Solid Waste Management Department

FY 2014 Proposed Budget Presentation

Presented by David W. McCary CPM, Director

August 27, 2013
Agenda

- Department Overview
- Recycling & Resource Recovery Plan
- FY 2013 Accomplishments
- Performance Measures
- FY 2014 Proposed Budget
• FY 2014 Proposed Budget: $95 million
  – 6.1% increase from FY 2013
• Current residential recycling rate: 31%
• Two bulky waste drop-off centers now open; two centers proposed in FY 2014
• Expand Organics Recycling Subscription Program to 100,000 homes in FY 2014
• $0.50 monthly fee increase included in FY 2014 Proposed Budget
Department Overview

• Operating & Maintenance Fund
  – Enterprise Fund
  – Fee-based revenues
    • Monthly customer fee for collection and environmental services
    • 79% of annual revenue from the Solid Waste Fee
    • Other revenues include:
      – Environmental fee
      – Sale of recyclable commodities
      – Waste hauler vehicle permit fees
      – Brush recycling fees
Department Overview: Major Programs

Weekly Curbside Recycling & Garbage Collection
Semi-Annual Curbside Brush Collection
Semi-Annual Curbside Bulky Collection
Weekly Curbside Organic Subscription Collection
Brush Recycling Drop-Off Centers
Bulky Waste Drop-Off Centers

Other Services include household hazardous waste collection, closed landfill maintenance, dead animal collection, Dial-A-Trailer Program, and residential leaf collection.
Current Annual Household Waste Stream

Curbside Recycling
416 pounds
(14%)

Curbside Garbage
1,962 pounds
(63%)

Brush & Organics Recycling
540 pounds
(17%)

Bulky Waste
181 pounds
(6%)
Recycling & Resource Recovery Plan

- Sets policy and strategic priorities for City to achieve long-term recycling goals
- Approved by City Council in June 2010 and amended January 2013
- Plan establishes goals for:

  **Single-family Residential Recycling**
  **Multi-family Residential Recycling**
  **Commercial Recycling**
# 2025 Recycling Goals

<table>
<thead>
<tr>
<th>Goal</th>
<th>Current Status</th>
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<tbody>
<tr>
<td><strong>Single-family</strong></td>
<td>Recycle or divert 60% of single-family residential waste by 2025</td>
</tr>
<tr>
<td>31% recycling rate in FY 2013, over halfway to 2025 goal</td>
<td></td>
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<tr>
<td><strong>Multi-family</strong></td>
<td>Ensure all single-family and multi-family residents have access to convenient</td>
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<tr>
<td></td>
<td>recycling</td>
</tr>
<tr>
<td>Ordinance passed in 2010; requires multi-family properties to</td>
<td></td>
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<tr>
<td>provide recycling; implemented in Dec. 2012; maintaining 97%</td>
<td></td>
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<tr>
<td>compliance rate</td>
<td></td>
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<tr>
<td><strong>Commercial</strong></td>
<td>Improve recycling opportunities for businesses</td>
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<tr>
<td>Researching commercial recycling policy options for City Council</td>
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Multi-Family Recycling

- Multi-family Recycling Ordinance
  - Ensures convenient access to recycling programs for 150,000 San Antonio residents
  - Multi-family complexes required to offer recycling to their residents
  - Current compliance is 97%

• Goals for Recycling & Resource Recovery Plan includes increasing opportunities for Commercial Recycling

• Increasing Commercial Recycling opportunities could decrease amount of waste sent to landfill

• Commercial Recycling does not contribute to the 60% recycling goal

Source: TCEQ Municipal Solid Waste in Texas: A Year in Review-2010
* Note: Includes sludge, industrial waste, contaminated soil, brush, and additional wastes
FY 2013 Accomplishments

Solid Waste Management Department

FY 2014 Proposed Budget
Bulky Waste Drop-off Centers

• $3.3 million initiative to provide residents with convenient option to dispose of bulky waste

• Two sites opened in FY 2013
  – Northern location: Bitters Bulky Waste Collection Center, 1800 E. Bitters Rd.
  – Southern location: Frio City Road Bulky Waste Collection Center, 1531 Frio City Rd.

• Over 12,500 customers have disposed of 2,200 tons of bulky waste from January 2013 to July 2013
Organics Recycling Subscription

• January 2013 Council approved subscription-based organics program
• March – April 2013 Transitioned pilot area to subscription-based model:
  – 27% average subscription rate in pilot area
  – Subscription rate ranged from 12% to 43% by route
Customer & Community Outreach

- Launched new City “My Waste” App
- Launched “I Recycle” campaign using television commercials, internet radio ads, billboards, and brochures
- Continued outreach to community schools
  - Conducted 450+ presentations at area schools during 2013 school year
  - Provided information to 25,000+ students
Single-Family Residential Recycling Rate

- Increased residential recycling rate to 31%
- Maintaining pace to reach 60% recycling goal by 2025

**History of Residential Recycling Rate**

<table>
<thead>
<tr>
<th>FY</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>Estimate</th>
<th>FY 2013</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>7</td>
<td>9</td>
<td>10</td>
<td>15</td>
<td>19</td>
<td>25</td>
<td>27</td>
<td>31</td>
<td>31</td>
<td>31</td>
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FY = Fiscal Year
FY 2007: Conversion from manual to automated collection trucks
FY 2010: Automated conversion completed and one-time cart purchase reduced
FY 2011: Opened Nelson Road Brush Facility, began Organics Recycling development, increased emphasis on brush and bulky curbside collection

*Reflects revised Adopted Budget amounts
Position History

FY 2006: 607
FY 2007: 559
FY 2008: 528
FY 2009: 506
FY 2010: 488
FY 2011: 482
FY 2012: 537
FY 2013: 549
FY 2014: 567

*Note: Includes brush and bulky recycling drop-off centers, landfill closures, and inspection programs.
### FY 2014 Budget Summary

($ in millions)

<table>
<thead>
<tr>
<th>Solid Waste Management Department</th>
<th>FY 2013 Adopted Budget</th>
<th>FY 2014 Proposed Budget</th>
<th>Change</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Budget</td>
<td>$89.5</td>
<td>$95.0</td>
<td>$5.5</td>
<td>6.1%</td>
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<tr>
<td>Total Personnel</td>
<td>549</td>
<td>567</td>
<td>18</td>
<td>3.3%</td>
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#### Personal Services
- FY 2013: $33.1
- FY 2014: $33.1
- Change: $0
- Change (%): 0%

#### Contractual Services
- FY 2013: $24.7
- FY 2014: $26.0
- Change: $1.3
- Change (%): 5.3%

#### Commodities
- FY 2013: $6.8
- FY 2014: $6.8
- Change: $0
- Change (%): 0%

#### Self-Insurance, Other
- FY 2013: $26.0
- FY 2014: $26.0
- Change: $0
- Change (%): 0%

#### Capital Outlay
- FY 2013: $0.8
- FY 2014: $0.8
- Change: $0
- Change (%): 0%

#### Transfers to Other Funds
- FY 2013: $3.6
- FY 2014: $3.6
- Change: $0
- Change (%): 0%
Bulky Waste Drop-off Centers

• Two additional bulky waste centers proposed for FY 2014 in east and west section of City

• $877,697 added in FY 2014 for 12 positions and equipment
Bulky Waste Drop-off Centers

- Centers located in four quadrants of the City
- Existing City-owned property for sites
- Two sites opened in FY 2013
  - Council Districts 5 and 9
- Two proposed in FY 2014
  - Council Districts 2 and 6
• Will offer subscription service to 100,000 households in FY 2014
• $1.1 million added in FY 2014 for four collection trucks and carts
• Subscription fee remains at $3.00 per month
Organics Recycling

- Current organic processing contract with New Earth, Inc. will be amended to extend through February 2014 with FY 2014 Budget Ordinance
  - Increasing contract by $60,000 for a total contract value of $303,750
  - A Request for Proposal for a new contract will be advertised in September 2013
FY 2014 Proposed Budget

FY 2014 Fee Adjustment

Solid Waste Management Department
## Rate History

<table>
<thead>
<tr>
<th>Rate Analysis</th>
<th>FY 2010</th>
<th>FY 2011</th>
<th>FY 2012</th>
<th>FY 2013</th>
<th>FY 2014 Proposed</th>
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<tbody>
<tr>
<td>Solid Waste Fee</td>
<td>$ 17.44</td>
<td>$ 17.44</td>
<td>$ 17.44</td>
<td>$ 17.44</td>
<td>$ 17.69</td>
</tr>
<tr>
<td>Environmental Fee (SWMD only)</td>
<td>$ 1.30</td>
<td>$ 1.30</td>
<td>$ 1.99</td>
<td>$ 1.99</td>
<td>$ 2.24</td>
</tr>
<tr>
<td>Total Monthly Fee</td>
<td>$ 18.74</td>
<td>$ 18.74</td>
<td>$ 19.43</td>
<td>$ 19.43</td>
<td>$ 19.93</td>
</tr>
<tr>
<td>Change ($)</td>
<td>$ 0.00</td>
<td>$ 0.00</td>
<td>$ 0.69</td>
<td>$ 0.00</td>
<td>$ 0.50</td>
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Rate Increase Components

Proposed Monthly Rate Increase: $0.50

- Solid Waste Fee Increase: $0.25
  - Increased fleet labor costs
  - Increased equipment replacement costs
  - Expand brush grinding capacity

- Environmental Fee Increase: $0.25
  - Construct and operate two additional bulky waste drop off centers
Comparative Monthly Rates

Monthly Solid Waste Fee by Most Commonly Selected Garbage Cart Size (G = gallons)

- **San Jose (32G)**: $29.95
- **Phoenix (96G)**: $26.80
- **Austin (64G)**: $26.60
- **Dallas (96G)**: $20.64
- **San Antonio (96G)**: $19.93
- **Fort Worth (64G)**: $17.75

*Communities that use Variable Rate Pricing for garbage carts

Note: Rates for Austin, Dallas, San Antonio, and Fort Worth are proposed rates for FY 2014.
Summary

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