to residents who had received vouchers, reminding them of the Program end date. The 65 vouchers that were used accounted for 19.64 tons of material that was disposed.



### **Voucher Program Funding**

As noted above, the Pilot Voucher Program expired on December 31, 2021, and there is currently no agreement with MSI to continue implementation of the Program. At the December 14, 2021, City Council meeting, staff brought forward a proposed assignment of contract on behalf of MSI and a related amendment of the franchise agreement. The amendment, among several service level improvements, included the permanent implementation of the Voucher Program at no cost to the rate payers for at least a three-year period. However, the City Council did not approve this assignment of contract and related franchise agreement amendment. Therefore, the Neighborhood Cleanup Program Days scheduled for May, June, August, and September of this calendar year, and thereafter will not include the self-haul option.

The estimated operational cost to MSI to provide the Voucher Program on an ongoing basis is \$82,500, which would require a 0.41% rate increase or \$0.18 additional per month charge for the average residential household.