

All Things Solid Waste

Why are we here?

- ▶ Discuss long term capitalization of solid waste programs
- ▶ Discuss debts and long term liabilities of solid waste programs
- ▶ Discuss revenues and expenses
- ▶ Continuation of the 2017 budget discussion and ways to improve the long term financial position of the solid waste enterprise funds.

Near Term Capital

- ▶ 541 - 2017 projects not budgeted
 - ▶ ~\$700 thousand for gas system expansion
 - ▶ Required by permit
 - ▶ ~\$2 million for leachate system upgrades
 - ▶ Required by permit
 - ▶ ~\$10 million for cell 2c closure
 - ▶ Currently booked as a liability
 - ▶ ~\$6 million for dirt moving/cell prep
 - ▶ ~\$6 million for cell construction
- ▶ **Total of ~\$24.7 million in construction projects**
 - ▶ Money will need to be pulled from a fund balance or cash balance.

Landfill Debts and Liabilities

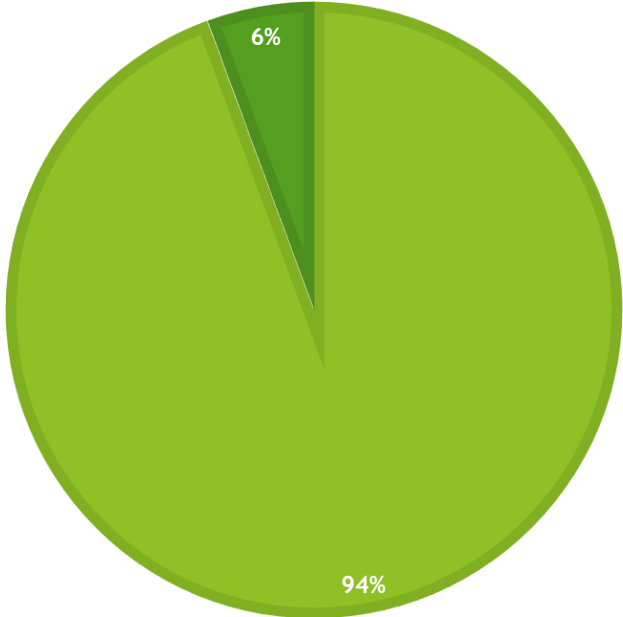
- ▶ Bond Debts
 - ▶ 2004 series - \$900,880
 - ▶ 2010 series - \$10,315,327
- ▶ Liabilities
 - ▶ 2a/b post closure care - ~\$882,345
 - ▶ 2c closure/post closure - \$9,216,964
 - ▶ Phase 3 closure/post closure - \$10,939,190
 - ▶ Leases payable - \$531,706

Revenues By Type

Solid Waste Collections

GENERAL REVENUE %

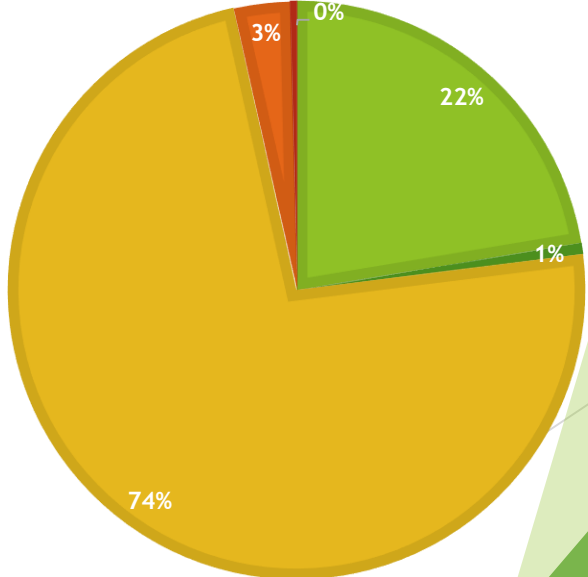
- Collection Fees
- Transfer from Urban Services



Landfill

GENERAL REVENUE %

- Collections Contract
- Intergovernmental
- Commercial
- Methane Gas
- Sale of Recyclables

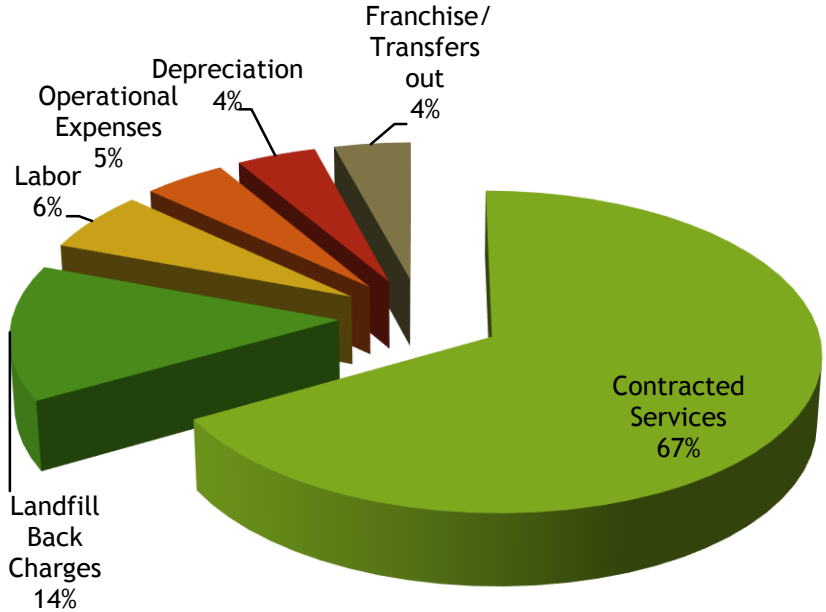


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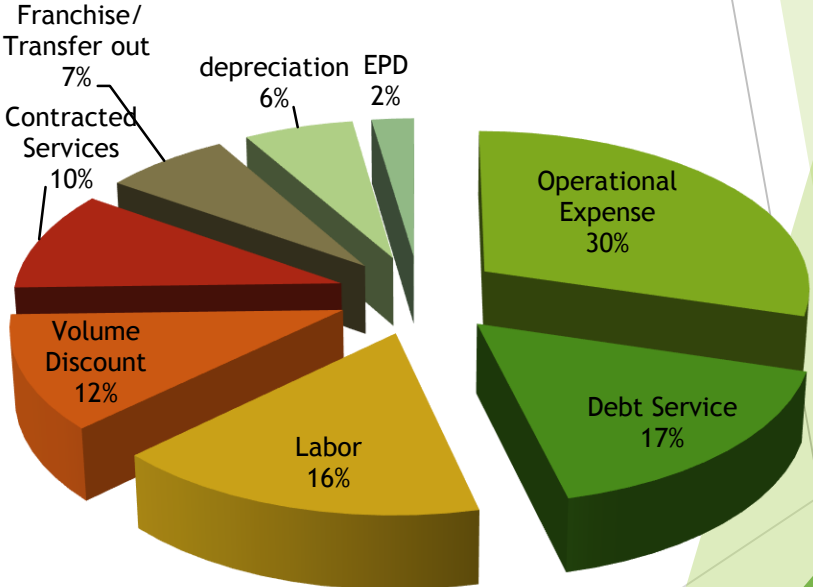
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Expenses Generally (excluding capital)

Solid Waste Collections



Landfill



2017 Budget Presentation

- ▶ Proposed increasing vacant lot cutting and cleaning fees.
 - ▶ Propose increasing various time and material fees.
 - ▶ Current costs encourage abuse rather than compliance with specifications.
- ▶ Proposed a 5% price increase (\$326) for solid waste collections.
 - ▶ Contract costs have risen 3.31% since price reset.
 - ▶ Labor has increased 2% since price reset.
 - ▶ Assumed demolition program @ \$400K per year
 - ▶ General fund increased franchise fees by 1.5%
 - ▶ Last price adjustment was in 2012 to \$310.50
 - ▶ Economic impact - \$987K

Department Overview

Areas of responsibility

- ▶ Landfill operations
 - ▶ Industrial Storm water program
 - ▶ Underground storage tanks
 - ▶ Brownfield program
 - ▶ Other environmental issues
- ▶ Solid waste collections
 - ▶ CNG fueling/alternative energy programs
 - ▶ Demolition program
 - ▶ Vacant lot cutting/cleaning
 - ▶ Street Sweeping
 - ▶ Mosquito control

Disposal Element

Disposal market

- ▶ Augusta is an open market which competes for waste with other disposal locations.
 - ▶ Advanced transfer station - Columbia County
 - ▶ Waste Management transfer station - Augusta
 - ▶ 3 Rivers Landfill - Aiken County
 - ▶ Williams Brothers C&D - Aiken County
 - ▶ Sample and Sons C&D - Columbia County
- ▶ Compete with other landfills as well as private companies wanting to internalize their waste.

Market specific

- ▶ Market driven customer base
 - ▶ ~78% of our revenues is competitive/market driven
 - ▶ 2 customers make up ~ 53% of our revenues.
 - ▶ Advanced Disposal 38%
 - ▶ Waste Management 15%
 - ▶ Compete with Advance Disposal Transfer station, 3 Rivers Landfill, City of North Augusta
 - ▶ **Lost one customer with impact of \$-300,000**
 - ▶ Direct control of ~22% of our revenues.
 - ▶ Residential contract
 - ▶ Street sweeping contract
 - ▶ Internal city volumes

Disposal Recommendations

- ▶ Continue with strong land use policies
- ▶ Continue with strong solid waste management plan
- ▶ Implement flow control methods
 - ▶ Franchise agreements for collection - **discussed in collections element**
 - ▶ Directs that waste collected in Augusta go to Augusta's landfill
 - ▶ Authorize ESD/legal to draft flow control ordinance
 - ▶ All waste generated in Augusta must go to Augusta's landfill as allowed by law.
 - ▶ Intergovernmental agreements
 - ▶ Evaluate intergovernmental opportunities to contract for waste.

Collections element

Residential Collections

- ▶ 64,490 residential customers
 - ▶ 4 service opportunities per week (13,413,920 touch points per year)
 - ▶ Trash
 - ▶ Recycle
 - ▶ Recycle perks
 - ▶ Yard waste
 - ▶ Bulk waste
 - ▶ Captive customers/revenue per city resolution

Residential Collections

- ▶ Notable opportunities
 - ▶ Scrap tires - right of way and illegal dumps
 - ▶ One of the largest problems facing solid waste.
 - ▶ Fund 2 new positions (reorganization) with vehicles to collect tires from the community. +\$150K
 - ▶ Recycle Perks
 - ▶ Worked well to promote recycling in the community - tripled participation
 - ▶ Underutilized program - eliminate program - -\$250K
 - ▶ CNG Station 3
 - ▶ Current demand does not support adding a third station
 - ▶ Recommend deductive change order to the contract to eliminate third station
 - ▶ \$530 thousand per year totaling \$2.65 million.

Residential Collections

- ▶ Notable opportunities continued...
 - ▶ Bulk Waste/Yard Waste
 - ▶ Change contract back to “old” method - take some material every collection ↑
 - ▶ Create enhanced ordinance/enforcement for waste out for extended periods of time.
 - ▶ Increase fees for out of compliance waste collection/code violations
 - ▶ Limit Construction Debris and other debris that did not originate from the service location.
 - ▶ Add quarterly community clean-up events. ↑

Downtown collections

- ▶ Service does not meet the needs of many businesses - designed for residential.
- ▶ Business owners have option to obtain their own service.
- ▶ Move to a centralized service location method in the downtown core.
- ▶ Billing methodology needs adjustment. ↑
- ▶ Add additional solar trash/recycle compactors - streetscape



Commercial/Industrial collections

- ▶ Franchise or regulate private service haulers.
 - ▶ Provides minimum specifications for service providers
 - ▶ Rules of conduct and requirements governing operations
 - ▶ Fees associated with being a licensed franchisee
 - ▶ Bonds, insurance and indemnification
 - ▶ Provides method to promote commercial recycling
 - ▶ Revenue generation through franchise fees/licensing fees.

Other funded solid waste programs

Demo

- ▶ Current stats
 - ▶ 427 properties on list to come down
 - ▶ Annual ESD demo budget \$400,000
 - ▶ Current list/Current funding = 5 year back log
 - ▶ \$2.15M needed for current list
- ▶ Revenue bond to fund a comprehensive/accelerated demolition program. ↑
 - ▶ \$5M bond funded by dedicated Solid Waste price increase.
 - ▶ Fund needed positions for accelerated program to include program manager and administrative support.
- ▶ Move the demolition program into CityWorks software to improve performance and fiscal tracking while improving overall workflow.
- ▶ ESD to partner with Code/Marshals to offer low cost disposal for responsible property owners who are willing to demolish properties timely.

Vacant Lot Cutting/Cleaning

- ▶ Increase herbicide application rates to minimize return visits. ↑
 - ▶ Increase contractor use of herbicides on city owned property and other nuisance property.
 - ▶ New program - KAB to supply local organizations household herbicide to treat local area(s)
- ▶ Increase ESD vacant lot/cleaning fees
- ▶ Move the vacant lot program into CityWorks software to improve performance and fiscal tracking while improving overall workflow.
- ▶ Decrease the number of vacant lots ESD is responsible for maintaining.
 - ▶ Develop method to address owners who have multiple violations either via Code/Marshal's office or Tax Commissioner.
 - ▶ Develop method to get property back into the hands of responsible property owners.
- ▶ ESD to partner with Code/Marshals to offer low cost disposal for responsible property owners who are willing to correct code violations timely.
- ▶ Get multiple ESD staff Post Certified to allow additional resources (inmates) providing services back to the community.
 - ▶ Include a compensation step program/public safety program for certified staff and management of certified staff.

Street Sweeping

- ▶ **Contract**
 - ▶ All roads to be swept quarterly
 - ▶ Contract ends December 2018
 - ▶ Cost \$750,000 per year
- ▶ **Internal**
 - ▶ 3 sweepers + support assets
 - ▶ Downtown swept multiple days per week.
 - ▶ Others demand based - leaf season, work order, complaint.
 - ▶ Funded by storm water fees
 - ▶ Storm water funding - \$250,000
- ▶ **Right size service**
- ▶ **Move service to one department**

Mosquito Control

- ▶ ESD funds - \$240,000
- ▶ Storm water funds - \$260,000
- ▶ Right size service
- ▶ Move service to one department

Public Education and Involvement

- ▶ Reinststate a Keep Augusta Beautiful non-profit chapter to coordinate community, grant writing, education, outreach/information, neighborhood and right-of-way cleanups, with volunteers, adopt-a-spot programs and related activities coordinating environmental education, clean-up efforts and community involvement.
 - ▶ Recommended staffing - Program Coordinator and Administrative support.
- ▶ Utilize staff as a waste reduction expert who can work closely with industries to help them work towards “zero waste” goals.
- ▶ Create and operate a Center for Hard to Recycle Materials (CHaRM) to provide recycling for non-traditional items.
- ▶ Evictions - owner information and correspondence related to new policies implemented.
- ▶ Focused effort on under utilized government programs already available; neighborhood clean up programs, pay for tires, recycling event assistance, etc.
- ▶ Estimated budget - \$100,000 funded through ESD.

Scrap Tires

- ▶ Authorize creation and adopt an ordinance which generates .50 cents per tire sold in Augusta to help support clean-up and enforcement efforts.
- ▶ Authorize creation and adopt an ordinance which addresses enforcement and generate fees related to the secondary tire market to include recyclers, processors, transporters, etc.
- ▶ ESD to partner with Code/Marshals to offer low cost disposal for responsible property owners who are willing to correct code violations timely.
- ▶ Code/Marshals to investigate and identify root cause of illegally dumped tires, actively prosecute cases to ensure code compliance.
- ▶ Continue to offer scrap tire amnesty days - allowing Augusta citizens to bring tires to the landfill for free.
- ▶ Create ESD tire collection/remediation program. Program to include 2 new positions, 2 vehicles for the purpose of proactively collecting illegally dumped tires in our community. Estimated annual budget - \$150,000 funded through ESD.

Progressive Revenue Ideas

- ▶ Define higher fees for high environmental risk businesses/properties such as scrap yards, junk yards, recycle centers, landfills, etc.
- ▶ Disposable bag fee - \$.05 per disposable bag used.
- ▶ Electronics Fee - charge a \$1.00 on every electronic sold.
- ▶ Lead Acid Battery Fee - Charge \$2.00 on every battery sold
- ▶ Tire Fee - Charge \$.50 on every tire sold.
- ▶ Oil Sales Fee - Charge \$.05 cents per quart/\$.20 cents per gallon sold.
- ▶ Paint Fee - charge \$.50 for ½ pint up to less than a gallon, charge \$1.00 for a gallon, and charge \$2.00 for up to 5 gallons.
- ▶ Could do similar for pesticides, herbicides, fertilizers, etc.

Recommendations

- ▶ Fund 2 new positions with vehicles to collect scrap tires from the community. Cost ~\$150,000
- ▶ Authorize ESD/legal to draft enhanced tire ordinance(s).
- ▶ Phase out Recycle Perks over 9-12 months. Annual savings ~\$250,000
- ▶ Cut third CNG station. Annual savings ~\$30,000
- ▶ Change yard/bulk waste method to collect some each time. Cost TBD
- ▶ Add quarterly community clean-up events. Cost TBD
- ▶ Pilot downtown centralized service location methodology.
- ▶ Authorize ESD/legal to draft commercial/industrial solid waste franchises.
- ▶ Authorize the creation of Keep Augusta Beautiful (KAB). Cost ~\$100,000
- ▶ Increase vacant lot cutting/cleaning fees.
- ▶ Bring back estimated cost of demolition bond for consideration.

Solid Waste Fees

- ▶ Impacts on fees
 - ▶ Level of service
 - ▶ New services offered
 - ▶ Services reduced or eliminated
- ▶ Bring back program cost data and fee proposal(s) for consideration.