

# Agenda Items

# Public Works Solid Waste FY 2015 Fees & City Code Amendments

April 14, 2014



# Factors Driving Rate Increase

- Annual O&M Cost Increases
- Future on-going cost increases
- Recycling, recycling, recycling!
- Landfill is in an investment cycle
- Shrinking reserve balance



FY 14 Revenues	10,122,800
Less O&M Expenses	8,888,522
<b>Available for Capital</b>	<b>1,234,278</b>
Capital Expenses	3,019,223
<b>Funded with Reserves</b>	<b>1,784,945</b>



# Fee Recommendations

## Option 1 (Recommended)

Increases rates to cover cost of services in the first year (FY 2015)

Leaves a small reserve balance for planned future capital projects

Greater short term impact to customers

## Option 2 (Alternate)

Increases rates to cover cost of services over 3 years (FY15- FY17)

Depletes all excess reserve balances while phasing in increase

Lessens the short term impact to customers

# Impact to Rates - Collections

	Current	OPTION 1			OPTION 2		
<b>Residential Collection</b>	<b>FY 14</b>	<b>FY 15</b>	<b>FY 16</b>	<b>FY 17</b>	<b>FY 15</b>	<b>FY 16</b>	<b>FY 17</b>
Monthly Rate	\$ 7.77	\$ 9.78	\$ 10.03	\$ 10.28	\$ 8.55	\$ 9.43	\$ 10.40
Annual Increase		\$ 24.12	\$ 3.00	\$ 3.00	\$ 9.36	\$ 10.56	\$ 11.64
Monthly Increase		\$ 2.01	\$ 0.25	\$ 0.25	\$ 0.78	\$ 0.88	\$ 0.97
Weekly Increase		\$ 0.46	\$ 0.06	\$ 0.06	\$ 0.18	\$ 0.20	\$ 0.22
<b>Commercial Collection</b>	<b>FY 14</b>	<b>FY 15</b>	<b>FY 16</b>	<b>FY 17</b>	<b>FY 15</b>	<b>FY 16</b>	<b>FY 17</b>
Commercial 6YD 1/Wk	\$ 50.32	\$ 50.32	\$ 51.58	\$ 52.87	\$ 50.32	\$ 51.58	\$ 52.87
Roll Off	\$109.52	\$125.95	\$129.10	\$132.33	\$116.67	\$124.30	\$132.35

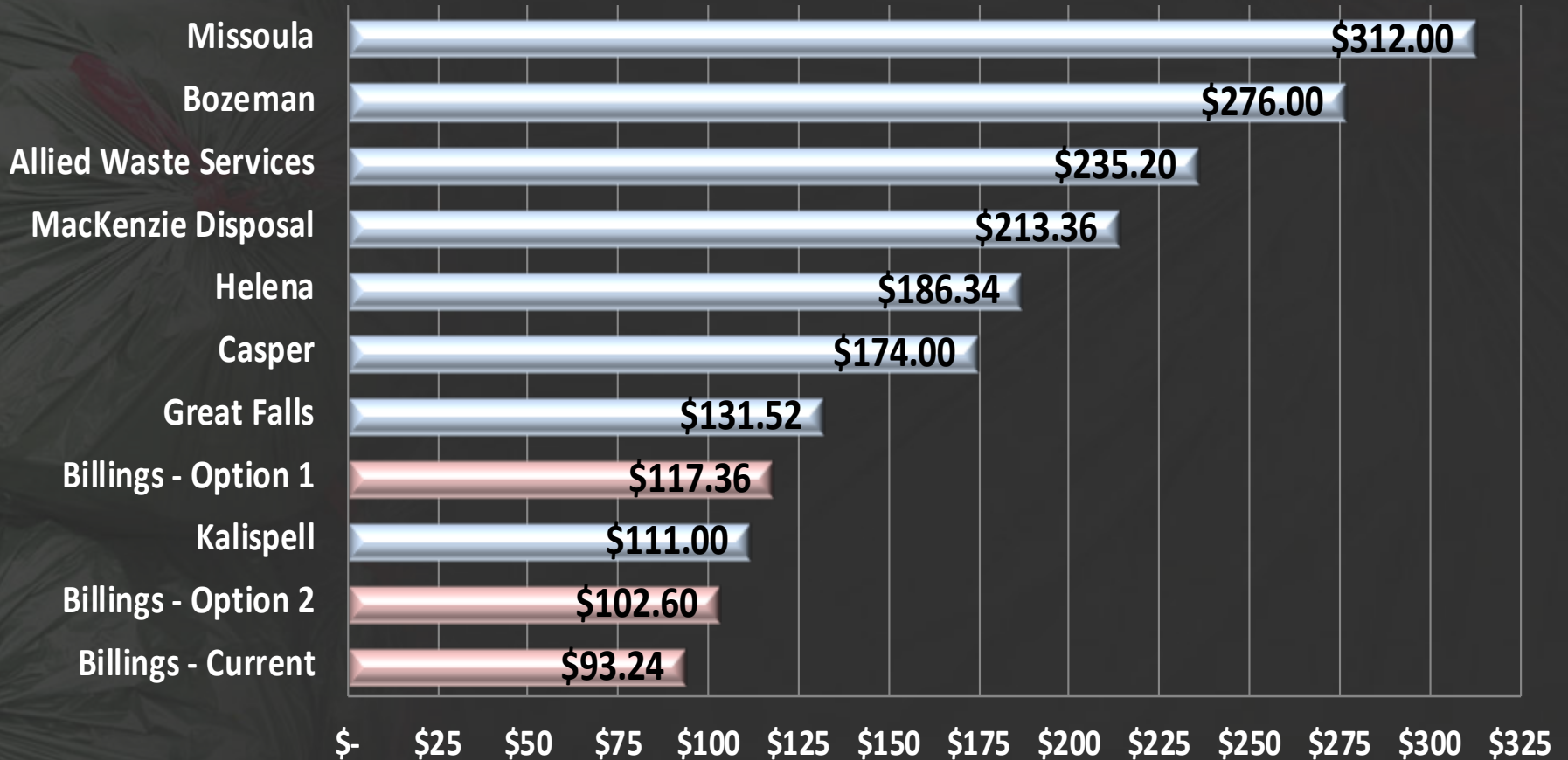
# Impacts to Rates - Landfill

Landfill Tipping Fee	Current	FY 15	FY 16	FY 17
City of Billings	\$ 14.76	\$ 16.19	\$ 16.67	\$ 17.14
Yellowstone County	\$ 16.19	n/a	n/a	n/a
Other Towns & Counties	\$ 17.62	\$ 19.43	\$ 20.00	\$ 20.57
Out-of State	n/a	\$ 23.48	\$ 24.17	\$ 24.85



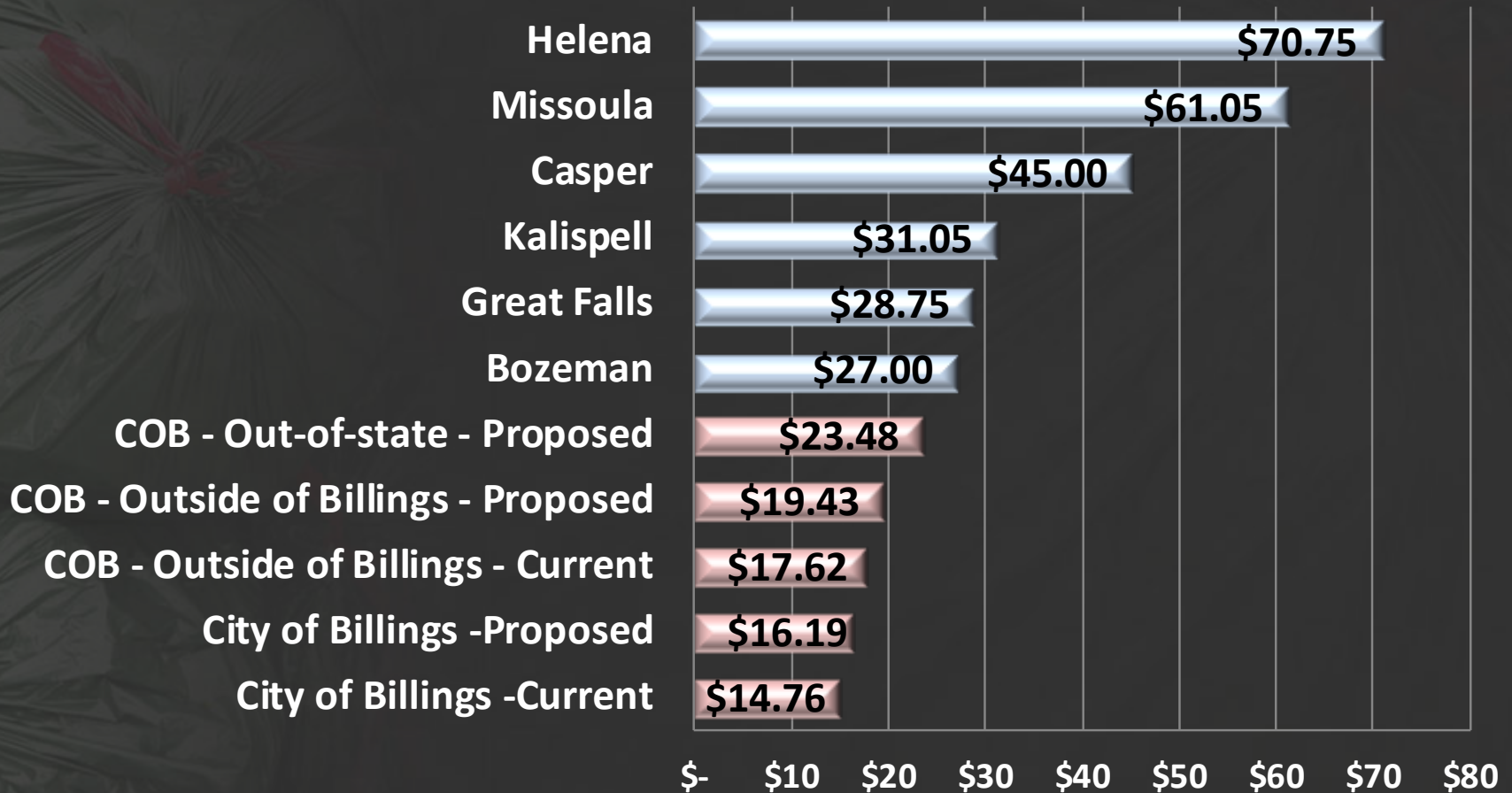
# Rate Comparison - Collections

## Annual Residential Fee



# Rate Comparison - Landfill

## Tipping Fee





# BMCC Article 21-200 Amendments

- Change language to permit agreements with private haulers
  - Yellowstone County will be charged for projected tons of residential self-haul only and haulers will be billed directly for all other refuse hauled from YC
  - No longer have agreements with each County
- Clean up language regarding billing in City Code

# Solid Waste Rate Study

