

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 partially supports bulky waste pickup and public use area solid waste services with the remaining support coming from the solid waste fund and a transfer from the General Fund. The remaining solid waste programs including curbside recycling, bagged leaf collection and community and neighborhood cleanup activities are also supported by the solid waste fund and a transfer from the General Fund. Street Lighting services are supported by a Sanitary District tax levy on real and personal property in those Sanitary Districts where streetlights are installed.

Solid Waste services consist of operating a transfer station, 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, maintaining two closed landfills and maintaining the gas collection system at the Glen Allen Softball Complex. 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, 23 and 63.1 in a manner consistent with policies of the County Board of Supervisors.

FISCAL YEAR 2021 SUMMARY

Annual Fiscal Plan

Description	FY19 Actual	FY20 Original	FY21 Approved	Change 20 to 21
Personnel	\$ 3,818,392	\$ 4,198,872	\$ 4,220,285	0.5%
Operation	9,101,248	9,011,530	10,041,683	11.4%
Capital	1,053,239	1,544,131	1,180,253	(23.6%)
Total Solid Waste	<u>\$ 13,972,879</u>	<u>\$ 14,754,533</u>	<u>\$ 15,442,221</u>	<u>4.7%</u>
Street Lights	64,332	83,100	84,100	1.2%
Total Solid Waste/Street Lights	<u>\$ 14,037,211</u>	<u>\$ 14,837,633</u>	<u>\$ 15,526,321</u>	<u>4.6%</u>

Personnel Complement	66	69	69	0
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PERFORMANCE MEASURES

	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>Change 20 to 21</u>
Workload Measures				
Tons Collected by Refuse Collection	51,787	51,000	52,000	1,000
Tons Collected by Bulky Waste	586	700	700	0
Tons Collected by Neighborhood Cleanups	3,011	3,000	3,000	0
Tons Deposited in Public Use Areas	26,791	27,000	28,000	1,000
Number of Refuse Customers	50,127	51,000	52,000	1,000

BUDGET HIGHLIGHTS

Projected Solid Waste revenues in FY2020-21 are \$15,442,221, inclusive of a General Fund subsidy of \$1,278,457. The General Fund subsidy supports four programs that are administered by Solid Waste. The Division's total expenditures increased by \$688,688 or 4.6 percent when compared to the FY2019-20 approved budget.

The personnel component is budgeted at \$4,220,285 in FY2020-21, and reflects an increase of \$21,413 or 0.5 percent when compared to the FY2019-20 approved budget. The increase is due to rising health care costs and benefit adjustments.

The operating component of the budget reflects an increase of \$1,030,153 or 11.4 percent, which is primarily due to increased costs in the accounts for Other Contractual Services and Purchase of Services from Other Governments. The increase to the Other Contractual Services account is due to cost increases for neighborhood and community maintenance cleanup services. These cost increases are related to the use of contractors for weekend pickups. The increase to the Purchase of Services from Other Governments account is due to an increase in the CVWMA contract for curbside recycling and drop off recycling.

The capital outlay component of the budget reflects a decrease of \$363,878, or 23.6 percent. The FY2020-21 capital component totals \$1,180,253 and includes funding for a new rubber-tired transfer station loader, two automated refuse collection trucks, two 120 cubic yard refuse trailers, eight replacement wheels for transfer station loaders, eight roll-off boxes, four CB radios, six desktop workstations as well as the replacement of refuse and public use area (PUA) equipment that has reached the end of its useful life.

Collectively, the operating and capital components of the budget increased by \$666,275 or 6.3 percent when compared to the FY2019-20 approved budget. However, it should be noted that part of the increase in the operating component is offset by a \$363,878 decrease to the capital component.

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

Public Utilities – Solid Waste and Street Lighting

ADMINISTRATION

The budget for Administration is \$2,006,348 and represents a decrease of \$356,865, or 15.1 percent. This decrease is due to a movement of funds from the capital component of the Administration function to the operating component of the Collection Operations function.

COLLECTION OPERATIONS

The budget for Collection Operations totals \$6,693,908 and represents an increase of \$596,650 or 9.8 percent when compared to the prior fiscal year approved budget. Currently a master plan is being studied with the possibility of redesigning services or fees charged in order to reduce or eliminate General Fund subsidies for various collections operations.

Refuse Collection

The budget for the Refuse Collection area is \$5,182,596 which represents an increase of \$180,782 or 3.6 percent. Weekly refuse collection services are provided to approximately 50,000 households in the County by fourteen refuse collection crews operating County owned equipment.

Bulky Waste Collection

The budget for the Bulky Waste Collection area is \$326,512 in FY2020-21 which represents a \$2,546 or 0.8 percent decrease when compared to last fiscal year. Bulky Waste Collection operates during normal business hours and collects large items such as furniture, appliances, and yard waste to deposit them in a solid waste disposal facility. The cost to customers for this service is a \$43 per trip fee.

Bagged Leaf Services

The budget for Bagged Leaf Services is \$155,957, which remained flat compared to the prior fiscal year. Bagged Leaf Services provides two collections in each neighborhood from November through February per a published Leaf Collection Schedule. A transfer from the General Fund supports the costs associated with Bagged Leaf Services.

Community and Neighborhood Cleanup

Cleanup expenditures total \$1,028,843 in FY2020-21, which represents a \$418,414 or 68.5 percent increase from the prior year approved budget. This increase is driven by the need to utilize contractors to supplement the provision of this service. In previous years, the Department of Public Utilities' (DPU) Operations Division and the Department of Public Works' (DPW) Road Maintenance Division were able to provide collection crews and equipment to facilitate collection, in addition to Solid Waste Division equipment and staff. The DPU Operations Division and DPW Road Maintenance Division are no longer able to provide staffing and equipment for cleanup activities. Therefore, contractors have been utilized to work alongside Solid Waste Division staffing to facilitate the cleanups. There are no personnel costs budgeted for Cleanup activities, however \$328,235 is budgeted for employees from other areas of Solid Waste to perform this service.

PROCESSING AND DISPOSAL

The FY2020-21 budget of \$6,619,903 for Processing and Disposal represents an increase of \$446,459 or 7.2 percent from the prior year approved budget. The Processing and Disposal budget components cover recycling, transfer station and public use area operation, and landfill post closure.

Public Utilities – Solid Waste and Street Lighting

Recycling

Recycling expenditures total \$3,983,742 in FY2020-21, representing an increase of \$446,622 or 12.6 percent. The County contracts recycling services through the Central Virginia Waste Management Authority (CVWMA). The curbside recycling program currently serves homes in the County at \$2.05 per home per month. The County also contracts with CVWMA for the collection of recyclables at 12 drop-off locations (7 fire stations, 2 public use areas, Shane Road Recycling Center, Cultural Arts Center and Pouncey Track Park). A General Fund subsidy helps support recycling costs.

It is important to note that significant changes to the recycling program can be expected in the coming years. Changes to this program are needed because of the increasing cost of processing recyclable materials as a result of international buyers refusing to take certain materials due to contamination and their inability to utilize contaminated materials. Despite these challenges, there is still strong interest in continued recycling efforts that minimize the amount of refuse from Henrico County that enters a landfill. The region is in the process of securing the next contract which will become effective in FY2023-24. It is the County's goal to ensure that with that new agreement the County could expand its program to townhomes, condominiums, and apartments while also transitioning from 24-gallon bins to 96-gallon carts. To do this will require an infusion of resources. While a staff proposal is being finalized, it is likely that an annual recycling fee in the neighborhood of \$24 per household would allow the programs to continue, as envisioned, without additional subsidies from the General Fund.

Transfer Station

On July 1, 2014, the County began operating a transfer station at Ford's Country Lane due to the closure of the landfill. The cost of the transfer station is entirely covered by charges to other functions through interdepartmental billings for transfer station services. The transfer station will accept refuse from the County's Refuse Collection Service, Public Use Areas, Bulky Waste Collection, and Community/ Neighborhood Cleanups.

Public Use Areas

The FY2020-21 budget for the Public Use Areas is \$2,199,319, an increase of \$2,077, or 0.1 percent compared to last fiscal year. Solid Waste operates two Public Use Areas in the County, in the western end at Ford's Country Lane, and in the eastern end at Charles City Road. The Public Use Areas are available to individual property owners 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 balance of the costs in this area are covered by the solid waste fund. The Public Use Areas are open 360 days per year and receive approximately 28,000 tons of refuse annually.

Landfill Post Closure

Landfill Post Closure expenditures of \$457,750 in FY2020-21 remain flat compared to the prior year budget. Funding in this area exists for post closure care of both closed landfills which are located at Nine Mile Rd. and Springfield Rd. In addition, funding for the operation, maintenance, and environmental sampling of the landfill gas collection system at the Glen Allen Softball Complex comes from this component.

Public Utilities – Solid Waste and Street Lighting

LITTER CONTROL (KEEP HENRICO BEAUTIFUL):

The FY2020-21 budget for Litter Control is \$124,062, which reflects an increase of \$1,424 or 1.2 percent compared to the FY2019-20 approved budget. Solid Waste receives an annual grant from the State Litter Control Board for this program, which is budgeted at \$40,000 in FY2020-21.

STREET LIGHTING

The County provides street lighting in certain areas which are funded with supplemental tax levies to residents and businesses in those areas. The budget for FY2020-21 will maintain service levels for the current 156 streetlights in District #2, 163 streetlights in District #3, the 27 streetlights in District #3.1, the 27 streetlights in District #23, and the 87 streetlights in District #12. The FY2020-21 budget also includes an increase of \$1,000 in funding for approximately 10 streetlights in the new Sanitary District #63.1. Projected street lighting revenues and expenditures in FY2020-21 total \$84,100, representing a \$1,000 increase from the prior year approved budget.

The street lighting personal property levy for each Sanitary District remains at \$0.001 for all districts. It is important to note that a new rate is proposed for the new District 63.1 and the real property levies for the existing districts remain unchanged for FY2020-21. The FY2020-21 district rates are as follows:

Sanitary District	Real Property Rate
District #2	\$0.003
District #3	\$0.010
District #3.1	\$0.031
District #23	\$0.010
District #12	\$0.010
District #63.1*	\$0.019
*New Sanitary district and real property rate.	

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.