



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: May 5, 2014
TO: Mayor and Councilmembers
FROM: Administration Division, Finance Department
SUBJECT: Fiscal Year 2015 Recommended Operating and Capital Budget

RECOMMENDATION:

That Council hear a presentation from the Airport Department, Waterfront Department, and Solid Waste Fund (Finance Department) on their Fiscal Year 2015 Recommended Budget.

DISCUSSION:

In connection with City Council's review of the Fiscal Year 2015 Recommended Budget, eight public hearing dates have been scheduled during which City departments will present their respective budgets and City Council make final decisions prior to adoption. All eight meetings have been publicly noticed and are special budget work sessions scheduled separately from the regularly scheduled City Council meetings held on Tuesdays. Members of the public are encouraged to attend and will have the opportunity to make comments and provide feedback on any aspect of the Proposed Plan at the work sessions.

At this third special budget work session, scheduled from 3:00 p.m. to 6:00 p.m., the Airport, Waterfront, and Solid Waste Fund (Finance Department) will present their budgets.

At the next meeting, scheduled on Monday, May 12, 2014 from 3:00 p.m. to 6:00 p.m., City Council will receive presentations from the Fire and Police Departments.

ATTACHMENT: Schedule of Proposed Council Budget Review Meetings and Public Hearings

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office

CITY OF SANTA BARBARA
Fiscal Year 2015 Recommended Budget

**Schedule of Council Budget Review Meetings
and Public Hearings**

MEETING	DATE	BUDGET AGENDA ITEM(S)
SPECIAL WORKSESSION AND PUBLIC HEARING #1	Mon., April 28, 2014 3:00 – 6:00 pm Council Chambers	<ul style="list-style-type: none"> ➤ Open Budget Public Hearing ➤ <u>Department Budget Presentations for:</u> <ul style="list-style-type: none"> - Finance - General Government - Administrative Services - City Attorney's Office - City Administrator's Office - Mayor & Council
SPECIAL WORKSESSION AND PUBLIC HEARING #2	Wed., April 30, 2014 3:00 – 6:00 pm Council Chambers	<ul style="list-style-type: none"> ➤ <u>Department Budget Presentations for:</u> <ul style="list-style-type: none"> - Public Works
SPECIAL WORKSESSION AND PUBLIC HEARING #3	Mon., May 5, 2014 3:00 – 6:00 pm Council Chambers	<ul style="list-style-type: none"> ➤ <u>Department Budget Presentation for:</u> <ul style="list-style-type: none"> - Airport - Waterfront - Solid Waste Fund (Finance)
SPECIAL WORKSESSION AND PUBLIC HEARING #4	Mon., May 12, 2014 3:00 – 6:00 pm Council Chambers	<ul style="list-style-type: none"> ➤ <u>Department Budget Presentation for:</u> <ul style="list-style-type: none"> - Fire - Police
SPECIAL WORKSESSION AND PUBLIC HEARING #5	Wed., May 14, 2014 1:00 – 4:00 pm Council Chambers	<ul style="list-style-type: none"> ➤ <u>Department Budget Presentations for:</u> <ul style="list-style-type: none"> - Community Development / Successor Agency - Library
SPECIAL WORKSESSION AND PUBLIC HEARING #6	Mon, May 19, 2014 5:00 – 8:00 pm Council Chambers	<ul style="list-style-type: none"> ➤ <u>Department Budget Presentation for:</u> <ul style="list-style-type: none"> - Parks & Recreation (including Creeks and Golf Funds)

SPECIAL BUDGET WORKSESSION AND PUBLIC HEARING #7	Mon., June 2, 2014 3:00 – 5:00 pm Council Chambers	<ul style="list-style-type: none">➤ Finance Committee Budget Recommendations to Council➤ Council Budget Deliberations➤ Final Council Budget Direction to Staff➤ Close Budget Public Hearing
SPECIAL BUDGET WORKSESSION AND PUBLIC HEARING #8	Wed., June 4, 2014 4:00 – 6:00 pm Council Chambers	<ul style="list-style-type: none">➤ Continue Council Budget Deliberations (if needed)
REGULAR CITY COUNCIL MEETING	Tues, June 10, 2014 Afternoon session Council Chambers	<ul style="list-style-type: none">➤ Prop. 218 Hearing on Proposed Increases to Water, Wastewater and Solid Waste Rates
REGULAR CITY COUNCIL MEETING	Tues, June 17, 2014 Afternoon session Council Chambers	<ul style="list-style-type: none">➤ Budget Adoption



AIRPORT DEPARTMENT

Recommended Budget for Fiscal Year 2015

City Council Presentation – May 5, 2014

AIRPORT DEPARTMENT

Presentation Outline

- I. Airport Department Overview – All Funds
- II. Proposed Changes to Originally Proposed Fiscal Year 2015 Plan
- III. Key Initiatives and Performance Objectives (Including Capital)

Department Overview

AIRPORT DEPARTMENT

Enterprise Fund

- ◆ Financially self-sustaining
- ◆ Revenues from tenant rents and user fees
 - ◆ Operations
 - ◆ Maintenance
 - ◆ Capital
- ◆ No local tax dollars received

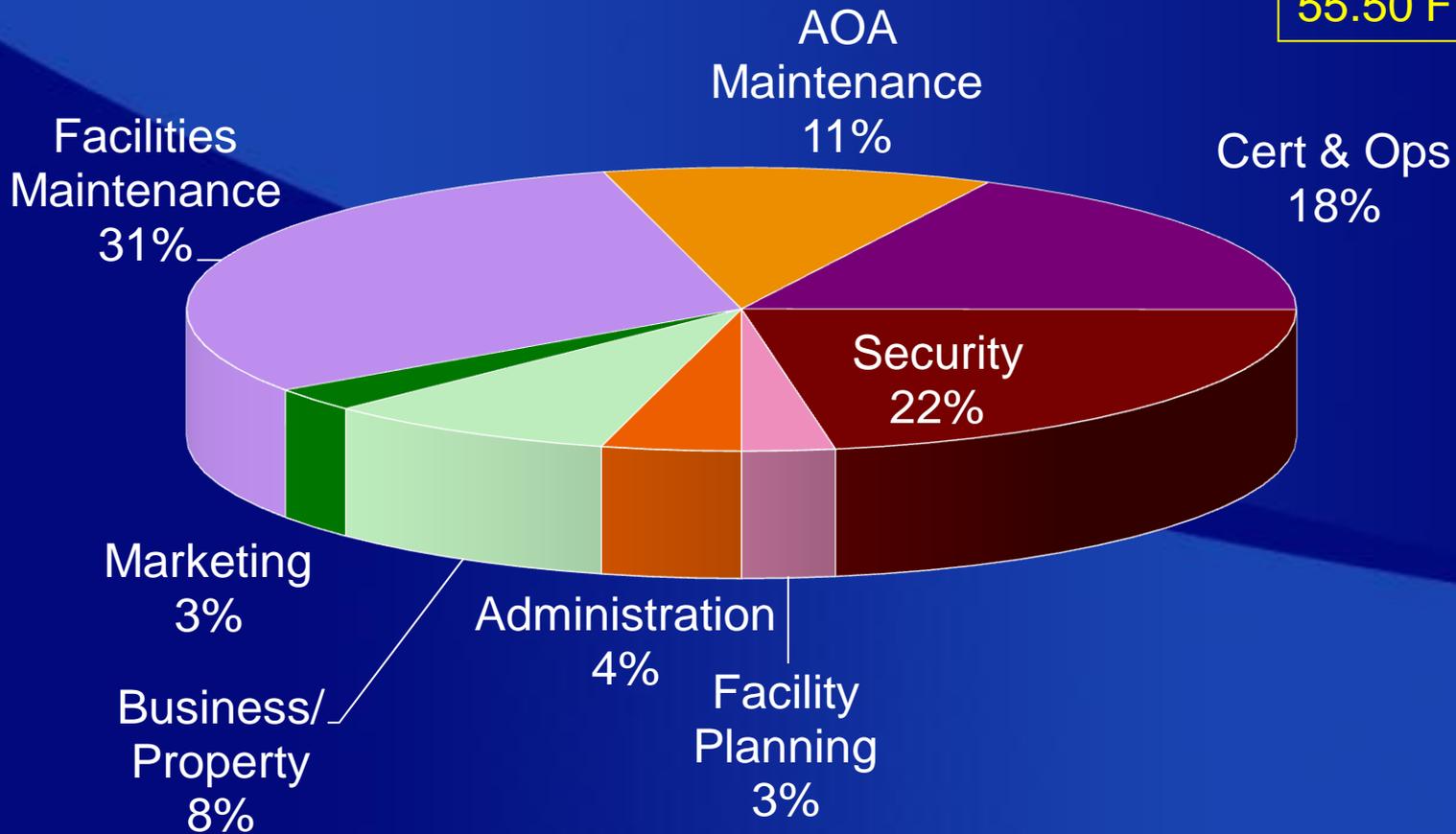
AIRPORT DEPARTMENT

Programs

- ◆ Administration
- ◆ Business & Property Management
- ◆ Marketing & Communications
- ◆ Facilities Maintenance
- ◆ Air Operations Area (AOA) Maintenance
- ◆ Airport Security
- ◆ Certification & Operations
- ◆ Facility Planning & Development

AIRPORT DEPARTMENT Staffing

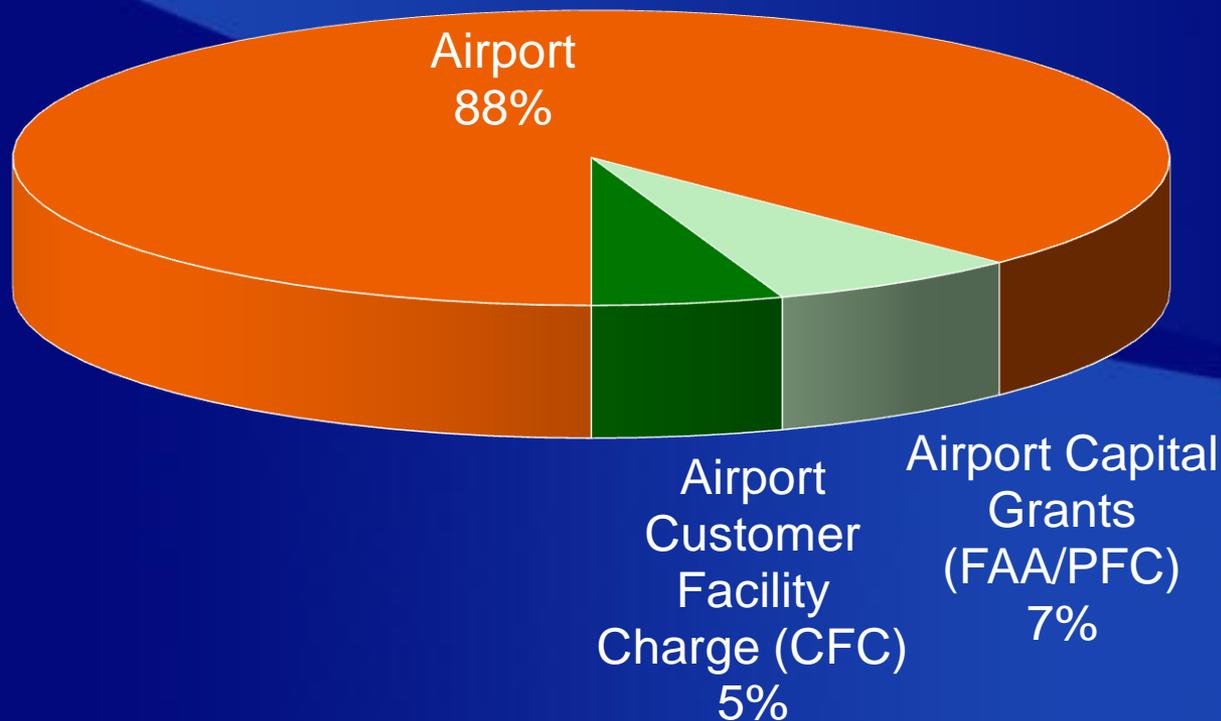
55.50 FTE's



AIRPORT DEPARTMENT

Summary of Total Budget by Fund

FY 2015 Total - \$18.7 Million



Unanticipated Events Impact Budget

- American Eagle terminates service
 - Loss of 4 daily flights to Los Angeles
 - 13% of passenger traffic
- Impacts all Terminal lines of business
 - Airline building rental, landing fees (\$355,721)
 - Parking & concessions (\$626,996)
 - **Total estimated budget impact (\$982,717)**
- Impacts to other funds
 - Capital Grant Fund – loss of \$107,600
 - Facility Charge Fund – loss of \$59,874

Actions Taken to Address Budget Impact

Line of Business	Estimated Impact	Action Taken	Budget Impact
Airport Fund: Airline building rental, landing fees	(\$355,721)	Negotiate increased rates/charges	+ \$86,752
Concessions/ Parking	(\$626,996)	Closed Lot 2; Shuttle	Saved \$802,000
Initiate/increase fuel flowage fee			+ \$175,000
FAA/PFC Grant Fund		None	Loss \$107,600
Facility Charge Fund (CFC)		None	Loss \$ 59,874

Proposed Changes to FY 2015 Plan

AIRPORT DEPARTMENT

Proposed Changes to Original Plan

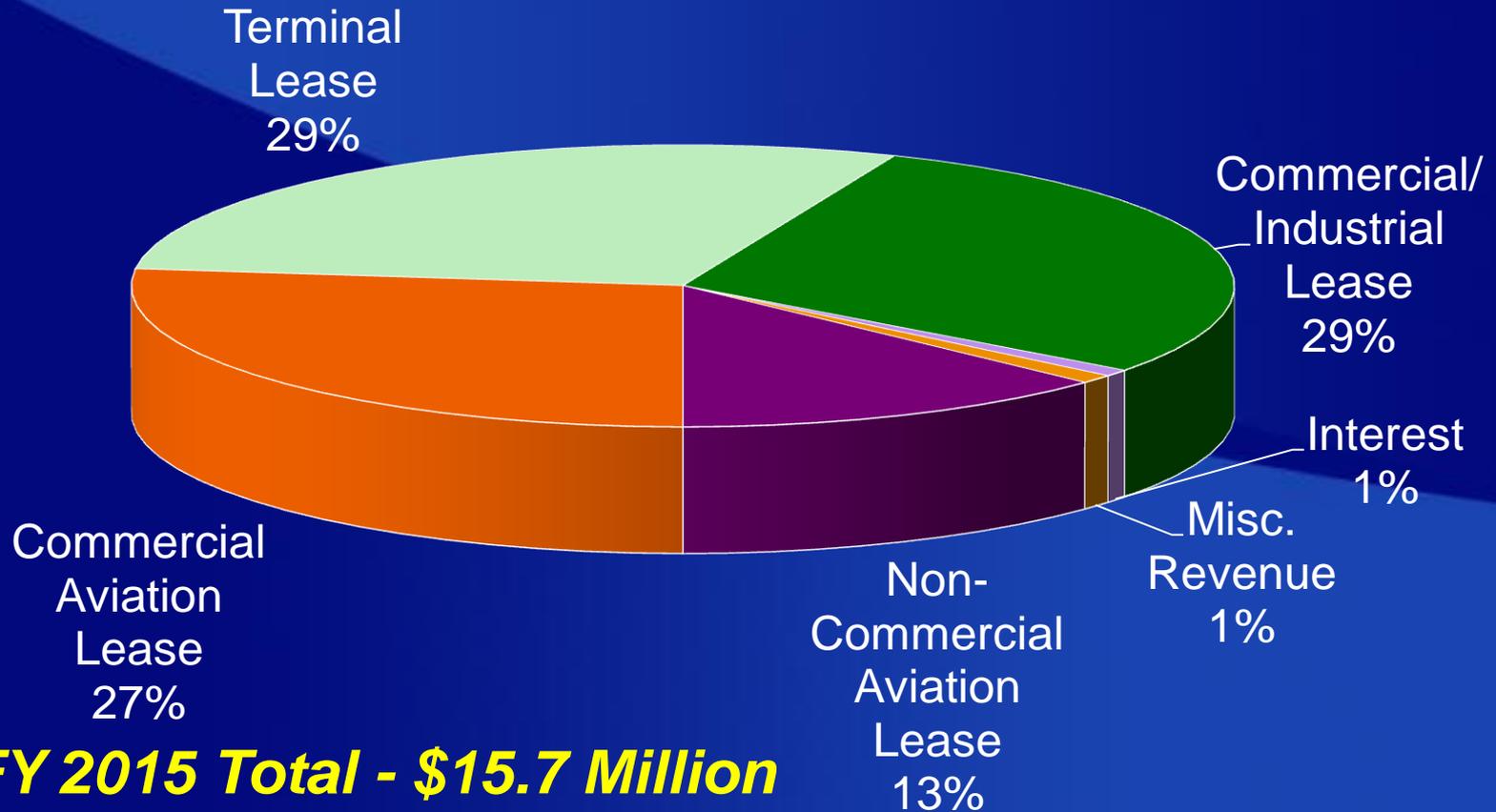
Revenues

	<u>FY 2014 Projected</u>	<u>FY 2015 Original Plan</u>	<u>Recomm'd Adjustments</u>	<u>FY 2015 Recomm'd</u>
AIRPORT FUND				
Commercial Aviation	4,042,839	4,037,000	181,655	4,218,655
Commercial Industrial	4,411,265	4,601,125	(55,950)	4,545,175
Non-Commercial Aviation	1,944,229	2,151,103	(118,373)	2,032,730
Terminal	4,963,620	5,234,130	(626,996)	4,607,134
Interest	126,000	102,600	19,200	121,800
Miscellaneous	176,448	142,400	14,955	157,355
Subtotal	<u>\$ 15,664,401</u>	<u>\$ 16,268,358</u>	<u>\$ (585,509)</u>	<u>\$ 15,682,849</u>
CAPITAL GRANTS FUND	1,480,581	1,414,500	(107,600)	1,306,900
FACILITY CHARGES FUND	1,146,528	1,060,000	(59,874)	1,000,126
Total	<u>\$ 18,291,510</u>	<u>\$ 18,742,858</u>	<u>\$ (752,983)</u>	<u>\$ 17,989,875</u>

AIRPORT DEPARTMENT

Revenue by Major Source

AIRPORT FUND



FY 2015 Total - \$15.7 Million

AIRPORT DEPARTMENT

Proposed Changes to Original Plan

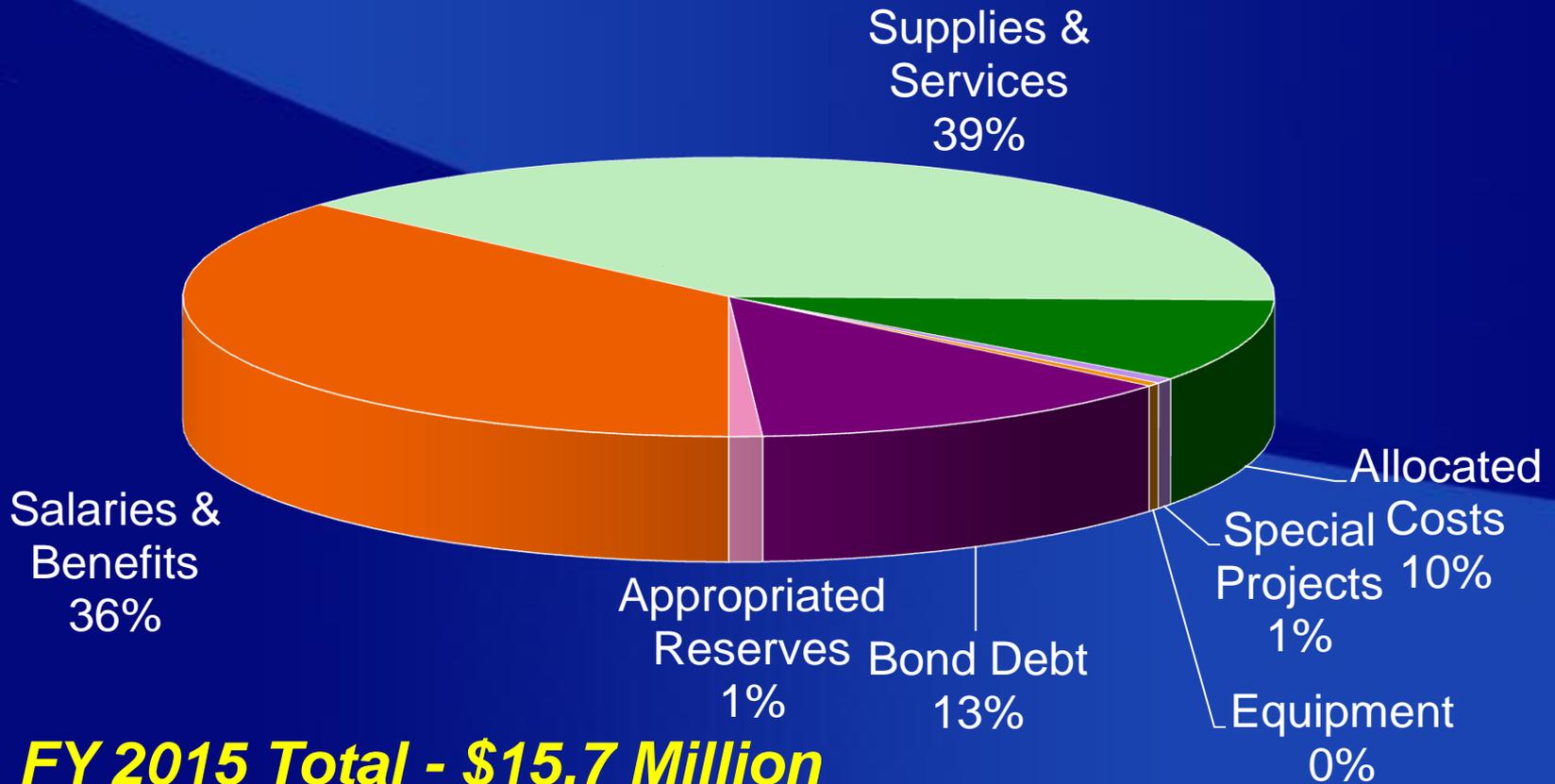
Expenditures

	<u>FY 2014 Projected</u>	<u>FY 2015 Original Plan</u>	<u>Recomm'd Adjustments</u>	<u>FY 2015 Recomm'd</u>
AIRPORT FUND				
Salaries & Benefits	\$ 5,276,136	\$ 5,749,258	\$ (25,557)	\$ 5,723,701
Supplies & Services	5,756,150	5,922,849	176,671	6,099,520
Allocated Costs	1,435,264	1,487,924	21,845	1,509,769
Special Projects	468,750	896,000	(802,525)	93,475
Equipment	85,031	49,500	17,560	67,060
Capital Transfers	744,632	-	-	-
Bond Debt	2,035,819	2,034,432	-	2,034,432
Appropriated Reserves		128,395	26,497	154,892
Subtotal	\$ 15,801,782	\$ 16,268,358	\$ (585,509)	\$ 15,682,849
CAPITAL GRANTS FUND	1,326,132	1,414,500	(89,380)	1,325,120
FACILITY CHARGE FUND	773,954	1,060,000	(59,874)	1,000,126
Total	\$ 17,901,868	\$ 18,742,858	(734,763)	\$ 18,008,095

AIRPORT DEPARTMENT

Expenditures by Major Category

AIRPORT FUND



AIRPORT DEPARTMENT

FY 2015 Capital Program

- FAA Airport Improvement Program
 - Grant Match - \$276,223
 - Change Order - \$222,033
- Airport Emergency Notification Phone System Replacement - \$100,000
- Long Term Parking Lot 1 Resurfacing and Restriping - \$100,000

Proposed Fees

AIRPORT DEPARTMENT

Proposed Fee Changes

Description	FY 2014 Current	FY 2015 Proposed
Long Term Parking Lot 2	\$ 9.00	\$ 10.00

■ 2014 Survey

- 11 California Airports
- Average Long Term Lot Daily Max: \$13.00

■ Revenue Neutral

AIRPORT DEPARTMENT

Proposed Fee Changes

Description	FY 2014 Current	FY 2015 Proposed
Fuel Flowage Fee- Non-Airline Jet A	\$ 0.05	\$ 0.08
Fuel Flowage Fee- Avgas	\$ 0.05	\$ 0.05
Fuel Flowage Fee- Airline	\$ -	\$ 0.04

- 2009 Survey (30 Airports)
 - Average Flowage Fee: \$.064, 4 charged airlines
- 2012 Survey (34 Airports)
 - Average Flowage Fee: \$.079, 17 charged airlines
- 2014 Survey (14 Airports)
 - Average Flowage Fee: \$.09, 6 of 12 commercial airports charged airlines

AIRPORT DEPARTMENT

Projected Cash Flow - Airport Fund

	<u>FY 2015 Recomm'd</u>	<u>FY 2016 Forecast</u>	<u>FY 2017 Forecast</u>	<u>FY 2018 Forecast</u>
REVENUES				
Commercial Aviation	\$ 4,218,655	\$ 4,319,428	\$ 4,422,877	\$ 4,529,077
Commercial Industrial Aviation	\$ 4,545,175	\$ 4,681,530	\$ 4,821,976	\$ 4,966,635
Terminal	\$ 2,032,730	\$ 2,073,385	\$ 2,114,852	\$ 2,485,416
Other	\$ 4,607,134	\$ 4,691,928	\$ 4,769,443	\$ 4,848,304
	\$ 279,155	\$ 280,901	\$ 282,717	\$ 284,606
Subtotal	\$ 15,682,849	\$ 16,047,172	\$ 16,411,865	\$ 17,114,038
EXPENDITURES				
Salaries & Benefits	\$ 5,723,701	\$ 5,952,649	\$ 6,190,755	\$ 6,438,385
Supplies & Services	6,099,520	6,324,101	6,557,499	6,800,083
Allocated Costs	1,509,769	1,555,062	1,601,714	1,649,765
Special Projects	93,475	96,279	99,168	102,143
Equipment	67,060	58,000	58,000	58,000
Capital Transfers	-	-	-	-
Bond Debt	2,034,432	2,033,633	2,035,633	2,037,033
Appropriated Reserves	154,892	80,236	82,059	85,570
Subtotal	\$ 15,682,849	\$ 16,099,960	\$ 16,624,828	\$ 17,170,979
Net Gain/(Loss)	\$ -	\$ (52,788)	\$ (212,963)	\$ (56,941)

Performance and Work Objectives

AIRPORT DEPARTMENT

Key Initiatives and Objectives

- Update Minimum Standards for Aeronautical Activity
- Develop special event guidelines for the use of the Earl Ovington Airline Terminal
- Develop a frequent flyer parking incentive program
- Implement Strategic Marketing Plan to increase awareness of SBA air service

AIRPORT DEPARTMENT

Key Initiatives and Objectives

- Replace turf at two buildings with drought tolerant landscaping as a water conservation effort
- Install at least one additional charging station for passenger electronic devices at the Airline Terminal
- Update airfield pavement markings to comply with new standards and FAA recommendations
- Identify and propose a Goleta Slough mouth management strategy

AIRPORT DEPARTMENT

Key Initiatives and Objectives

- Perform a full revision of the Airport Security Program and submit to TSA for approval
- Conduct tabletop exercise of emergency plan
- Prepare a Draft Environmental Impact Report for the Airport Master Plan
- Update Wildlife Hazard Management Plan

AIRPORT DEPARTMENT

Key Initiatives and Objectives

Capital Projects

– FAA

- Complete construction of Runway 15L-33R Pavement Rehabilitation
- Purchase Four Lighted “X” Runway Closure Signals
- Complete design and secure bids for Airfield Lighting Rehabilitation

– Airport Fund

- Replace Emergency Notification Phone System
- Resurface and restripe Long Term Parking Lot 1

Airport Commission

On March 19, 2014, Airport Commission recommended approval of the Airport Department's Annual FY 2015 Budget



WATERFRONT DEPARTMENT

Recommended Budget for Fiscal Year 2015



City Council Presentation
May 5, 2014

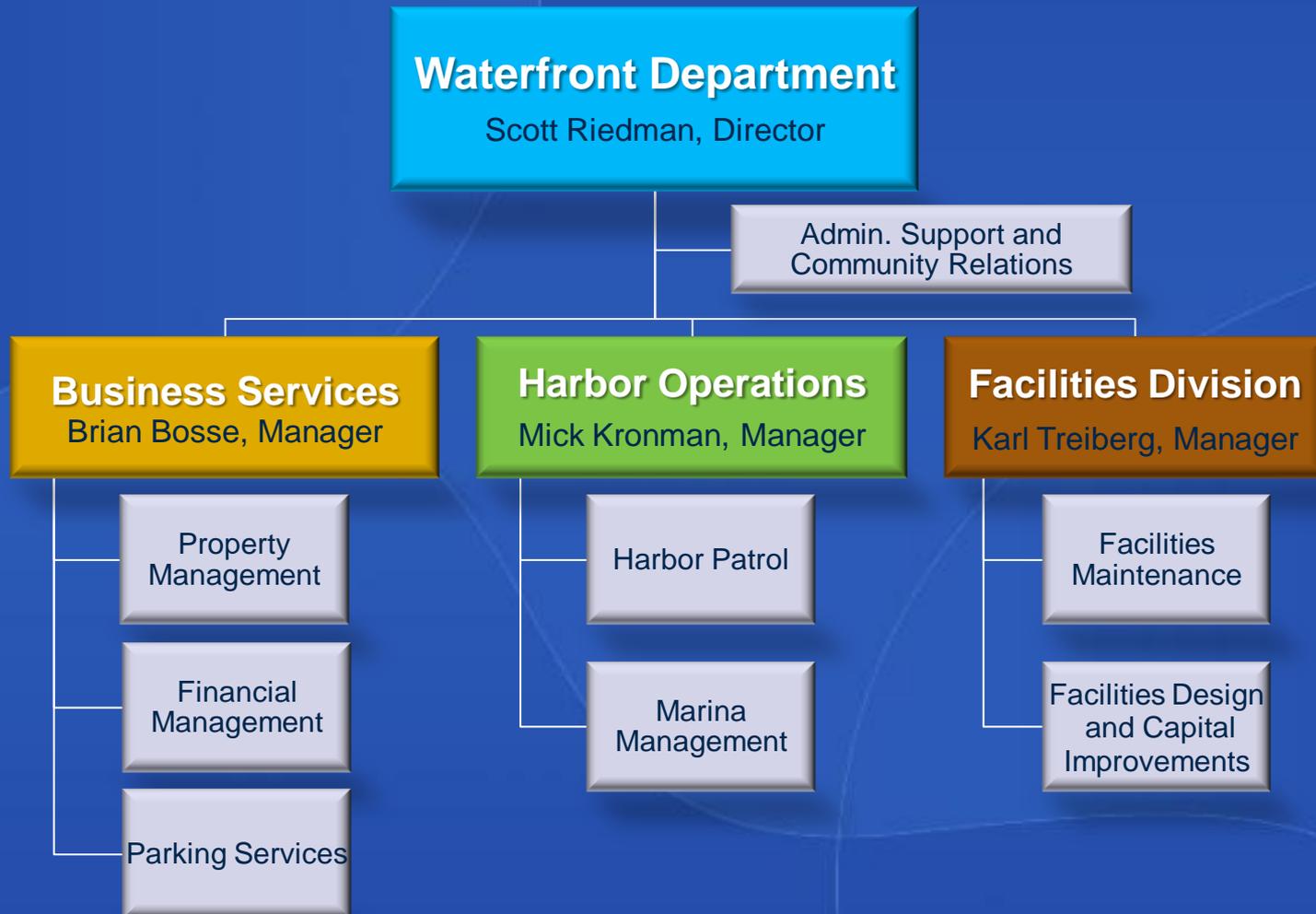
WATERFRONT DEPARTMENT

Presentation Outline

- 1. Waterfront Department Overview**
- 2. Proposed Changes to Original Fiscal Year 2015 Plan**
- 3. Proposed Fee Changes**
- 4. Key Performance Objectives and Capital Projects**

WATERFRONT DEPARTMENT

Organizational Chart



WATERFRONT DEPARTMENT

Staffing and/or Program Changes

- ◆ **Permanent Staff** **46**
 - Managers 4
 - Supervisors 5
 - Harbor Patrol Officers 10
 - General Employees 27

- ◆ **No Permanent Staffing Increase in 12 Years**

- ◆ **Hourly Employees**
 - Harbor Patrol, Facilities and Parking Services

WATERFRONT DEPARTMENT

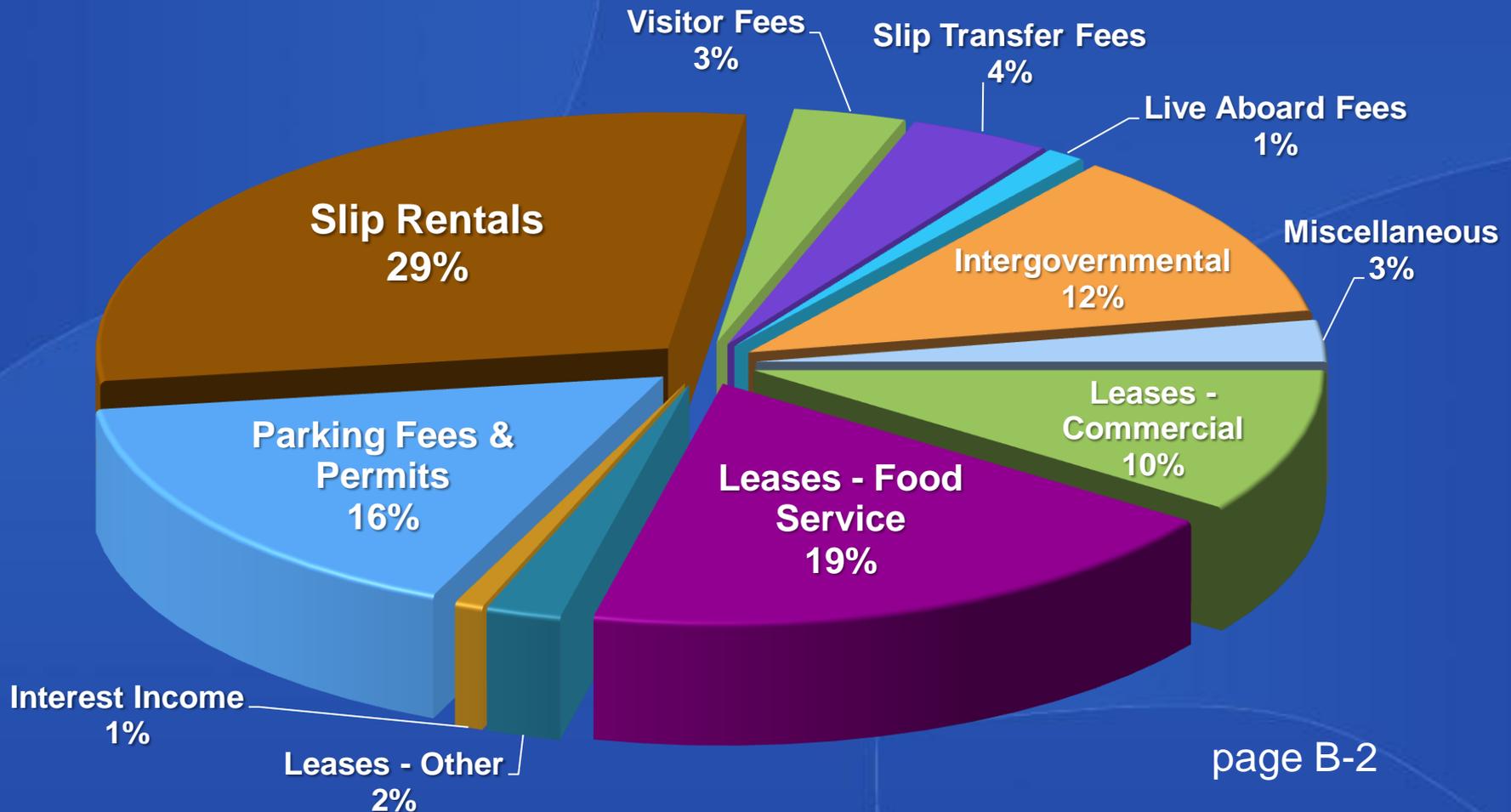
Proposed Changes to Original Plan

WATERFRONT FUND REVENUE

	FY 2014 Projected	FY 2015 Original Plan	Rec. Adjustments	FY 2015 Rec.
Leases - Commercial	1,438,064	1,401,007	-	1,401,007
Leases - Food	2,765,400	2,694,636	-	2,694,636
Leases - Other	300,000	323,206	(18,240)	304,966
Interest Income	132,000	132,000	(15,000)	117,000
Parking Services	2,525,800	2,323,966	-	2,323,966
Slip Rental	4,122,300	4,204,739	-	4,204,739
Visitor Fees	450,000	455,000	-	455,000
Slip Transfer Fees	550,000	575,000	-	575,000
Live Aboard Fees	153,000	153,000	-	153,000
Intergovernmental	100,000	1,676,000		1,676,000
Miscellaneous	460,000	476,223	(70,000)	406,223
Total	\$ 12,536,564	\$ 14,414,777	\$ (103,240)	\$ 14,311,537

WATERFRONT REVENUE

FY 2015 Budgeted Revenue: \$14,311,537



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WATERFRONT DEPARTMENT

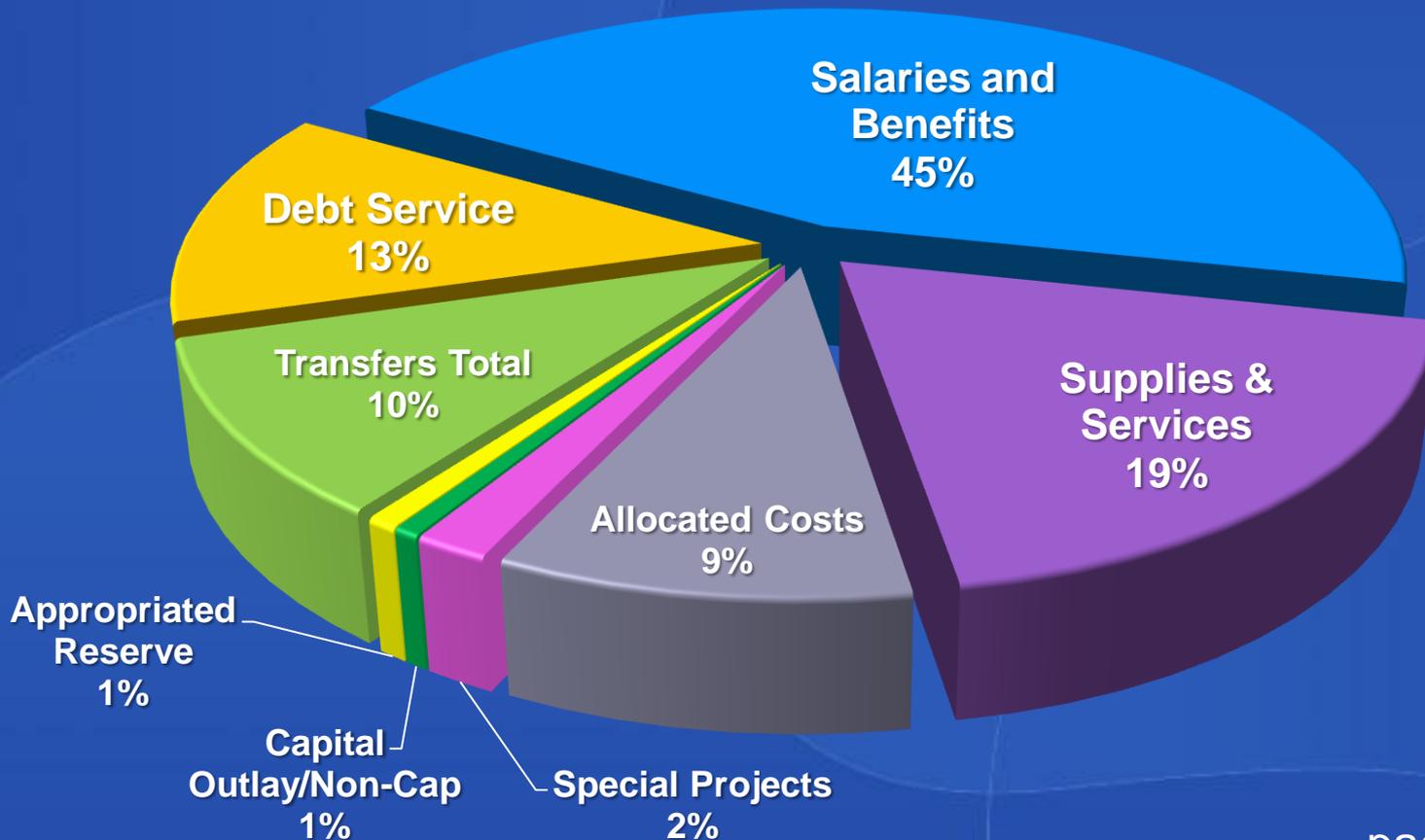
Proposed Changes to Original Plan

WATERFRONT FUND EXPENDITURES

	FY 2014 Projected	FY 2015 Original Plan	Recomm'd Adjustments	FY 2015 Recomm'd
Salaries and Benefits	5,877,358	6,019,842	16,189	6,036,031
Supplies and Services	2,564,184	2,482,706	70,299	2,553,005
Allocated Costs	1,212,223	1,260,924	16,315	1,277,239
Special Projects	187,443	157,270	76,943	234,213
Equipment	107,500	72,500	8,000	80,500
Appropriated Reserve	80,000	100,000	-	100,000
Transfers	1,544,155	1,385,000	-	1,385,000
Debt Service	1,843,880	1,845,222	(116,182)	1,729,040
Total	\$ 13,416,743	13,323,464	71,564	13,395,028

WATERFRONT EXPENDITURES

FY 2015 Operating Expenditures: \$13,395,028 (0.2% decrease)



page B-3

WATERFRONT DEPARTMENT

Proposed Fee Changes

- ◆ **Slip Rental Fee:** **2% Increase**
(page 141 of Fee Resolution)
 - ◆ **25' Slip Transfer Fee:** **Freeze at \$350 / foot**
(page 146 of Fee Resolution)
 - ◆ **Slip Transfer Fee:** **\$25 / Foot Increase to \$375 / Foot***
- * Does Not Include 20-Foot Slips or 25'-Foot Slips

WATERFRONT DEPARTMENT

Key Performance Objectives (P3)

◆ **Property Management**

Maintain accurate sales reporting by auditing 25% of rent leases annually (page D-133)

◆ **Parking Services**

Maintain annual operating expense below 45% of revenue collected (page D-134)

◆ **Harbor Patrol**

Coordinate 3 joint-agency emergency response drills in the harbor (page D-135)

WATERFRONT DEPARTMENT

Key Performance Objectives (P3)

◆ **Marina Management**

Support Clean Marina Program by conducting an annual seafloor debris clean-up (page D-136)

◆ **Facilities Maintenance**

Re-deck Marina 2 Main Walkway 2A and 2B (page D-137)

◆ **Facilities Design**

Complete construction of Phase 5 of the Marina 1 Replacement Project including replacement of “J” & “K” Finger (page D-138)

WATERFRONT DEPARTMENT

Key Capital projects

◆ Marina 1 Dock Replacement	\$1,676,000
◆ Marina Renovation	\$ 250,000
◆ Stearns Wharf Timber	\$ 400,000
◆ Parking Equipment Infrastructure Replacement	\$ 100,000
◆ Parking Lot Maintenance	\$ 80,000

(page B-33, 34)

WATERFRONT DEPARTMENT

Key Capital projects

- ◆ Seawall ADA Handrail & Sidewalk Replacement \$ 30,000
- ◆ Harbor ADA Restroom Remodel \$ 200,000
- ◆ Upgrade 117 Harbor Way Electrical \$ 150,000
- ◆ Replace Marina 2- 4 End-ties \$ 150,000
- ◆ Replace Wharf Lift Station \$ 25,000

Total Capital Projects: \$3,061,000

(page B-33, 34)



QUESTIONS

Impact of 2% Increase

Slip Length	Change per Foot	Change per Month
20	\$ 0.16	\$ 3.20
25	\$ 0.17	\$ 4.25
30	\$ 0.18	\$ 5.40
35	\$ 0.19	\$ 6.65
40	\$ 0.19	\$ 7.60
45	\$ 0.20	\$ 9.00
50	\$ 0.21	\$ 10.50
60	\$ 0.23	\$ 13.80



SOLID WASTE FUND

Recommended Budget for Fiscal Year 2015



**City Council Presentation
May 5, 2014**

SOLID WASTE FUND

Presentation Outline

- I. Division Overview**
- II. Budget Overview**
- III. Proposed Changes to Originally Proposed Fiscal Year 2015 Plan**
- IV. Proposed Fees**
- V. Performance and Work Objectives**

ES DIVISION OVERVIEW

Key Responsibilities

3

1. Preserve valuable and finite landfill capacity
 - Business, school and multi-unit recycling
 - Manage MarBorg franchise agreement
 - Mass media outreach
2. Ensure appropriate end-of-life for all materials
 - Household hazardous waste
 - Curbside battery and cell phone collection
 - Single Use Bag Ordinance
 - Recyclables and greenwaste
 - Code Enforcement

ES DIVISION OVERVIEW

Key Responsibilities

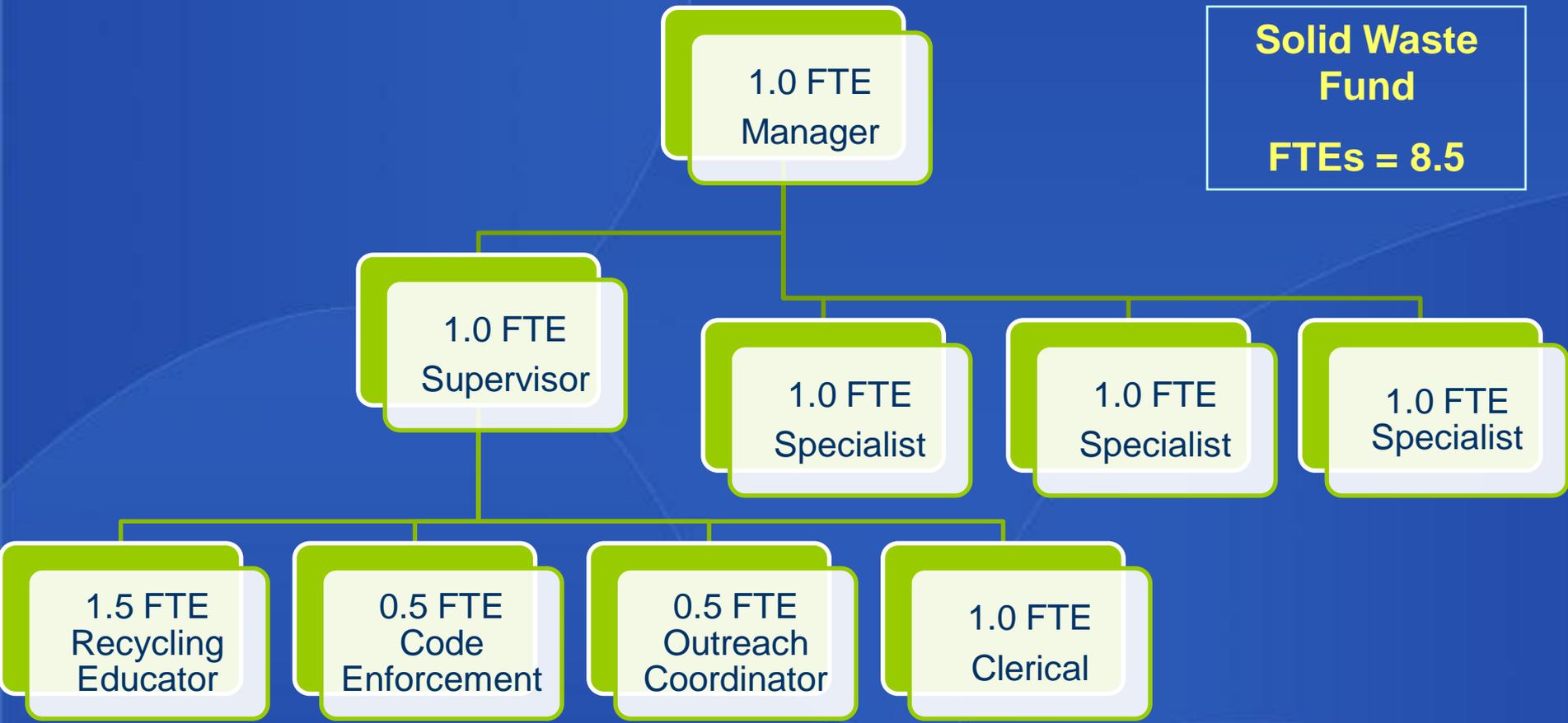
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3. Plan for the City's future solid waste management needs

- Development Review
- Waste Enclosure Guidelines for developers and architects
- Resource Recovery Project
- Franchise Agreement provisions

ES DIVISION OVERVIEW

Organizational Chart

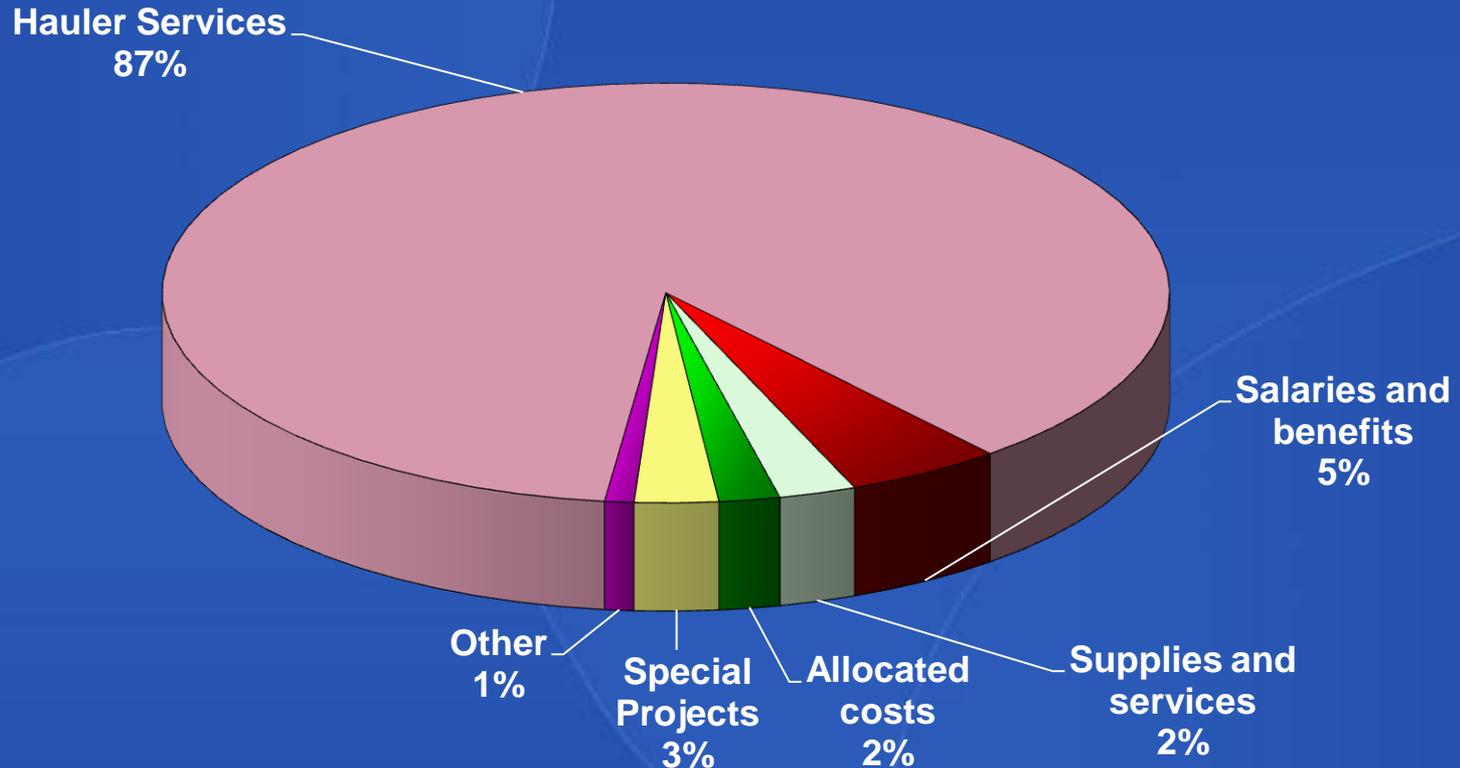




Solid Waste Fund Budget Overview

SOLID WASTE FUND

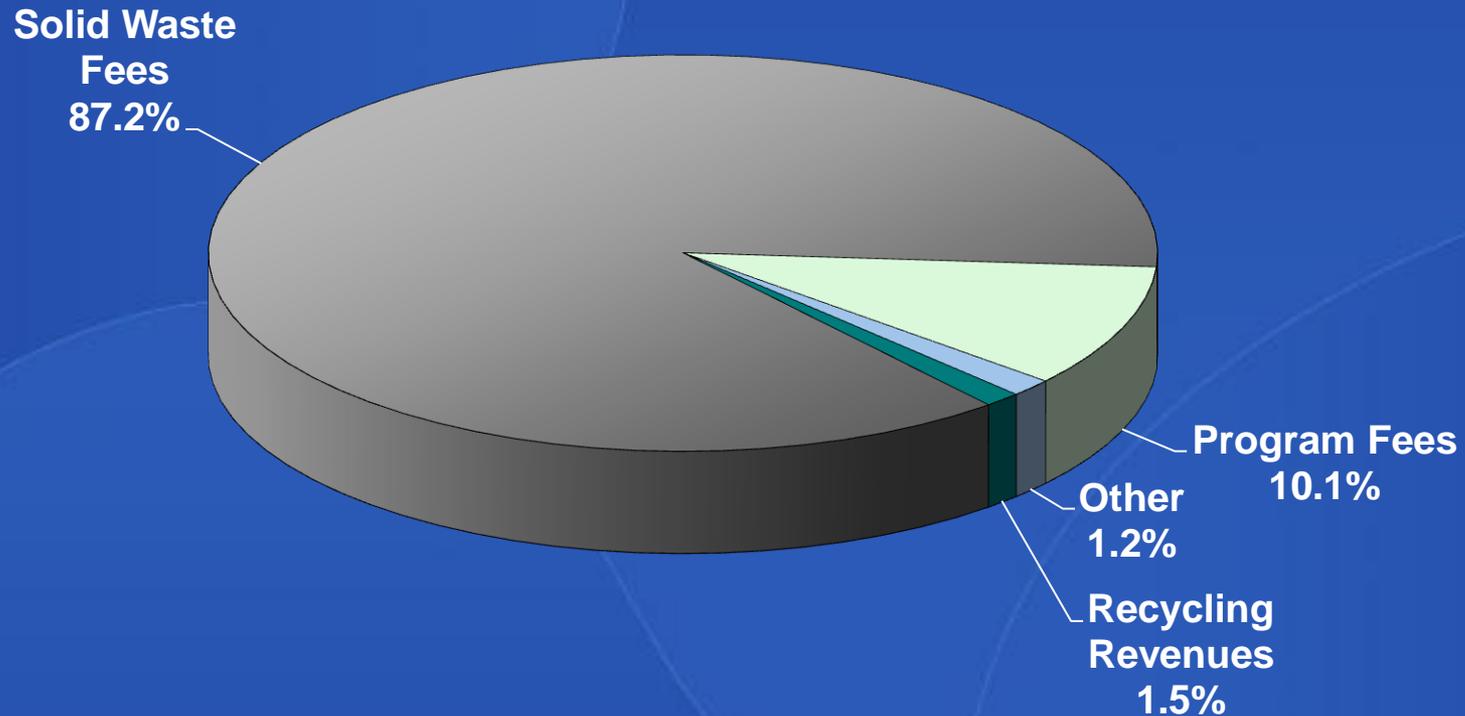
Appropriations by Major Object



FY 2015 Solid Waste Fund Budget – \$20,325,295

SOLID WASTE FUND

Revenues by Major Object



FY 2013 Solid Waste Fund Revenues – \$ 20,500,776



Proposed Changes to FY 2015 Plan

SOLID WASTE FUND

Proposed Changes to Original Plan

SOLID WASTE FUND APPROPRIATIONS

	<u>FY 2014 Projected</u>	<u>FY 2015 Original Plan</u>	<u>Recomm'd Adjustments</u>	<u>FY 2015 Recomm'd</u>
Hauler Services	17,574,525	17,730,106	(57,448)	17,672,658
Salaries and benefits	839,431	1,019,920	(2,118)	1,017,802
Supplies and services	422,104	516,604	(14,247)	502,357
Allocated costs	381,798	393,827	2,652	396,479
Special projects	581,604	576,073	(29,857)	546,216
Other	181,265	188,783	1,000	189,783
Total	\$ 19,980,727	\$20,425,313	\$ (100,018)	\$ 20,325,295

SOLID WASTE FUND

Proposed Changes to Original Plan

SOLID WASTE FUND REVENUES

	FY2014 Projected	FY2015 Original Plan	Recomm'd Adjustments	FY2015 Recomm'd
Solid Waste Fees	\$ 17,785,378	\$ 17,633,390	\$ 251,831	\$ 17,885,221
City Program Fees	2,019,371	2,044,763	16,781	2,061,544
Recycling Revenues	499,816	175,000	122,342	297,342
Public Education	141,600	144,432	(1,190)	143,242
Looking Good SB	80,000	81,600	(673)	80,927
E-Waste Collection	9,163	10,000	-	10,000
Grants	23,351	20,000	-	20,000
Other	3,615	2,500	-	2,500
Total Revenues	\$ 20,562,294	\$ 20,111,685	\$ 389,091	\$ 20,500,776



Proposed Fees

SOLID WASTE FUND

Proposed Fees

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Proposed Fee Adjustments:

1. CPI Increase
2. Tipping Fees
3. Public Container Maintenance
4. Re-Balance Cart/Can Rates in MUR Sector

SOLID WASTE FUND

Contractual Fee Increases

Required Increases per Contract

CPI Increase for Collection	\$ 171,002	0.81%
Increase to Tipping Fees	18,976	0.09%
TOTAL	\$ 189,978	0.90%



Public Container Maintenance

SOLID WASTE FUND

Public Container Maintenance

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- ◆ Work Completed to Date:
 - ◆ Conducted physical evaluation of all public containers
 - ◆ Developed repair and replacement schedule and identified annual funding need
 - ◆ Drafted Public Container Policy to coordinate oversight among stakeholders

SOLID WASTE FUND

Public Container Maintenance

- ◆ Work to be Completed:
 - ◆ Bring Public Container Master Plan to ABR and HLC for approval
 - ◆ Establish stable mechanism to fund repair and replacement
 - ◆ Staff Recommendation: 0.7% rate increase on trash and recycling rates to generate \$147k base (adjust by CPI in future years)
 - ◆ Staff Recommended Adjustment: Increase revenues and appropriations by \$147,000

SOLID WASTE FUND

Total Proposed Fee Increases

Required Increases per Contract

CPI Increase for Collection (70%)	\$ 171,002	0.81%
Tipping Fee Increases	<u>18,976</u>	<u>0.09%</u>
Sub-Total	<u>189,978</u>	<u>0.90%</u>

Other Factors

Public Container Maintenance	<u>147,000</u>	<u>0.70%</u>
TOTAL	<u><u>\$ 336,978</u></u>	<u><u>1.60%</u></u>

SOLID WASTE FUND

Historic CPI and Tip Fee Increases

Fiscal Year	2012	2013	2014	2015
CPI	1.27%	1.38%	1.36%	0.81%
Tipping Fees	1.45%	1.31%	1.31%	0.09%
Other	0.84%			
SUBTOTAL	3.56%	2.69%	2.67%	0.90%
Public Container Funding				0.70%
TOTAL	3.56%	2.69%	2.67%	1.60%



Re-Balancing Multi-Unit Residential Rates

SOLID WASTE FUND

Re-balance MUR Rates

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- ◆ Background:
 - ◆ Historically, cart/can service priced much lower than dumpsters
 - ◆ 2003-2013: priced 25% less
 - ◆ 2014: priced 10% less
 - ◆ Staff discussed need to continue to close pricing gap with Solid Waste Ad Hoc Committee and with City Council during 2013 contract negotiations

SOLID WASTE FUND

Re-balance MUR Rates

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- ◆ Problem
 - ◆ Carts/Cans do not always meet customer needs:
 - ◆ Property characteristics
 - ◆ Space constraints
 - ◆ Dumpsters:
 - ◆ Save physical space
 - ◆ Accommodate bulky items
 - ◆ Do not need to be rolled to curb to receive lowest rate

SOLID WASTE FUND

Re-balance MUR Rates

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- ◆ Solution:
 - ◆ Re-balance MUR cart/can rates to within 5% of equivalent dumpster service
 - ◆ Revenue Neutral
 - ◆ 2% maximum increase net of CPI and Tipping Fees
 - ◆ Good Timing: CPI and Tipping Fee increases are historically low
 - ◆ Greater flexibility for customers

SOLID WASTE FUND

Impacts of Rate Increases

SERVICE LEVEL	Current Rates	Proposed FY 15	% Change
Common Single Family Residential Service (65-gal trash, 65-gal greenwaste, 65-gal recycle)	\$34.74	35.29	1.6%
Multi-Unit Residential (Cart/Can Service) (5-95 gal trash, 95-gal greenwaste, 5-95 gal recycle)	\$220.78	\$229.46	3.9%
Multi-Unit Residential (Small/Medium Dumpster Service) (4 yard trash, 2 yard recycle) both 1x/week	\$368.77	\$366.84	-0.52%

SOLID WASTE FUND

Impacts of Rate Increases

BUSINESS SERVICE LEVEL	Current Rates	Proposed FY 15	% Change
Business (Cart/Can Service) (3-95 gal trash 2x/wk, 3-95 gal recycle 2x/wk)	\$377.67	\$383.64	1.6%
Business Dumpster Service (4yd trash 2x/week, 4yd recycle 2x/week)	\$991.39	\$1007.14	1.6%



Key Performance and Work Objectives

SOLID WASTE FUND

Performance and Work Objectives

1. Resource Recovery Project

- ◆ Environmental Review Process
 - ◆ Negotiate Business Terms with Vendor
 - ◆ Refine Tonnage Commitments
 - ◆ Refine Structure of Contractual Agreements Between County and Participating Jurisdictions

SOLID WASTE FUND

Performance and Work Objectives

2. Development Review

- ◆ Waste Generation Profiles for Business and Multi-Unit Residential Customers
- ◆ Revise Waste Enclosure Guidelines for use by developers and architects

3. Public Containers: bring Master Plan to ABR/HLC for consideration



QUESTIONS?