



Solid Waste Rate Study

December 18, 2018

Presented by



**Solid Waste Consultants
to Local Government**

Solid Waste - Overview

- **Background and Objectives**
- **Work Performed and Assumptions**
- **Financial Plan**
- **Rate Adjustments**
- **Rates in Other Cities**
- **Other Recommendations**

Background

- **Solid Waste Enterprise Fund**
- **Three Operating Divisions**
- **Services Provided**
 - Residential
 - Commercial
 - Transfer Station
 - Community Services

Objectives

- **Identify nexus: rates vs. cost**
- **Project revenue and expenses**
- **Prepare financial plan**
- **Design rates to achieve objectives**

Key Assumptions

- **Inflation: 3%**
- **Volume growth: 1.8%**
- **Capital expenditures:**
 - **Over \$100,000: debt funded**
 - **\$100,000 and under: rate funded**

Financial Plan

- **Planned capital expenditures**
- **Operating results and cash balance if current rates not adjusted**
- **Summary of rate adjustments**
- **Operating results and cash based on recommended rate adjustments**

Vehicle Purchase History

Vehicle Type	Vehicle Number	Currently in Service												Planned					Actual Life at Replacement	
		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		2023
Commercial																				
FEL	1152	█												█						
FEL	1289			█											█					
FEL	1225		█													█				
Rolloff	1257		█														█			
FEL	1399						█												█	
FEL	1443									█										
Residential																				
ASL	1185		█											█						
ASL	1292			█										█						
ASL	1321			█											█					
REL	1382	█															█			
ASL	1335			█													█			
ASL	1336			█															█	
ASL	1442									█										█
ASL	1476										█									
ASL	1496											█								
ASL	1502												█							
ASL	1503													█						

Average Life at Replacement

7

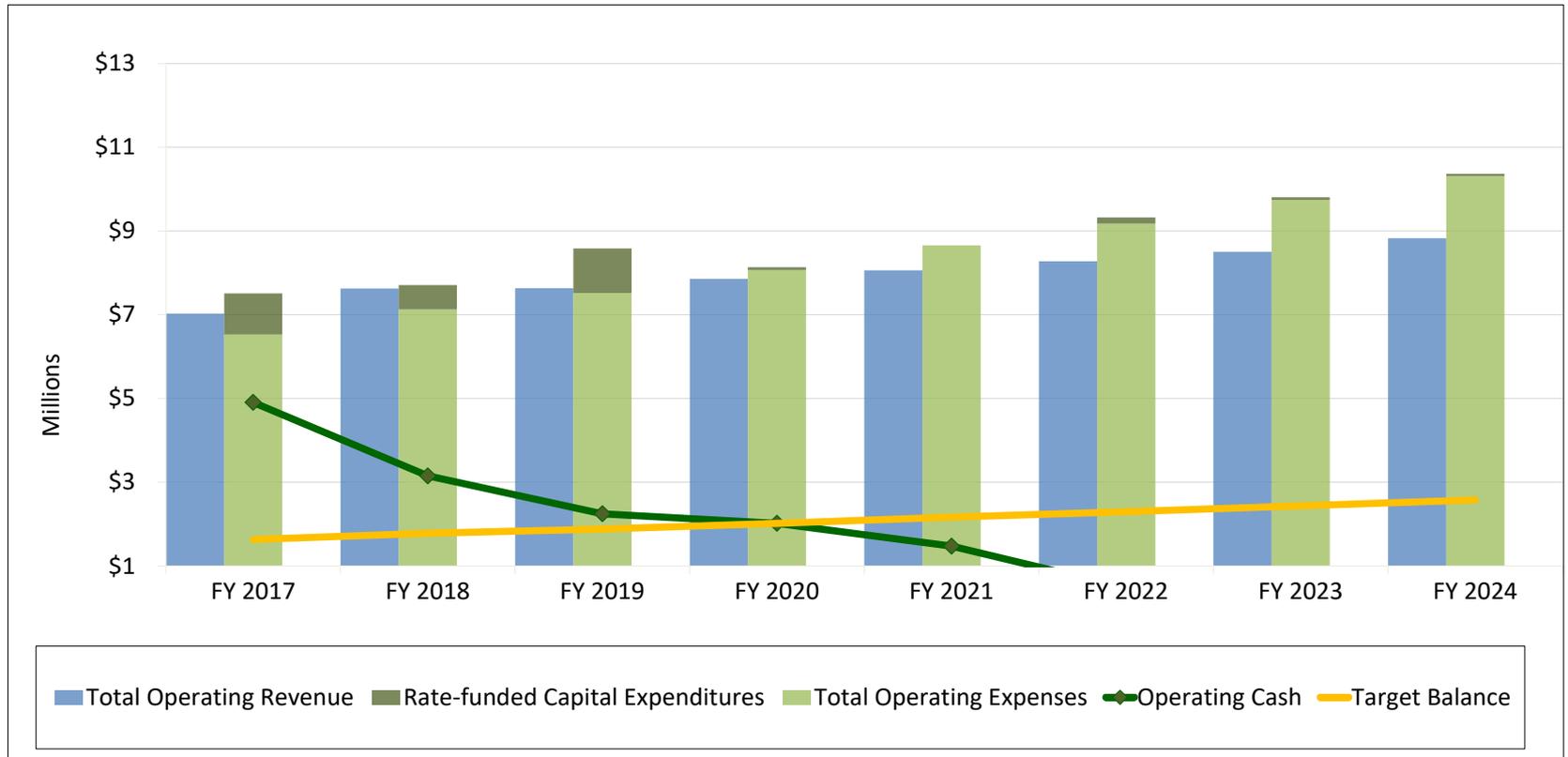
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Planned Capital Expenditures

Description	Projected						Total
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	
Commercial							
Replace 5 vehicles (average age - 13 years)		\$327,000	\$335,000	\$219,500	\$338,000		
Residential							
Replace 8 vehicles (average age - 13 years)	0	660,000	0	334,000	336,000	680,000	
Transfer Station							
Stationary Boom Crane - replaces 1998 crane		300,000					
Tool Carrier			207,000				
Transfer Station/Maintenance Yard Paving	150,000						
Transfer Station Master Plan			200,000				
Solid Waste Maintenance and Service Building			200,000				
Debt-funded Capital Expenditures	\$150,000	\$1,287,000	\$942,000	\$553,500	\$674,000	\$680,000	4,286,500
Replace 1 Comm. vehicle (age - 12 years)	302,375						
Replace 2 Residential vehicles (age - 11 years)	590,580						
Mini-compact	120,000						
Containers and Equipment	50,000	70,000	0	150,000	63,000	55,000	
Rate-funded Capital Expenditures	\$1,062,955	\$70,000	\$0	\$150,000	\$63,000	\$55,000	\$1,400,955
Total Capital Expenditures	\$1,212,955	\$1,357,000	\$942,000	\$703,500	\$737,000	\$735,000	\$5,687,455

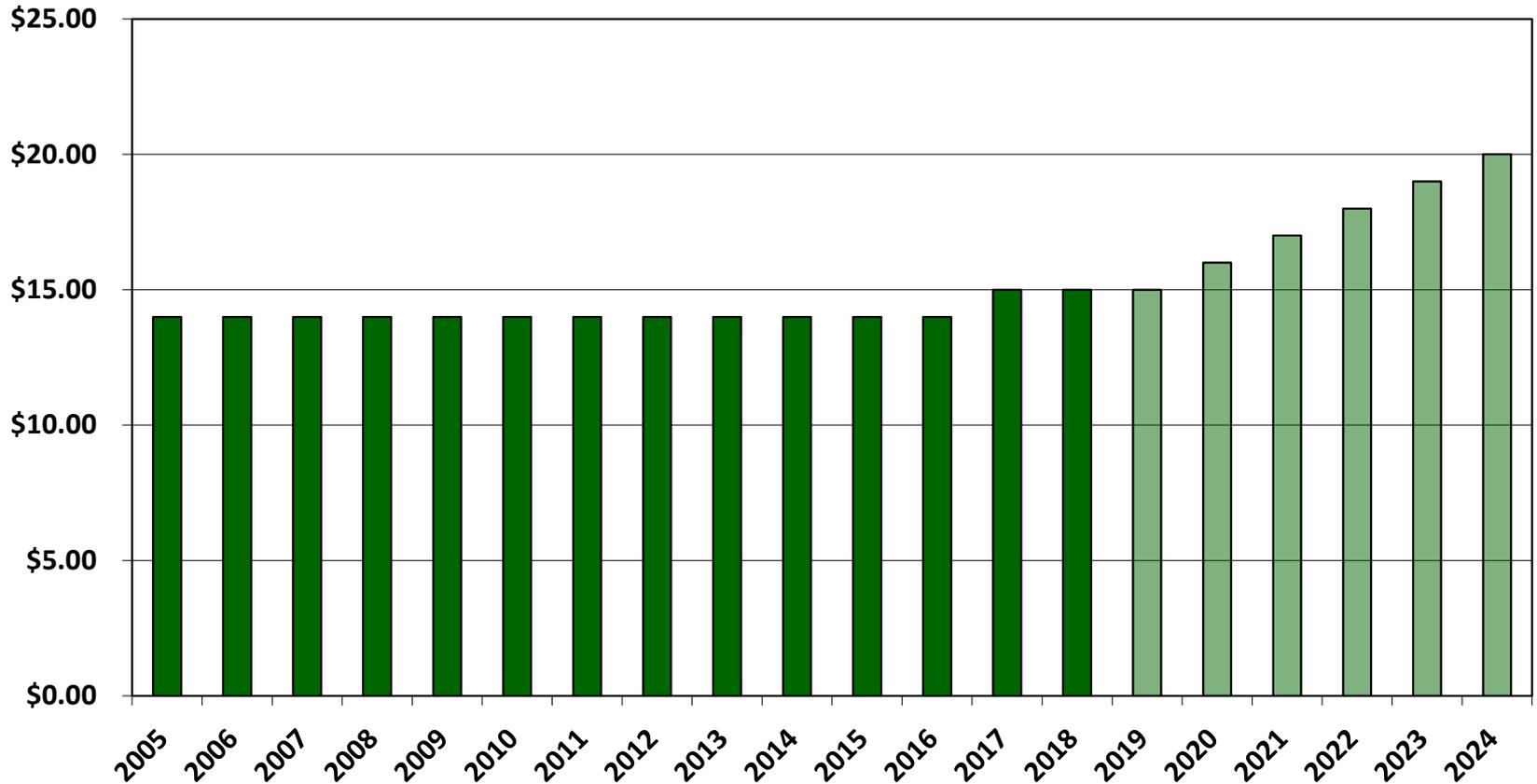
Financial Results - No Rate Adj



Proposed Rate Adjustments

- Residential – \$1.00 for five years
- Commercial trash
 - Restructure rates
 - Larger dumpsters receive less of an increase
- Commercial recycle
 - Recycle rate is $\frac{1}{2}$ of trash rate
- Transfer Station Tipping Fee
 - Increase \$6.00 per ton; \$1.00 thereafter

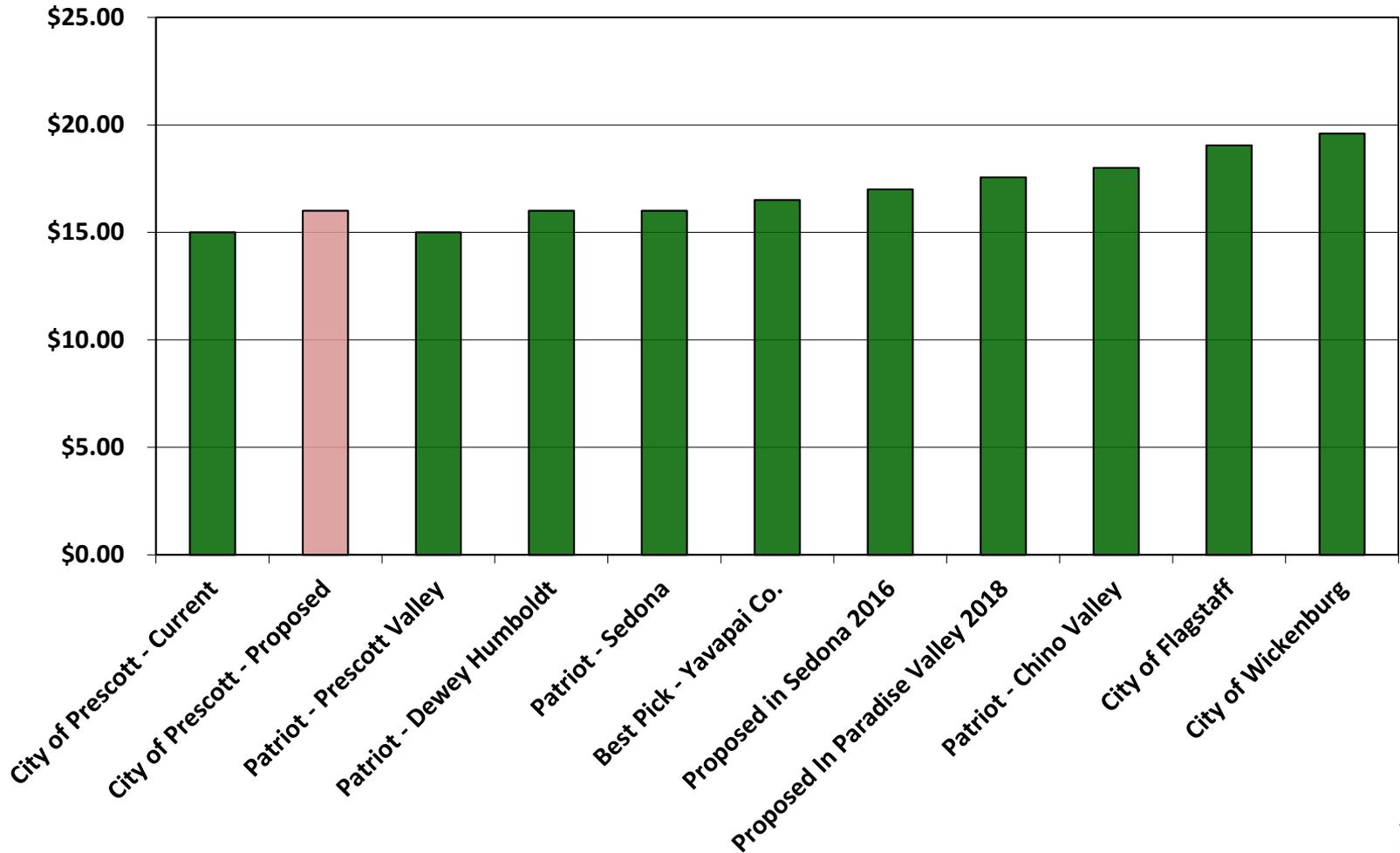
Historic Residential Rates



Rate Adjustments – Residential

Description	Current	Proposed					
		March 1st 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Solid waste standard service							
Monthly Rate	\$15.00	\$16.00	\$16.00	\$17.00	\$18.00	\$19.00	\$20.00
Adjustment amount		\$1.00	\$0.00	\$1.00	\$1.00	\$1.00	\$1.00
Additional green cart							
Monthly Rate	\$6.80	\$7.14	\$7.14	\$7.50	\$7.87	\$8.27	\$8.68
Adjustment amount		\$0.34	\$0.00	\$0.36	\$0.37	\$0.39	\$0.41
Additional blue cart	no charge						
Landfill Closure Fee							
Monthly Rate	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Adjustment amount		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

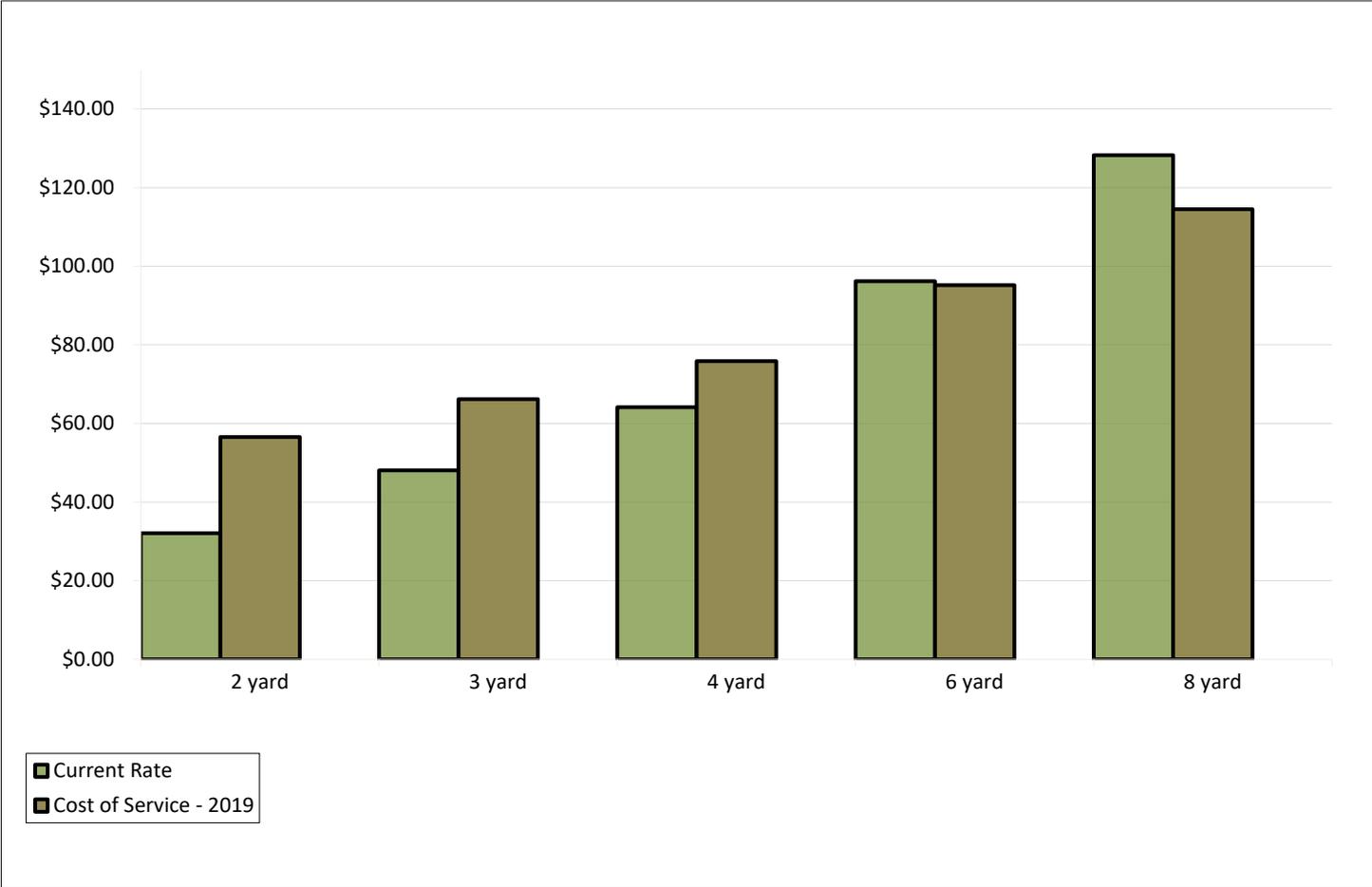
Residential Rates - Other Cities



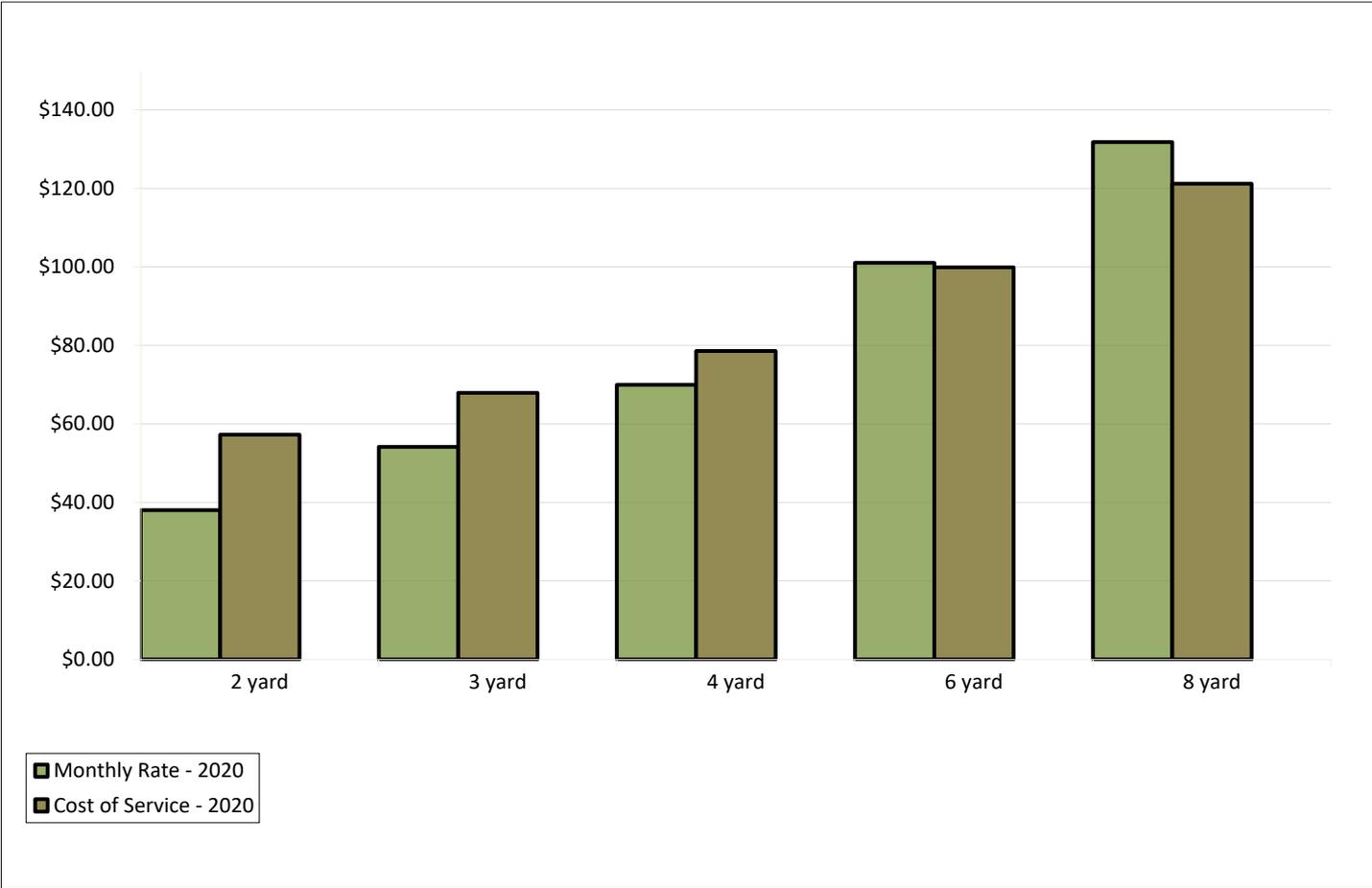
Rate Adjustments - Commercial

Description	Current	Proposed					
		March 1st 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
2 yard bin picked up once per week							
Monthly Rate	\$32.07	\$37.89	\$37.89	\$44.77	\$52.89	\$62.49	\$73.84
Adjustment amount		\$5.82	\$0.00	\$6.88	\$8.13	\$9.60	\$11.35
3 yard bin picked up once per week							
Monthly Rate	\$48.10	\$54.00	\$54.00	\$60.63	\$68.07	\$76.43	\$85.81
Adjustment amount		\$5.90	\$0.00	\$6.63	\$7.44	\$8.36	\$9.38
4 yard bin picked up once per week							
Monthly Rate	\$64.13	\$69.78	\$69.78	\$75.92	\$82.61	\$89.88	\$97.79
Adjustment amount		\$5.65	\$0.00	\$6.14	\$6.68	\$7.27	\$7.91
6 yard bin picked up once per week							
Monthly Rate	\$96.20	\$100.84	\$100.84	\$105.70	\$110.80	\$116.14	\$121.74
Adjustment amount		\$4.64	\$0.00	\$4.86	\$5.10	\$5.34	\$5.60
8 yard bin picked up once per week							
Monthly Rate	\$128.27	\$131.58	\$131.58	\$134.97	\$138.45	\$142.03	\$145.69
Adjustment amount		\$3.31	\$0.00	\$3.39	\$3.48	\$3.57	\$3.66
Landfill Closure Fee							
Monthly Rate	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Adjustment amount		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

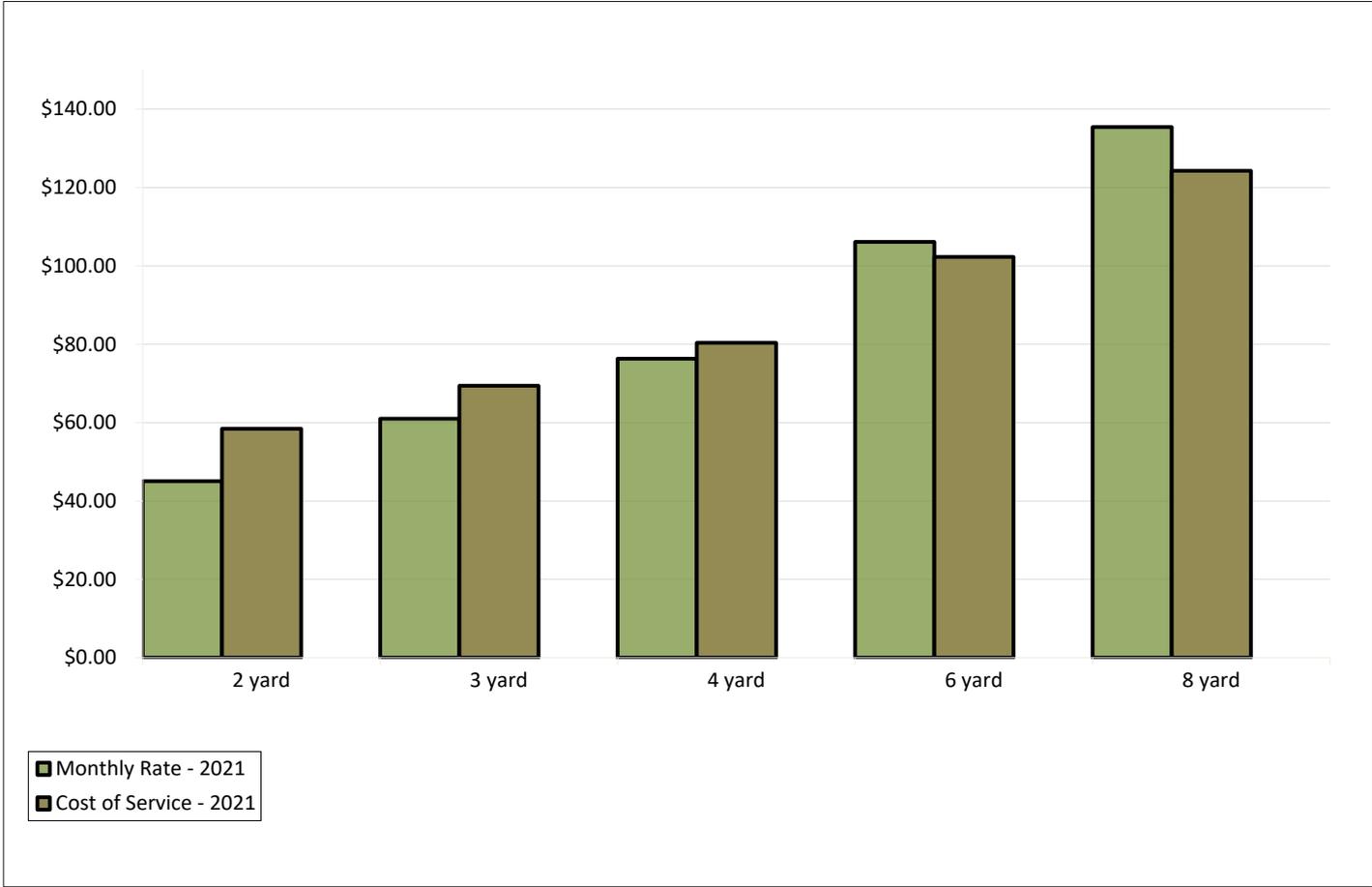
Phased-in Restructure of Commercial Rates



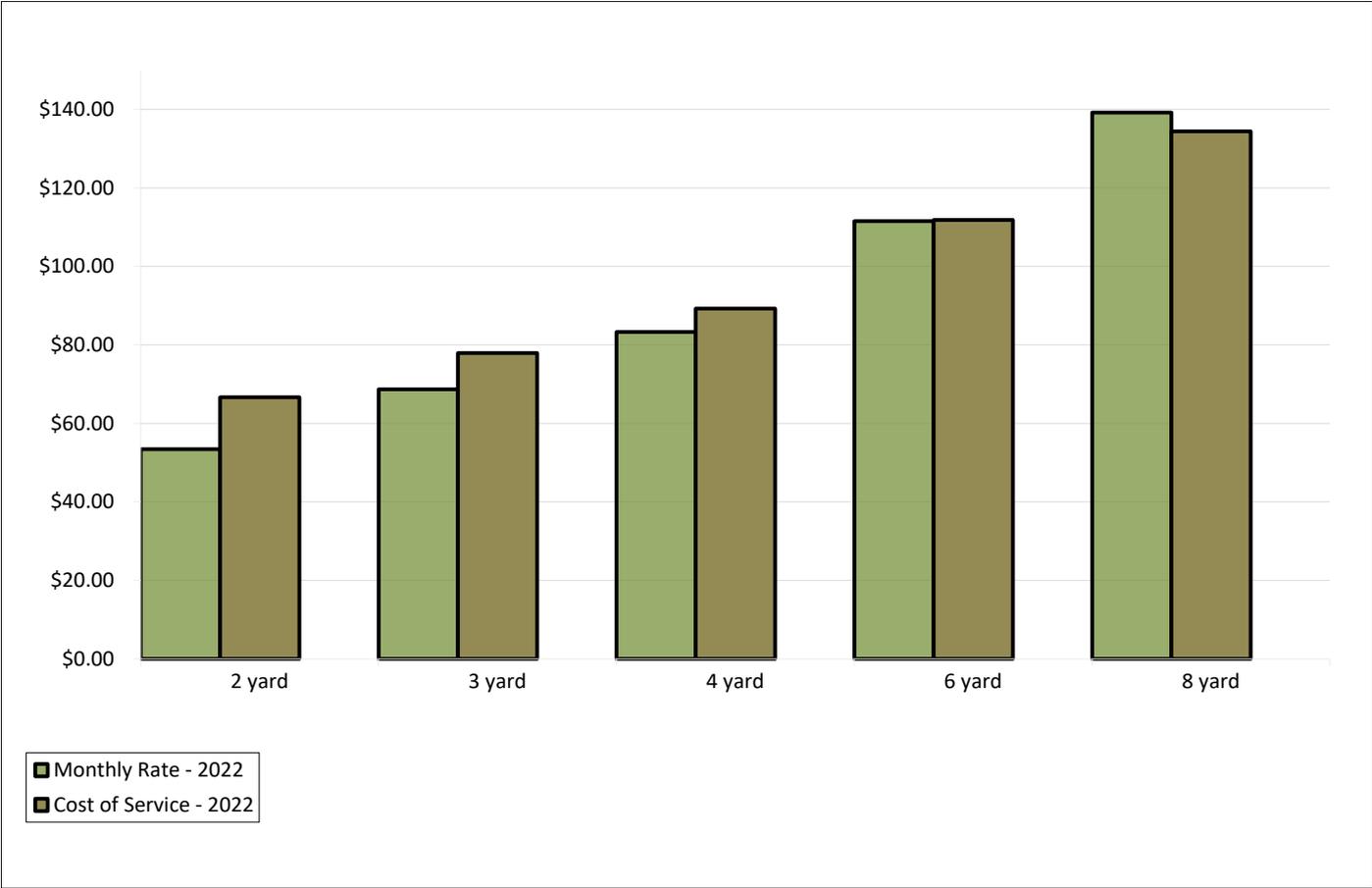
Phased-in Restructure of Commercial Rates



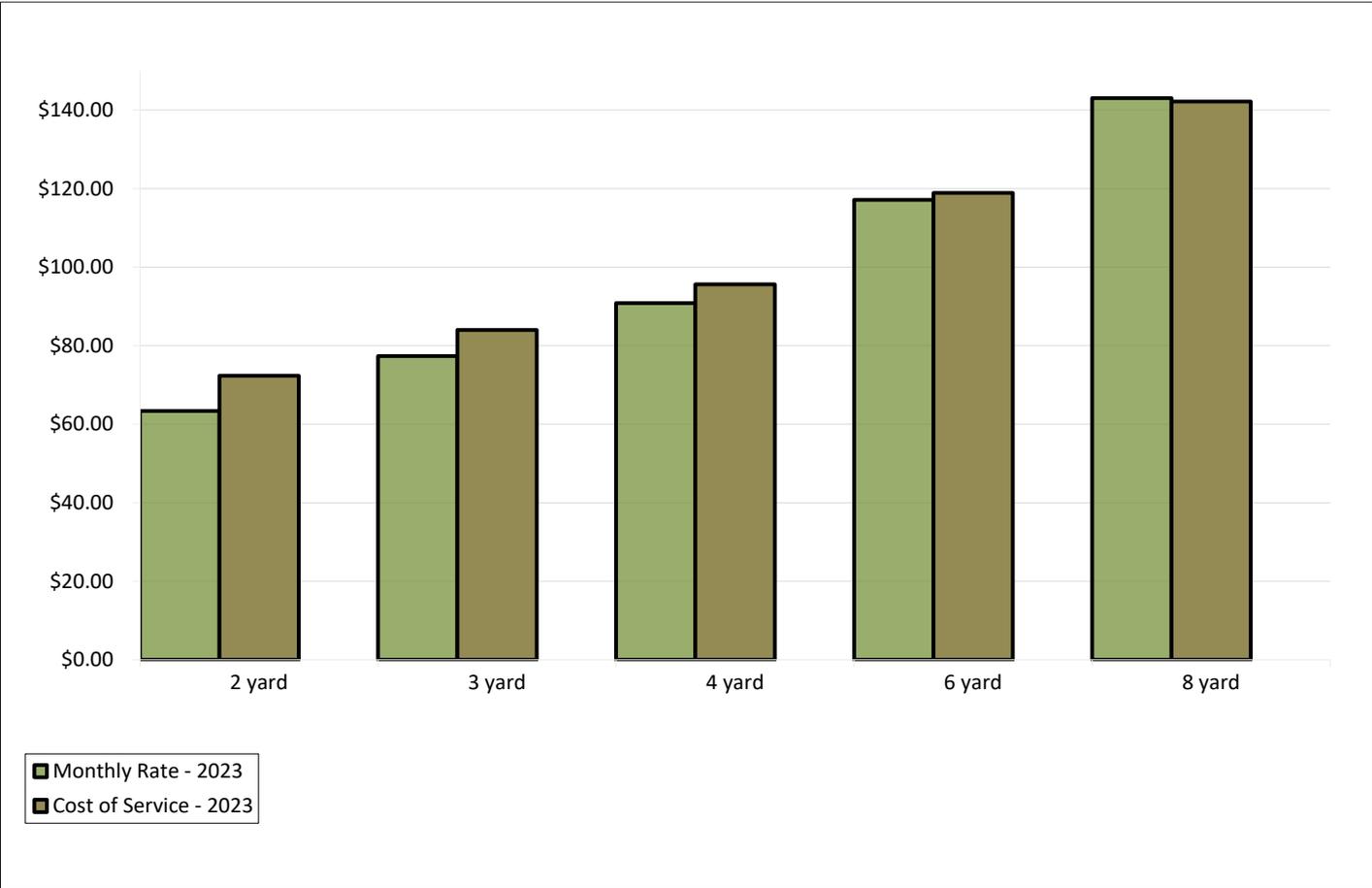
Phased-in Restructure of Commercial Rates



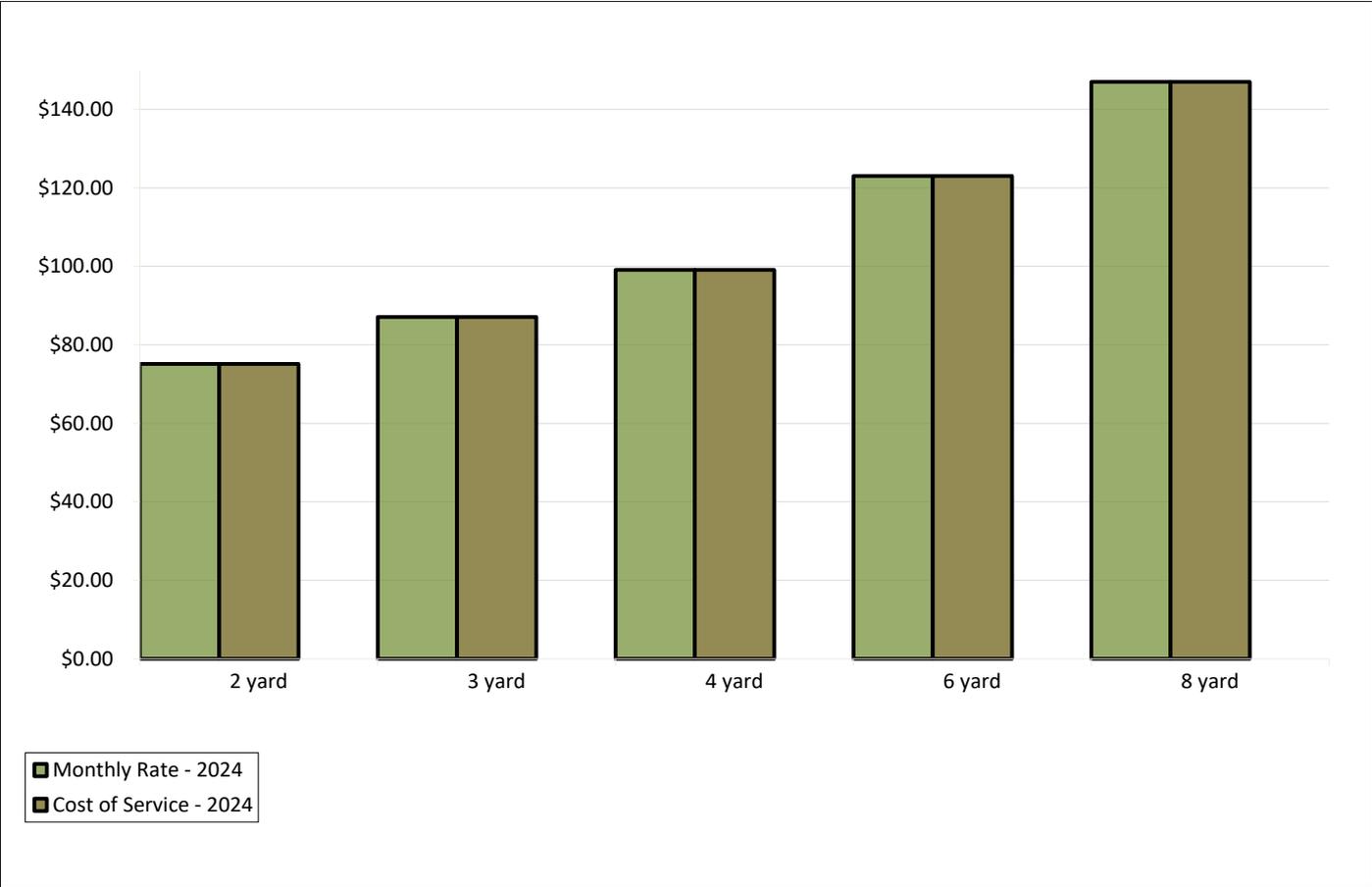
Phased-in Restructure of Commercial Rates



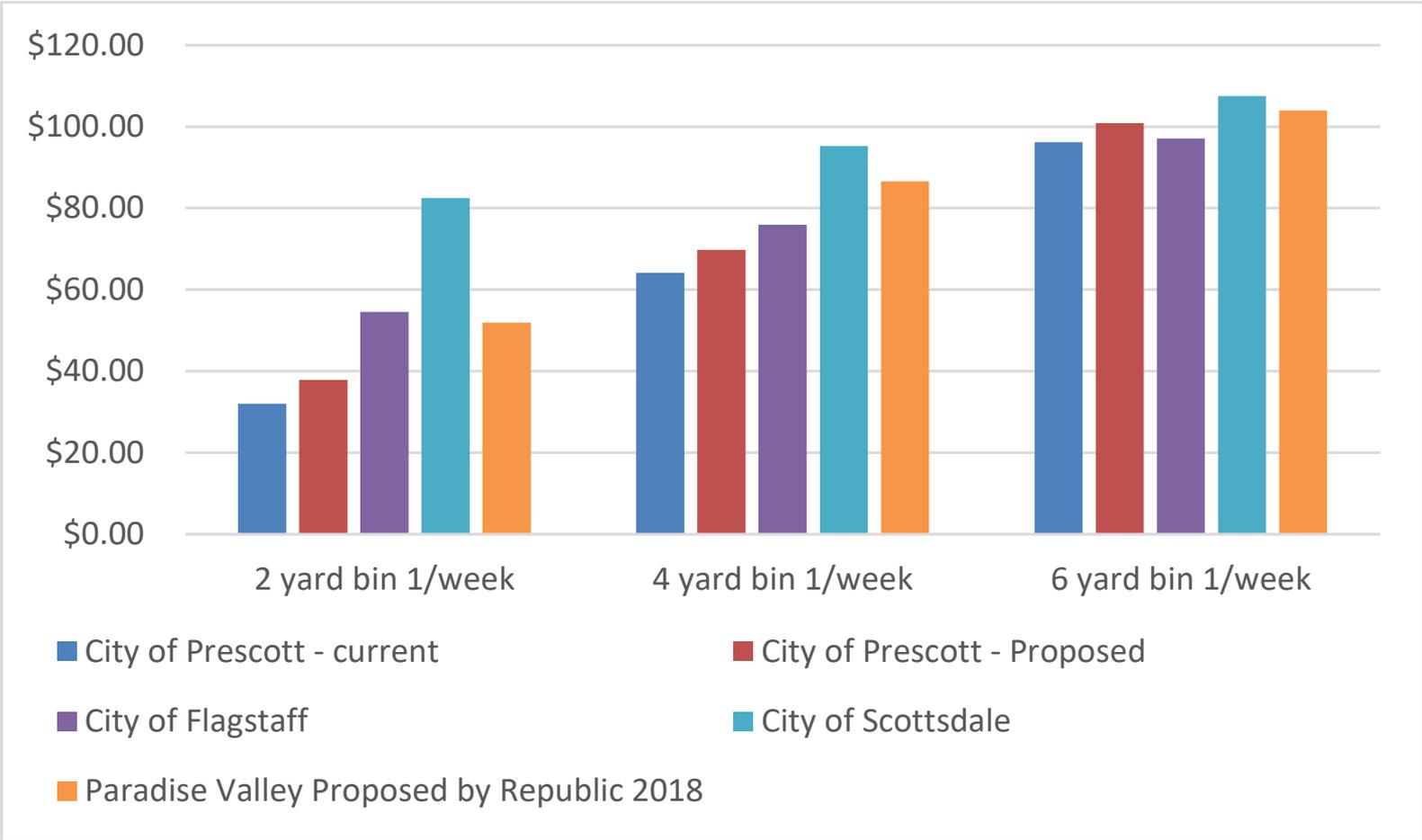
Phased-in Restructure of Commercial Rates



Phased-in Restructure of Commercial Rates



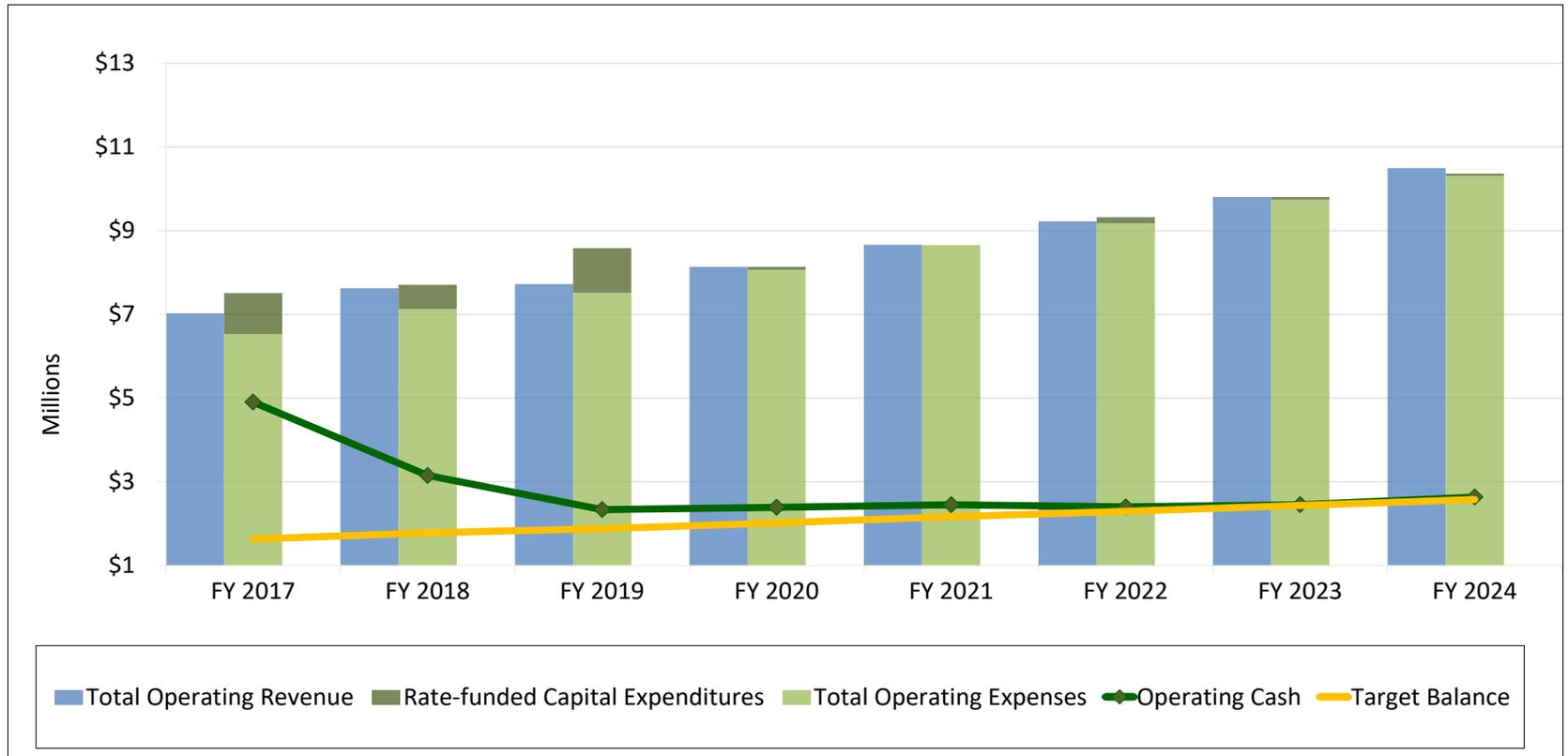
Commercial Rates - Other Cities



Transfer Station Adjustments

Description	Current	Proposed					
		March 1st 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Solid Waste							
Rate per ton	\$63.00	\$69.00	\$69.00	\$70.00	\$71.00	\$72.00	\$73.00
Adjustment amount		\$6.00	\$0.00	\$1.00	\$1.00	\$1.00	\$1.00
Minimum Load Charge - Solid Waste							
Rate per ton	\$10.00	\$11.00	\$11.00	\$12.00	\$13.00	\$14.00	\$15.00
Adjustment amount		\$1.00	\$0.00	\$1.00	\$1.00	\$1.00	\$1.00
Clean Brush							
Rate per ton	\$59.00	\$59.00	\$59.00	\$59.00	\$59.00	\$59.00	\$59.00
Adjustment amount		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Minimum Load Charge - Brush							
Rate per ton	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00	\$7.00
Adjustment amount		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Clean Inert Debris							
Rate per ton	\$15.00	\$20.00	\$20.00	\$22.50	\$25.00	\$27.50	\$30.00
Adjustment amount		\$5.00	\$0.00	\$2.50	\$2.50	\$2.50	\$2.50

Financial Results - With Rate Adj



Other Recommendations

- **Shared Bin Rate Stabilization Fee**
- **Compactor Rates**
- **Fees for Special Services**

Shared Bin Rate Stabilization Fee

- **City divides bill among several customers**
- **Typically where space is limited**
- **City accepts risk and stabilizes rates for vacant units**
- **Customers can avoid fee by making private sharing arrangements**

Rates for Compactors

Bin Capacity	Pickups per Week:					
	1	2	3	4	5	6
2 cubic yards	\$82.73	\$164.69	\$246.64	\$328.58	\$410.52	\$492.47
3 cubic yards	121.27	241.47	361.64	481.82	601.99	722.16
4 cubic yards	159.47	317.57	475.65	633.73	791.81	949.88
6 cubic yards	235.38	468.83	702.25	935.67	1,169.08	1,402.50
8 cubic yards	\$310.96	\$619.45	\$927.91	\$1,236.36	\$1,544.81	\$1,853.26

Fees for Special Services

Service Description	Proposed					
	March 1st 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Special Event Service Fees						
Operator Labor Rate – Strait time (1 hr min.) per hour/employee:	\$58.00	\$58.00	\$59.74	\$61.53	\$63.38	\$65.28
Operator Labor Rate – Over time (1 hr. min) per hour/employee :	\$75.00	\$75.00	\$77.25	\$79.57	\$81.95	\$84.41
Dumpster Set Fee:	\$67.00	\$67.00	\$69.01	\$71.08	\$73.21	\$75.41
Roll-Off Set Fee:	\$67.00	\$67.00	\$69.01	\$71.08	\$73.21	\$75.41
Roll-Off Pull Fee:	\$140.00	\$140.00	\$144.20	\$148.53	\$152.98	\$157.57
Roll-Off Min. Disposal Fee: 3 ton min.						
Dumpster Disposal Cost - per cubic yard:	\$10.00	\$10.00	\$10.30	\$10.61	\$10.93	\$11.26
Residential Cart 65-gallon with liner:	\$22.00	\$22.00	\$22.66	\$23.34	\$24.04	\$24.76
Cardboard Container and Liner - per container:	\$10.00	\$10.00	\$10.30	\$10.61	\$10.93	\$11.26
Dumpster Landfill Closure Fee - per dumpster pull	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Roll-Off Landfill Closure Fee - per roll-off pull	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Regular Commercial Customer Service Fees - Dumpsters						
Extra Service Fee - per cubic yard:	\$10.00	\$10.00	\$10.30	\$10.61	\$10.93	\$11.26
Dumpster Casters - (per container with Superintendent approval):	\$100.00	\$100.00	\$103.00	\$106.09	\$109.27	\$112.55
Dumpster Lock Bar - (per container, one-time fee):	\$100.00	\$100.00	\$103.00	\$106.09	\$109.27	\$112.55
Dumpster Removal Fee (cancellation of service):	\$51.50	\$51.50	\$53.05	\$54.64	\$56.28	\$57.96
Regular Roll-off Box Customer Service Fee						
Roll-Off Set Fee - per set:	\$51.50	\$51.50	\$53.05	\$54.64	\$56.28	\$57.96
Roll-Off Pull Fee - per set:	\$108.15	\$108.15	\$111.39	\$114.74	\$118.18	\$121.72
Landfill Closure Fees						
Commercial Dumpster Account - per dumpster, per month:	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Commercial Container Account - per container, per month:	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Residential Container Account - per container, per month:	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50	\$0.50
Roll-Off Account - per pull:	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

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