

# PUBLIC UTILITIES

## Solid Waste and Street Lighting

### Description

In addition to the water and sewer services reflected in the Enterprise Fund, the Department of Public Utilities provides solid waste disposal, limited refuse collection, and street lighting services to residents of Henrico County.

Revenue from user charges supports the activities necessary to provide all Solid Waste services except curbside recycling, bulky waste services, bagged leaf collection and neighborhood cleanup activities. These programs are supported by General Fund revenue. Street Lighting services are supported by a Sanitary District tax levy on real and personal property in those Sanitary Districts where street lights are installed.

The solid waste services provided consist of operating and maintaining a sanitary landfill with public use areas, limited curbside refuse collection and recyclables collection, neighborhood and community maintenance cleanups, Keep Henrico Beautiful program, bulky waste and bagged leaf collection. The street lighting services provided consist of accounting for the operation and maintenance of several designated street lighting districts.

### Objectives

- To provide for disposal of solid waste in a manner consistent with State and Federal laws and regulations and policies of the County Board of Supervisors.
- To administer the street lighting program in sanitary Districts 2, 3, 3.1, 12 and 23 in a manner consistent with policies of the County Board of Supervisors.

### Budget Highlights

#### Solid Waste

Projected revenues in FY2013-14 are \$12,345,699, inclusive of a General Fund subsidy of \$3,049,001. Outside of the General Fund transfer, locally generated revenues are projected to decrease \$69,365 or 0.6 percent as compared to the prior fiscal year. The General Fund subsidy for FY2013-14 is decreasing by \$15,000, or 0.5 percent from the prior fiscal year. Revenues are sufficient to cover all operating expenditures for Solid Waste in FY2013-14. Total expenditures of \$12,345,699 reflect a decrease of \$69,365, or 0.6 percent compared to the FY2012-13 approved budget.

### Annual Fiscal Plan

<u>Description</u>	<u>FY12 Actual</u>	<u>FY13 Original</u>	<u>FY14 Approved</u>	<u>Change 13 to 14</u>
Personnel	\$ 3,322,752	\$ 3,784,681	\$ 3,780,316	(0.1%)
Operation	6,449,185	7,310,283	7,123,243	(2.6%)
Capital	1,095,550	1,237,000	1,359,040	9.9%
Total Solid Waste	<u>\$ 10,867,487</u>	<u>\$ 12,331,964</u>	<u>\$ 12,262,599</u>	<u>(0.6%)</u>
Street Lights	76,429	83,100	83,100	0.0%
Total Solid Waste/Street Lights	<u><u>\$ 10,943,916</u></u>	<u><u>\$ 12,415,064</u></u>	<u><u>\$ 12,345,699</u></u>	<u><u>(0.6%)</u></u>
 Personnel Complement	 69	 69	 69	 0

*Solid Waste (cont'd)*

	<b>Performance Measures</b>			<b>Change</b>
	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>13 to 14</b>
<b>Workload Measures</b>				
Tons Collected by Refuse	39,335	39,000	39,000	0
Tons Collected by Bulky Waste Service	753	600	600	0
Tons Collected by Outside Sources	47,369	43,000	43,000	0
Tons Collected by Neighborhood Cleanups	3,038	3,100	3,100	0
Tons Deposited in Public Use Areas	29,888	31,000	31,000	0
Number of Refuse Customers	41,121	41,700	42,300	600

The personnel component of the Division of Solid Waste's FY2013-14 budget reflects a decrease of \$4,365, or 0.1 percent from the prior year approved budget. The entirety of this decrease is the result of turnover of staff in FY2012-13, partially offset by increased salary costs associated with Senate Bill 497, which mandated a 5.0 percent salary increase, as well as a 5.0 percent reduction in the VRS requirement. Also, partially offsetting the decrease were increases in healthcare and VRS Life, as well as an increase in FICA, which corresponds to the 5.0 percent increase in salaries.

The operating component of the budget is decreasing \$187,040, or 2.6 percent from the FY2012-13 approved budget, due to targeted reductions in multiple areas based upon anticipated expenditure needs. The capital outlay component of the budget is increasing \$122,040, or 9.9 percent for the purchase of machinery and equipment, motor vehicles and computer equipment. Specifically, two new rubber tired wheel loaders, 55 new refuse collection carts, five new replacement roll off boxes, two replacement Motorola radios, one replacement rear loader refuse truck, one replacement dump truck, two new road tractors, two replacement automated refuse trucks, as well as one laptop computer and four desktop computers. Overall, the operating and capital components of the budget reflect a decrease of \$65,000, or 0.8 percent from the FY2012-13 approved budget.

The Solid Waste budget is captured in four distinct areas – Administration, Collections Operations, Processing Disposal and Litter Control (Keep Henrico Beautiful). What follows is a description of each major area in the Solid Waste Budget:

**Administration**

The budget for Administration is \$2,041,218 and represents an increase of \$72,278, or 3.7 percent relative to the compared to the prior year approved budget. The increase is due to a budgeted increase in electric services of \$3,800, or 47.5 percent, as well as an increase of \$122,040, or 9.9 percent, representing the entire increase in the capital outlay component of the proposed budget.

**Collections Operations:**

The budget for Collection Operations totals \$3,952,931, and represents an increase of 1.9 percent when compared to the prior fiscal year approved budget.

**Refuse Collection**

The budget for the Refuse Collection area is \$2,909,229, an increase of \$69,165, attributed to increases in personnel costs and vehicle repair costs due to the increasing complexity of refuse trucks and associated external service repairs. Weekly refuse collection services are provided to over 40,000 households in the County by eleven refuse collection crews, operating County owned equipment.

**Bulky Waste Collection**

Bulky Waste Collection operates during normal business hours and will collect large items, such as furniture, appliances and yard waste, and deposit them in the landfill. The cost for this service is a \$43 per trip fee. The program also receives a subsidy of \$239,002 from the General Fund. The FY2013-14 budget continues to include the estimated cost

### *Solid Waste (cont'd)*

to provide free bulky waste pick up for all County residents that currently participate in the Real Estate Tax Advantage Program (REAP).

#### Bagged Leaf Services

The budget for Bagged Leaf Services is \$140,127, representing a reduction of \$15,000 from the prior year approved budget. The decrease is related to the proposed reduction of one bagged leaf collection from the existing schedule, in order to optimize collection efforts based upon seasonal and customer demand. Bagged Leaf Services will now provide two collection periods, the first running from mid-November through mid-January (8 weeks total), and the second running from mid-March through mid-April (4 weeks total). Collections will continue to operate in each neighborhood according to a published Leaf Collection Schedule. A transfer from the General Fund fully supports the costs associated with Bagged Leaf Services.

#### Community and Neighborhood Cleanup

Cleanup expenditures total \$532,072 in FY2013-14, which remains flat from the prior fiscal year approved budget. There are no personnel costs budgeted for Cleanup activities, however, \$319,636 is budgeted for employees from other areas of Solid Waste to perform this service. Cleanup costs are fully supported by a General Fund subsidy.

#### **Processing and Disposal:**

The budget of \$6,187,448 in FY2013-14 for Processing and Disposal represents a reduction of \$199,435, or 3.1 percent, due to identified savings in a number of line items. These targeted reductions were offset by an increase in the personnel component of the budget of \$19,656, or 1.3 percent from the prior year, due to a slight increase in salaries, and corresponding increases in benefits costs, as a result of Senate Bill 497.

The Processing and Disposal budget components covers recycling, landfill and the public use areas.

#### Recycling

Recycling expenditures total \$3,148,877 in FY2013-14, representing a decrease of \$4,037, or 0.1 percent, attributable to identified savings in targeted line items within the operating component of the budget. The County contracts recycling services through the Central Virginia Waste Management Authority (CVWMA). The curbside recycling program serves

approximately 85,000 homes in the County at \$1.95 per home per month. Recycling costs are also supported by a \$2,137,800 subsidy from the General Fund.

#### Landfill

The County operates a Landfill at Ford's Country Lane, the FY2013-14 budget for which totals \$1,975,783. The landfill accepts refuse from the County's Refuse Collection Service, Public Use Areas, Bulky Waste Collection, and Neighborhood Cleanups, as well as from private haulers. The budget in this area is decreasing \$177,632, or 8.2 percent in FY2013-14, due to targeted decreases in several line items identified throughout the operating component of the budget.

#### Public Use Areas

The FY2013-14 budget for the Public Use Areas is \$984,933, a decrease of \$17,766, or 1.8 percent, due to targeted decreases in line items identified within the operating component of the budget. Solid Waste operates two Public Use Areas in the County, on the western end at Ford's Country Lane, and on the eastern end at Charles City Road. The Public Use Areas are available to citizens to deposit refuse for a fee of \$3 per visit and deposit recyclables at no charge. Coupon books are available for ten visits at a cost of \$27 and for fifteen visits at a cost of \$40. The Public Use Areas are open three hundred and sixty one days a year, closing on January 1<sup>st</sup>, July 4<sup>th</sup>, Thanksgiving Day and Christmas Day. The Public Use Areas receive approximately 31,000 tons of refuse annually.

#### Landfill Post Closure

Landfill Post Closure expenditures of \$77,855 in FY2013-14 represent no change from the prior year approved budget, and are for close landfills at Nine Mile Road and Charles City Road.

#### **Litter Control (Keep Henrico Beautiful):**

The budget for Litter Control is increasing by \$782, or 0.8 percent, attributable to an increase in the personnel component of the budget related to Senate Bill 497. Solid Waste receives an annual grant from the State Litter Control Board, budgeted at \$25,000, for this program.

#### **General Fund Subsidies:**

The General Fund subsidy of \$3,049,001 represents a

*Solid Waste (cont'd)*

reduction of \$15,000, or 0.5 percent from the prior fiscal year approved budget, reflecting the reduction in the subsidy for the Bagged Leaf Program. The total General Fund subsidy includes \$2,137,800 for the curbside recycling program and \$911,201 for the cost of Community and Neighborhood Cleanup activities, Bagged Leaf Collection and Bulky Waste Collection. The subsidy for Bulky Waste Collection is net of the revenue from the \$43 per trip fee. The FY2013-14 subsidy for bulky waste factors in the cost of REAP participants receiving free bulky waste pick up service.

The components for the General Fund subsidies for Recycling, Community and Neighborhood Cleanups, Bagged Leaf Collections and Bulky Waste Collection are as follows:

	<u>FY12-13</u>	<u>FY13-14</u>	<u>% Change</u>
Recycling	2,137,800	2,137,800	0.0%
Bulky Waste	239,002	239,002	0.0%
Cleanups	532,072	532,072	0.0%
Bagged Leaf	155,127	140,127	(9.7%)
Total	\$3,064,001	\$3,049,001	(0.5%)

The history of Community Maintenance Cleanup projects are as follows:

<u>Community Maintenance</u>	<u>No.</u>	<u>Total Cost</u>
FY2001-02	27	\$329,083
FY2002-03	26	\$333,890
FY2003-04	25	\$433,267
FY2004-05	25	\$423,600
FY2005-06	27	\$448,040
FY2006-07	30	\$464,990
FY2007-08	31	\$419,814
FY2008-09	31	\$416,086
FY2009-10	31	\$398,857
FY2010-11	31	\$388,895
FY2011-12	30	\$387,051

This compares to the summary of Neighborhood Cleanup projects below:

<u>Neighborhood Cleanups</u>	<u>No.</u>	<u>Total Cost</u>
FY2001-02	26	\$7,830
FY2002-03	23	\$9,268
FY2003-04	18	\$6,904
FY2004-05	22	\$9,077
FY2005-06	26	\$11,645
FY2006-07	29	\$11,038
FY2007-08	44	\$16,539
FY2008-09	41	\$14,560
FY2009-10	40	\$13,512
FY2010-11	39	\$14,843
FY2011-12	41	\$14,860

***Street Lighting***

The County provides street lighting in certain areas and the costs for street lighting are supported by supplemental tax levies to residents and businesses in those areas. The budget for FY2013-14 will maintain services levels for the current 156 street lights in District #2, 163 street lights in District #3, the 27 street lights in District #3.1, the 27 street lights in District #23, and the 87 street lights in District #12. Projected street lighting revenues and expenditures in FY2013-14 total \$83,100, representing no change from the prior year approved budget.

The street lighting personal property levy for each Sanitary District remains at \$0.001 for all districts and proposed real property levies remain unchanged for FY2013-14 at the following rates:

<u>Sanitary District</u>	<u>Approved Rate</u>
District #2	\$0.003
District #3	\$0.010
District #3.1	\$0.031
District #23	\$0.010
District #12	\$0.010

It should be noted that the real property rates were decreased for street lighting in the FY2006-07 approved budget. Prior to that decrease, the real property tax levies had not been reduced since calendar year 1981 for all existing sanitary districts.