

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, 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 2022 SUMMARY

Annual Fiscal Plan

Description	FY20 Actual	FY21 Original	FY22 Approved	Change 21 to 22
Personnel	\$ 3,907,896	\$ 4,220,285	\$ 4,986,014	18.1%
Operation	10,191,539	10,041,683	10,041,683	0.0%
Capital	1,140,105	1,180,253	2,280,253	93.2%
Total Solid Waste	\$ 15,239,540	\$ 15,442,221	\$ 17,307,950	12.1%
Street Lights	65,355	84,100	84,100	0.0%
Total Solid Waste/Street Lights	\$ 15,304,895	\$ 15,526,321	\$ 17,392,050	12.0%

Personnel Complement	69	69	69	0
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PERFORMANCE MEASURES

	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>Change 21 to 22</u>
Workload Measures				
Tons Collected by Refuse Collection	53,735 ⁽¹⁾	53,000	53,000	0
Tons Collected by Bulky Waste	224	0 ⁽²⁾	500	500
Tons Collected by Neighborhood Cleanups	1,276	0 ⁽²⁾	3,000	3,000
Tons Deposited in Public Use Areas	29,075 ⁽¹⁾	29,000	29,000	0
Number of Refuse Customers	50,730	51,300	52,000	700

Notes: (1) FY2020 had an increased volume of refuse collected and tons deposited in the public use areas due to the pandemic.

(2) Bulky waste pickups and neighborhood cleanup/community maintenance were stopped during the pandemic.

BUDGET HIGHLIGHTS

Projected Solid Waste revenues in FY2021-22 are \$17,392,050, inclusive of a General Fund subsidy of \$3,371,409 and a planned use of Solid Waste Fund Balance of \$1,574,041 for one-time capital outlay. The General Fund subsidy supports four programs that are administered by Solid Waste. The Division's total expenditures of increased by \$1,865,729 or 12.1 percent when compared to the FY2020-21 approved budget.

The personnel component is budgeted at \$4,986,014 in FY2021-22, and reflects an increase of \$765,729 or 18.1 percent when compared to the FY2020-21 approved budget. The increase is due an increase in employee compensation in addition to rising health care costs and benefit adjustments.

The operating component of the budget remains flat to FY2020-21. Capital outlay expenses for FY2021-22 grew by \$1,100,000, or 93.2% to support the purchase for four additional refuse trucks as well as additional 96-gallon trash carts.

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:

ADMINISTRATION

The budget for Administration is \$3,137,034 and represents an increase of \$1,130,686, or 56.4 percent. This increase is due to increased employee compensation in addition to the capital budget addition mentioned above for refuse trucks and trash carts.

COLLECTION OPERATIONS

The budget for Collection Operations totals \$7,057,185 and represents an increase of \$365,298 or 5.5 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.

Public Utilities – Solid Waste and Street Lighting

Refuse Collection

The budget for the Refuse Collection area is \$5,617,988 which represents an increase of \$437,413 or 8.4 percent. Weekly refuse collection services are provided to over 50,000 households in the county by fifteen refuse collection crews operating county owned equipment. A proposal is included to increase the refuse collection fee from \$15/month to \$18/month for FY2021-22. This increase is intended to maintain the long-term fiscal health of the Solid Waste Fund while remaining comparable to other refuse collection providers.

Bulky Waste Collection

The budget for the Bulky Waste Collection area is \$343,424 in FY2021-22 which represents a \$16,912 or 5.2 percent increase 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. Currently alternative solutions to bulky waste pickup are being explored, including contracting with outside contractors for pickup, and changes in this program and funding should be expected in the future.

Bagged Leaf Services

The budget for Bagged Leaf Services is \$425,086, which is an increase of \$269,129 or 172.6 percent. This increase is due to a realignment of funds to allow for the use of contractors for leaf pickup. 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 Maintenance and Neighborhood Cleanup

Cleanup expenditures total \$670,687 in FY2021-22, which represents a \$358,156 or 34.8 percent decrease from the prior year approved budget. This decrease is due to shifting funding to Bagged Leaf Services as this program undergoes discussion as to how it might be restructured in the future. 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.

PROCESSING AND DISPOSAL

The FY2021-22 budget of \$6,985,809 for Processing and Disposal represents an increase of \$365,885 or 5.5 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.

Recycling

Recycling expenditures total \$4,021,746 in FY2021-22, representing an increase of \$38,004 or 1.0 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,

Public Utilities – Solid Waste and Street Lighting

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 future 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 in future years.

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 FY2021-22 budget for the Public Use Areas is \$2,601,572, an increase of \$402,253, or 18.3 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. However, this fee is currently suspended due to the COVID-19 pandemic but is expected to be reinstated as of July 1, 2021. 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 29,000 tons of refuse annually.

Landfill Post Closure

Landfill Post Closure expenditures of \$457,750 in FY2021-22 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.

LITTER CONTROL (KEEP HENRICO BEAUTIFUL):

The FY2021-22 budget for Litter Control is \$127,922, which reflects an increase of \$3,860, or 3.1 percent, compared to the FY2020-21 approved budget. Solid Waste receives an annual grant from the State Litter Control Board for this program, which is budgeted at \$35,000 in FY2021-22.

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 FY2021-22 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, the 87

Public Utilities – Solid Waste and Street Lighting

streetlights in District #12, and the 10 streetlights in District #63.1. Projected street lighting revenues and expenditures in FY2021-22 total \$84,100, remaining flat to the prior year approved budget.

The street lighting personal property levy for each Sanitary District remains at \$0.001 for all districts. All rates remain unchanged for FY2021-22, which 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

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.