

T&E COMMITTEE #2
April 26, 2011

Worksession

MEMORANDUM

April 22, 2011

TO: Transportation, Infrastructure, Energy & Environment Committee

FROM:  Keith Levchenko, Senior Legislative Analyst

SUBJECT: **Worksession - FY12 Operating Budget:** Department of Environmental Protection (DEP)-Division of Solid Waste Services Operating Budget and FY12 Solid Waste Charges

Council Staff Recommendations:

- Approve the DEP-Division of Solid Waste Services FY12 Operating Budget as recommended by the County Executive
- Approve the FY12 Solid Waste charges as recommended by the County Executive.
NOTE: Council action on these charges is scheduled for May 18, 2011.

Those expected to attend this worksession include:

Robert Hoyt, Director, Department of Environmental Protection (DEP)
Dan Locke, Chief, Division of Solid Waste Services (DSWS)
Bill Davidson, Chief, Northern Operations, DSWS
Robin Ennis, Chief, Collections Section, DSWS
Eileen Kao, Chief, Waste Reduction and Recycling Section, DSWS
Peter Karasik, Chief, Central Operations Section, DSWS
Anthony Skinner, Business Manager, DSWS
Brady Goldsmith, Senior Management and Budget Specialist, Office of Management and Budget

Attachments to this memorandum include:

- Solid Waste Services Excerpt from the County Executive's FY12 Recommended Budget (©1-15)
- Recycling Plan Update Executive Summary (©16-20)
- Food Waste Composting Memorandum from DEP Director Bob Hoyt (©21-23)
- Solid Waste Advisory Committee Comments on the FY12 Recommended Budget (©24)
- DSWS Section and Position Responsibilities Chart (©25-39)
- Resolution to Approve FY12 Solid Waste Service Charges (©40-42)

OVERVIEW

Expenditure Summary

For FY12, the Executive recommends total expenditures of \$106,890,010 for the Division of Solid Waste Services, a \$1.2 million decrease (or 1.1%) from the FY11 approved budget.

**Table #1
DPW&T-Solid Waste Services (All Funds)**

	Approved FY11	Rec FY12	Change from FY11 \$\$\$	%
Personnel Costs	9,981,380	9,907,600	(73,780)	-0.7%
Operating Expenses	95,795,290	96,319,430	524,140	0.5%
Capital Outlay	2,349,600	662,980	(1,686,620)	-
Total	108,126,270	106,890,010	(1,236,260)	-1.1%
Full-Time Positions	80	79	(1)	-1.3%
Part-Time Positions	-	-	-	n/a
Workyears	99.7	102.9	3.2	3.2%

The Division budget is funded entirely by the Solid Waste Collection and Solid Waste Disposal Funds. Both funds are supported through various Solid Waste charges discussed later. As Enterprise Funds, these funds are self-supporting, and revenues and expenditures within these funds are kept distinct from the General Fund. Any cost savings or cost increases that may be identified in these funds have no impact on the General Fund.

Positions and Lapse

For FY12, DSWS' recommended position complement is 79 full time positions. Workyears are higher (102.9) as a result of charges from a number of General Fund departments, including: Finance, DOT, County Attorney, and others. At Council Staff's request, DSWS developed a chart showing the section and position responsibilities in DSWS (see ©25-39). Much of the direct service provided by DSWS is done via contracts (such as for refuse and recycling collection and contract staff at the Transfer Station, Materials Recovery Facility, RRF, and Compost Facility). DSWS provides contract oversight and manages the overall operations at the various facilities.

No new positions are recommended for FY12. One position, a Program Manager I, was abolished during FY11 after the incumbent retired. The duties of the position were absorbed by existing staff.

There are some technical adjustments affecting workyears, including the County Executive's restoration of furlough workyears (3.5 workyears).

For FY12, lapse is recommended at \$104,249 and 2.12 workyears (the same as for FY11).

From a dollar standpoint, the lapse rate (about 1.4 percent of total position costs) is fairly low. However, since the personnel complement budget is enterprise funded, any potential surplus dollars at the end of the year that may occur as a result of lapse (or any other budget savings) revert to fund balance and are taken into account in the rate setting and budget process the next year.

TONNAGE AND RECYCLING ASSUMPTIONS

Below are some important assumptions that drive much of the Solid Waste budget. In general, tonnages have been down as a result of economic conditions, but are assumed to have bottomed out and are expected to pick up again during FY11.

Resource Recovery Facility

Processible Tons of Waste to the Resource Recovery Facility (RRF) for FY12: 570,000 tons (5,000 tons below the projection for FY11). The permit level is 657,000 tons per year. The policy goal is 85 percent to 92 percent of the RRF permit capacity (i.e., 558,450 to 604,000 tons per year). Economic conditions have resulted in reduced tonnages in the last couple of years. However, tonnages are projected to increase again beginning in the current year (FY11). Table 2 (below) shows the RRF tonnage throughput calculation from the FY09 actual through the FY12 projection.

**Table #2
Resource Recovery Facility (RRF) Throughput Assumptions**

	FY09 actual		FY10 actual		FY11 Projected		FY12 Projected	
	% of MSW	Tons	% of MSW	Tons	% of MSW	Tons	% of MSW	Tons
Total Municipal Solid Waste (MSW) (in tons)*		1,121,364		1,080,346		1,094,746		1,109,146
Recycling Rate/Tons	44.2%	495,370	43.6%	471,361	43.8%	502,293	44.0%	511,947
Exportation Rate/Tons	13.5%	151,041	14.0%	151,149	5.0%	55,236	6.0%	66,076
Processable Waste to RRF	42.4%	474,953	42.4%	457,836	49.1%	537,217	47.9%	531,123
addback metals from ash (counted in recycling)	1.1%	12,862	1.1%	11,653	1.4%	15,525	1.4%	15,390
Total RRF MSW Burned	43.5%	487,815	43.5%	469,489	50.5%	552,742	49.3%	546,513
Construction/Demotion Debris (C/D) Burned		52,593		66,491		tbd		tbd
Total RRF Throughput (MSW+C/D)		540,408		535,980		575,000		570,000
% of permit level (permit level = 657,000)		82.3%		81.6%		87.5%		86.8%

*MSW actuals do not include C/D. FY11 and beyond numbers do not break out C/D from MSW.

Recycling Rate

The recycling rate is expected to remain close to 44% and then begin to climb again as tonnages increase and additional programs are implemented. (see Table #3 below). The economic downturn has resulted in reduced trash volumes and recycled materials volumes, as well as a reduction in the demand and price for recycled materials.

**Table #3
County Recycling Rate**

Category (FY10 % of waste generated)	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10
Single Family (41.5%)	51.4%	51.6%	54.8%	55.7%	56.2%	55.8%	54.3%	52.1%
Multi-Family (7.0%)	11.6%	11.9%	12.1%	12.1%	13.5%	13.7%	14.1%	14.0%
Non-Residential (51.5%)	30.2%	30.2%	33.9%	34.7%	37.3%	40.0%	40.1%	40.8%
COMBINED	37.1%	37.6%	41.1%	41.7%	43.2%	44.3%	44.2%	43.6%

DSWS estimates that under current strategies, the recycling rate will rise to approximately 46 percent (see Executive Summary of Recycling Plan Update on ©16-20). Non-residential recycling and food waste recycling continue to be two areas of opportunity to increase the recycling rate. DSWS is developing a food waste pilot project (see memorandum from Director Hoyt, attached on ©21-23). DSWS also continues to pursue various strategies targeted at the non-residential sector.

The Solid Waste Advisory Committee’s comments on the FY12 Recommended Budget (attached on ©24) speak to a number of positive trends in DSWS’s recycling efforts (as well as to the benefits of the new hauling contracts that include the purchase of compressed natural gas trucks).

Council Staff suggests the recycling rate and recently transmitted Recycling Plan Update (April 2011) be discussed in more detail after the budget.

Compost Facility

Compost Facility Tonnage for FY12: 73,374 tons (a slight increase from FY11). The operating limit (based on an agreement with the Sugarloaf Citizens Association) is 77,000 tons per year. As noted in the next section, commercial yard trim tipping fees are recommended to be increased. This increase will likely reduce overall tonnages somewhat by encouraging more “grasscycling.”

SOLID WASTE COLLECTION FUND EXPENDITURES

The Solid Waste Services budget is divided into two enterprise funds: Collection and Disposal. These funds are non-tax-supported funds for which revenues and expenditures are directly connected. Additions to or subtractions from the DSWS budget may change solid waste charges but will not affect General Fund resources.

Summary tables for each of the funds follow, along with some major highlights.

**Table #4
DPW&T-Solid Waste Services (Collection)**

	Approved FY11	Rec FY12	Change from FY11 \$\$\$	%
Personnel Costs	1,100,750	1,172,280	71,530	6.5%
Operating Expenses	5,598,260	5,109,540	(488,720)	-8.7%
Capital Outlay	-	-	-	-
Total	6,699,010	6,281,820	(417,190)	-6.2%
Full-Time Positions	5	5	-	0.0%
Part-Time Positions			-	n/a
Workyears	11.4	11.8	0.4	3.5%

The bulk of costs in this fund are for residential refuse collection within Subdistrict A.¹ DSWS currently has 3 contractors providing service to 13 service areas.

Solid Waste Collection Fund expenditures are recommended to decrease by 6.2% (\$417,190). All of the changes in FY12 are technical adjustments, as shown on ©9. No changes in service levels are assumed.

¹ The collection district is divided into two collection subdistricts for residential trash collection. In Subdistrict A, trash collection for single family residences and multi-family residences with six or fewer units is managed by the County, which contracts with haulers. In Subdistrict B, haulers contract directly with residents.

The largest cost change item is a reduction in residential refuse collection contractor costs (-\$504,770) as a result of lower bid prices across contracts bid since FY10. The lower costs are attributed to: lower fuel costs for the new compressed natural gas (CNG) vehicles² and resulting elimination of the diesel fuel reimbursement provision in the contracts, Federal tax credits the collectors utilized with the CNG truck purchases, as well as an extension of the contract terms from 7 to 9 years.

Council Staff recommends approval of the Executive’s Recommended Budget for the Solid Waste Collection Fund.

SOLID WASTE DISPOSAL FUND EXPENDITURES

**Table #5
DPW&T-Solid Waste Services (Disposal)**

	Approved FY11	Rec FY12	Change from FY11 \$\$\$	%
Personnel Costs	8,880,630	8,735,320	(145,310)	-1.6%
Operating Expenses	90,197,030	91,209,890	1,012,860	1.1%
Capital Outlay	2,349,600	662,980	(1,686,620)	-
Total	101,427,260	100,608,190	(819,070)	-0.8%
Full-Time Positions	75	74	(1)	-1.3%
Part-Time Positions	0	0	-	n/a
Workyears	88.3	91.1	2.8	3.2%

Solid Waste Disposal Fund expenditures are recommended to decrease slightly (-.8%). There are a number of cost changes (both increases and decreases) recommended in the Solid Waste Disposal Fund. None are assumed to have service impacts. These items are fully listed on ©9 in the “FY12 Recommended Changes” section from the Executive’s Recommended Operating Budget. Some of the major items are discussed below.

There are a number of technical adjustments common to other County Government budgets (such as compensation changes, benefits, and annualizations as well as furlough workyear restorations). In addition, the Disposal Fund has a number of other items that often appear, including: contractual cost changes in various areas, and equipment replacement costs. One-time items (mainly for equipment replacements and studies) are also removed.

The biggest changes in the Disposal Fund result from cost changes in the Resource Recovery Facility (RRF) program (which accounts for over 40% of recommended expenditures in the Disposal

² The new refuse and recycling collection contracts incorporate the requirement for the purchase of trucks powered with compressed natural gas (CNG). The first CNG trucks went into service on April 12, 2010. To date, contracts for CNG collection trucks have been issued in all but one service area. On August 8, 2011, 90% of the total CNG fleet will be in service. The remaining 10% will go into service on June 4, 2012. Currently, all three contractors are using the CNG fueling facility at Crabbs Branch. Two of the three contractors are in the process of building their own stations, to be located at their facilities.

Fund). The following chart breaks out the major cost changes in this program. Overall, program expenditures are up about \$1.4 million from FY11.

**Table #6
RRF Program Costs**

	FY11 Approved	Rec FY12	Change
Net Debt Service	26,676,454	26,679,025	2,571
Air Pollution System OBI	1,627,000	-	(1,627,000)
Operating Contract	24,853,823	25,433,569	579,746
Rail Engine Service Fee	2,976,410	2,865,712	(110,698)
Non-Processible Waste	268,289	187,476	(80,813)
Waste Processed	494,694	353,293	(141,401)
Electric Sales Revenue	(19,141,745)	(17,162,795)	1,978,950
Recycled Ferrous Revenue	(345,000)	(721,050)	(376,050)
Air emission reagents			-
Other NMWDA Contract Costs	3,365,337	4,263,024	897,687
Charges from Risk Management	690,000	758,060	68,060
Other Miscellaneous	259,451	424,192	164,741
Totals	41,724,713	43,080,506	1,355,793

Some highlights of these changes include:

- Debt service costs are based on a set amortization schedule. Debt service will begin to drop in FY13 and all debt service payments will end after FY16.
- Air pollution system operating costs from a new system installed in FY10 are now reflected in the operating contract costs.³
- A decrease in electric sales revenue is expected (which means a lower offset to expenditures) as a result of declines in energy prices likely due to economic conditions. This is the single-biggest cost increase in this program.
- Contract costs to the Northeast Maryland Waste Disposal Authority (NMWDA) are increasing based on CPI adjustments assumed in the contract.

Residential Recycling Collection

DSWS contracts with haulers to provide curbside recycling collection for all unincorporated areas of the County (both in Subdistricts A and B). This program is the second biggest program in the Solid Waste budget (behind the RRF). For FY12, \$17,399,760 is budgeted for contracts with three haulers. For similar reasons noted earlier with regard to the refuse collection contracts, costs are down for these contracts as well (\$415,590).

³ A CIP project was approved as part of the FY09-14 CIP to reduce NOx emissions by 50 percent, reducing an estimated 474 tons of NOx emissions per year.

Gude Landfill

Remediation planning in coordination with the Maryland Department of the Environment is ongoing. No additional dollars are budgeted for FY12. DEP expects to complete its planning work and assessment of alternatives during FY12. Depending on the timing of the completion of the planning work, a CIP project may be requested as part of next year's FY13-18 CIP process.

An update on the planning work, from DSWS staff, is provided below:

DEP with its consultant, EA Engineering, Science and Technology, Inc., prepared a Nature and Extent Study (NES) required by the Maryland Department of the Environment (MDE). The NES included the installation and sampling of additional groundwater monitoring wells; test pits to find the edge of waste; and soil, surface water and gas sampling to define the characteristics and limits of environmental contamination in the vicinity of the Gude Landfill. MDE reviewed the NES and provided comments in March 2011. While the NES indicated that there is no threat to public health, it documented the widespread presence of low level contamination around the landfill. MDE requested the installation of several additional sampling wells within the Derwood Station South community and wanted additional technical discussion on natural hydrogeologic barriers added to the NES report. These additions should be completed by the end of FY11. The next step will be an Assessment of Corrective Measures (ACM). The ACM will outline several approaches to performing the remediation and their likelihood of success. The preparation, submittal and review of the ACM by MDE is likely to require most or all of FY12. Once a decision is made on the ACM and the remediation approach is agreed upon, the actual design work and specifications for the remediation bid documents will be performed, which, depending upon the selected approach, could take all of FY13. Therefore, design money will need to be available in FY13. Actual construction dollars would not begin to be spent until FY14. In the interim, DEP will continue with interim measures such as maintaining and adding gas collection wells to assure good landfill gas control, localized seep repairs and repairs to drainage features at the site. Interim measures could conceivably also include relocation of some waste on the edge of the property.

Impact of HB1121/SB690

This approved bill expands the definition of Tier 1 energy to include energy generated from waste to energy derived fuel such as energy generated at the Resource Recovery Facility. DSWS staff estimate the impact to be minimal in FY12, since the renewable energy credits (RECs) for FY12 have already been sold as Tier 2 credits. For FY13 and beyond, DSWS estimates an additional \$240,000 per year could be generated, since Tier 1 credits have a higher market value.

Council Staff recommends approval of the Executive's Recommended Budget for the Solid Waste Disposal Fund.

SOLID WASTE CHARGES

The County's solid waste programs are primarily supported by various solid waste charges that support the dedicated enterprise funds (see ©14 for descriptions of the different charges). Solid waste charges are established through an annual Council resolution (introduced on March 22 and attached on ©40-42). A public hearing was held on April 13. The Council will take action on the solid waste charges in mid-May.

Through a complex rate model, DSWS calculates the necessary rates for each sector to cover both base and incremental costs. Rate smoothing is also done across a six-year projection period, both at the macro level and within each sector.

The FY11 approved charges and the FY12 recommended charges are presented below:

**Table #7
Solid Waste Charges (FY11 and FY12)**

Charge	Approved FY11	CE Rec. FY12	Percent Change
SINGLE FAMILY			
Base Systems Benefit Charge	\$41.43	\$51.75	24.9%
Incremental Systems Benefit Charge	\$116.38	\$113.30	-2.6%
Disposal Fee	\$52.04	\$48.71	-6.4%
Leaf Vacuuming Charge	\$88.91	\$88.91	0.0%
Refuse Collection Charge	\$74.00	\$70.00	-5.4%
Total Charges, Households Receiving:			
Recycling Collection Only	\$209.85	\$213.76	1.9%
Recycling and Leaf Collection	\$298.76	\$302.67	1.3%
Recycling and Refuse Collection	\$283.85	\$283.76	0.0%
Recycling, Leaf and Refuse Collection	\$372.76	\$372.67	0.0%
MULTI-FAMILY			
Base Systems Benefit Charge	\$6.90	\$13.82	100.3%
Incremental Systems Benefit Charge	\$9.52	\$2.91	-69.4%
Leaf Vacuuming Charge	\$3.83	\$3.83	0.0%
Total Charges			
Units inside Leaf Vacuuming District	\$20.25	\$20.56	1.5%
Units outside Leaf Vacuuming District	\$16.42	\$16.73	1.9%
NONRESIDENTIAL			
(by waste generation category per 2,000 sq. feet of gross floor area)			
Low	\$105.04	\$111.71	6.3%
Medium Low	\$315.12	\$335.13	6.3%
Medium	\$525.18	\$558.54	6.4%
Medium High	\$735.26	\$781.96	6.4%
High	\$945.34	\$1,005.38	6.4%
TIPPING FEES			
Refuse (weighing >500 lbs per load)	\$56.00	\$56.00	0.0%
Refuse (weighing <500 lbs per load)	\$0.00	\$0.00	n/a
Refuse in Open Top Containers	\$60.00	\$66.00	10.0%
Commercial Yard Trim	\$40.00	\$46.00	15.0%
Other Recyclables	\$0.00	\$0.00	n/a

1. System Benefit Charges

Base System Benefit Charges cover the cost of general solid waste system infrastructure and administration and are allocated among the single family residential, multi-family residential, and non-residential sectors in proportion to each sector's estimated waste generation. For FY12, base system costs are about \$62.2 million and are allocated to single family, multi-family, and non-residential properties based on waste generation assumptions for each sector. These charges appear on all property tax bills (residential and non-residential properties, both within and outside municipalities).

The Incremental System Benefit Charge (ISBC) is assessed on the different sectors based on actual services received (mostly related to curbside recycling and composting services). For FY12, incremental systems benefit costs are about \$22.4 million. These charges are also adjusted from year to year, partly as a result of increased costs in recycling and composting, but also because DSWS works to smooth overall impacts within the different rate categories (single-family, multi-family, and non-residential) across the six-year fiscal plan period. This stabilization effort is accomplished by the different categories either borrowing or paying back the Fund in different years over the six-year period. The net change over the six-year period is zero, but changes can be substantial in a given year and can result in the charge going up or down in the different sectors.

For purposes of considering the total impact on ratepayers, one needs to look at the "Total Charges" lines in the chart. DSWS' goal is to try to smooth increases and decreases in these overall charges over time.

For FY12, for single-family properties receiving refuse collection from the County, overall rates are unchanged. For single-family properties not receiving refuse collection from the County (with or without the leaf vacuuming charge) charges are increased slightly (1.3% and 1.9% respectively). Multi-family charges (with or without the leaf vacuuming charge) are recommended to increase slightly (1.5% and 1.9% respectively).

2. Non-Residential (Commercial) Charges

The charges for the non-residential sector are comprised of the Base System Benefit Charges (BSBC) and the Incremental System Benefit Charges (ISBC). These charges are computed based on Gross Floor Area Unit (GFAU) data from the State Department of Assessment and Taxation (SDAT) records. These charges are recommended to increase 6.3% or 6.4% for FY12, primarily because of increases in base system costs and corresponding increases in the base systems benefit charge, which then flow into these non-residential charges.

3. Refuse Disposal Tip Fees

The tip fee is the per ton fee charged businesses, institutions, and residents that dispose refuse at the County's Transfer Station. No change is assumed in the standard refuse tipping fee (\$56 for weights exceeding 500 pounds). Loads weighing less than 500 pounds are still free.

Tipping fees for both the refuse "in open top containers" and commercial yard trim are recommended to be increased by \$6.00. Both of these fees were most recently increased (by \$4.00) four years ago. Open top containers tend to contain construction and demolition (C/D) debris, some of which can be processed at the RFF and some which must be sent to other facilities for processing.

4. Recycling Tip Fees

The Executive continues to recommend no fee for recyclable newspaper and mixed paper at the County's Recycling Center.

The increase in the yard trim fee may help incentivize more "grasscycling" efforts and keep the County from exceeding its tonnage limits at the compost facility.

5. Refuse Collection Charge

The Executive proposes decreasing the FY12 refuse collection fee from \$74.00 to \$70.00 per household. This fee is paid by homeowners who receive once weekly refuse collection service by County contractors.

6. Leaf Vacuuming Charge

This program is managed by the Department of Transportation. A leaf vacuuming fund covers the costs for the program through fees paid by residents in the leaf vacuuming district (via property tax bills). The Leaf Vacuuming Fund is charged for a portion of its costs associated with the composting of leaves collected by leaf vacuuming services.

The charge is recommended to remain unchanged for FY12.

The rates for FY12 represent flat or modest increases which, in turn, are reflective of an FY12 Solid Waste budget request which includes only modest incremental changes as well. Council Staff concurs with the FY12 Solid Waste charges as recommended by the Executive.

***NOTE:** In tandem with the Solid Waste charges resolution, the Executive transmits an Executive Regulation each year setting residential waste estimates which were used to develop the FY12 charges. The regulation is advertised in the April register and will be acted upon by the Council in May.*

Summary of Council Staff Recommendations

- **Approve the Division of Solid Waste Services FY12 Budget as recommended by the County Executive**
- **Approve the FY12 Solid Waste Charges as recommended by the County Executive.**

Attachments

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Solid Waste Services

MISSION STATEMENT

Provide world-class solid waste management for the people living and working in Montgomery County, in an environmentally progressive and economically sound manner, striving to recycle 50% of our waste. Vision: We aspire to provide the best solid waste services in the nation, meeting the needs of our diverse community.

BUDGET OVERVIEW

The total recommended FY12 Operating Budget for the Division of Solid Waste Services is \$106,890,010, a decrease of \$1,236,260 or 1.1 percent from the FY11 Approved Budget of \$108,126,270. Personnel Costs comprise 9.3 percent of the budget for 79 full-time positions for 102.9 workyears. Operating Expenses, Capital Outlay, and Debt Service account for the remaining 90.7 percent of the FY12 budget.

In addition, this department's Capital Improvements Program (CIP) requires Current Revenue funding.

LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ ***A Responsive, Accountable County Government***
- ❖ ***Healthy and Sustainable Neighborhoods***

DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below, with multi-program measures displayed at the front of this section and program-specific measures shown with the relevant program. The FY11 estimates incorporate the effect of the FY11 savings plan. FY12 and FY13 targets assume the recommended FY12 budget and FY13 funding for comparable service levels.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Increased the number of hours of service provided by the volunteers in the Recycling Volunteer Program to 1,432 hours of service, which equates to \$35,800 of service value.***
- ❖ ***Increased the number of educational community events and activities that DSWs staff and volunteers participated in to 373 events reaching 34,521 people.***
- ❖ ***Increased the number of locations where residents can obtain compost bins from 8 sites to 16 sites. Ten of these sites have evening and/or weekend hours allowing residents even more opportunities to obtain a compost bin.***
- ❖ ***Productivity Improvements***
 - ***Initiated tiered volume-based discount pricing together with aggressive marketing to the "big box" stores for our bagged Leafgro product. As of October 14, 2009, bagged product sales were up 55% over the entire calendar year 2009 and are carried in almost all Home Depots and many Lowe's stores.***

PROGRAM CONTACTS

Contact Scott McClure of the Division of Solid Waste Services at 240.777.6436 or Brady Goldsmith of the Office of Management and Budget at 240.777.2793 for more information regarding this department's operating budget.

PROGRAM DESCRIPTIONS

Administration and Support

This program provides budget management, program and management analysis, contract administration, and administrative support; manages enterprise fund business processes and supports solid waste policy issues through system evaluation and analyses which includes rate setting and fiscal health management; performs financial analysis of enterprise funds; and revenue forecasting and

enhancement; additional functions include ratepayer database management; hauler billing processing; system-wide tonnage tracking and reporting; maintain statistical waste generation data; and performance measures, and County Stat data; provide for the overall operation and maintenance of existing computer equipment, as well as the purchase of any new automation equipment and technology to support effective and efficient achievement of the Division's mission.

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Single-Family Solid Waste Charge: System Benefit Charge, covers the portion of the County costs of providing basic solid waste services for single-family waste not covered by disposal and tipping fees (dollars per household)	202.72	209.85	209.85	213.76	225.36

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	2,970,850	14.4
Increase Cost: Finance Property Tax Billing	54,500	0.0
Decrease Cost: Environmental Protection Chargeback	-4,460	0.0
Shift: Finance Property Tax Bill - Reallocation Based on Number of Accounts	-68,750	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	382,540	0.4
FY12 CE Recommended	3,334,680	14.8

Commercial Recycling and Waste Reduction

This program provides for mandatory commercial sector recycling and waste reduction and the review of recycling and waste reduction plans and annual reports from all large and medium-sized businesses, as well as targeted small businesses. Through this program, technical support, assistance, education, outreach, and training is provided to the commercial sector in the areas of recycling, buying recycled products, and waste reduction. This program also provides for enforcement of the County's recycling regulations and other requirements of the County Code as they apply to non-residential waste generators.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	1,737,220	10.1
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-9,680	0.4
FY12 CE Recommended	1,727,540	10.5

Debt Service - Disposal Fund

This program contains principal and interest payments for general obligation bonds and revenue bonds used to fund the construction of solid waste facilities and other major improvements.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	4,010,750	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-2,000	0.0
FY12 CE Recommended	4,008,750	0.0

Dickerson Compost Facility

This program includes all processing, transporting, composting, and marketing of yard trim received by the County, including leaves received via the Leaf Vacuuming Program. Processing includes grinding brush to produce mulch at the Transfer Station, as well as composting all leaves and grass at the County's Composting Facility in Dickerson. Transportation includes all shipping into and out of the Compost Facility. Leaves and grass, after processing at Dickerson, are sold as high-quality compost soil amendment in bulk and bags.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	4,259,640	1.1
Decrease Cost: Compost Facility - Reduction in contract costs	-8,740	0.0
Decrease Cost: Compost Facility - defer equipment replacement	-1,613,570	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	184,420	0.0
FY12 CE Recommended	2,821,750	1.1

Dickerson Master Plan Implementation

This program provides for the implementation of the Dickerson Solid Waste Facilities Master Plan. This plan identifies the environmental, community, and operational effects of solid waste facilities in the Dickerson area (the RRF, the Site 2 Landfill, and the Compost Facility) and outlines policies and actions to mitigate those effects.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	144,350	0.8
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-54,210	-0.2
FY12 CE Recommended	90,140	0.6

Gude Landfill

The purpose of this program is to monitor air and water quality around the landfill, maintain stormwater management and erosion control structures, maintain site roads, and manage the landfill gas through collection, flaring, and gas-to-energy systems. In addition, it encompasses all operational functions necessary to maintain the Gude Landfill, which closed in 1982, in an environmentally sound and cost-effective manner. In addition, planning for further improvements to minimize potentially adverse environmental impacts and the design of post-closure uses for the site that serve the community are part of this program.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	380,000	1.0
Increase Cost: Gude Landfill Maintenance	71,020	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	52,120	0.3
FY12 CE Recommended	503,140	1.3

Household and Small Quantity Household Hazardous Materials

This program funds a contractor to receive, sort, pack, ship, and properly dispose of household hazardous waste such as flammable products, insecticides, mercury, and reactive and corrosive chemicals. These products are brought in by residents and processed at State and Federally-approved hazardous waste treatment, storage, and disposal facilities. This program also includes outreach to educate residents regarding the potential dangers of certain household products and to reduce generation of hazardous waste; it also provides assistance to businesses that qualify as small-quantity generators of hazardous waste by providing them with an economical and environmentally safe disposal option. The materials are handled through the County's hazardous waste contractor and permitted hazardous waste facilities.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	1,179,050	1.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-127,750	-1.0
FY12 CE Recommended	1,051,300	0.0

Housing and Environmental Permit Enforcement

Enforcement provided by the Department of Housing and Community Affairs under this program consists of six related components. Staff respond to resident complaints dealing with: storage and removal of solid waste; illegal solid waste dumping activities in the County; storage of unregistered vehicles on private property throughout the County; storage of inoperable vehicles on private property; improper screening of dumpsters, particularly those in shopping areas; and control and regulation of weeds throughout the County. The program includes a "Clean or Lien" component, which provides for the removal of dangerous or unsightly trash, perimeter grass, and weeds on properties which the owners have failed to maintain as required. Also under this program, the Department of Environmental Protection provides surface and subsurface environmental compliance monitoring at all County solid waste facilities, and reviews reports of air monitoring of the Resource Recovery Facility.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	1,097,120	9.9
Increase Cost: Department of Housing and Community Affairs Chargeback	10,210	0.0
Shift: Department of Housing and Community Affairs Chargeback - Reallocation of costs	1,450	0.3
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-15,050	0.2
FY12 CE Recommended	1,093,730	10.4

Oaks Landfill

This program maintains the closed Oaks Landfill in an environmentally sound and cost-effective manner in accordance with applicable State and Federal regulations. Mandated duties under this program include maintaining monitoring wells for landfill gas and water quality around the landfill; managing landfill gas through collection, flaring, and gas-to-energy systems; maintaining leachate storage and pre-treatment facilities; and performing other required site maintenance. This program also provides for the acceptance and treatment of waste generated by the cleanout of storm water oil/grit separators.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	1,456,840	0.7
Increase Cost: Oaks Landfill - Annualization of Operating Expenses	7,210	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	31,260	-0.1
FY12 CE Recommended	1,495,310	0.6

Out-of-County Refuse Disposal

This program provides for the rail shipment of ash residue that is designated for recycling or disposal from the Resource Recovery Facility (RRF) to Petersburg, Virginia, where it is unloaded and transported by truck to a contracted landfill facility where the ash is processed for further metals removal and recycling. Ash may be beneficially reused as alternate daily cover and road base within the lined areas of modern landfill facilities owned by Republic Services. The dedicated landfill established in Brunswick County, Virginia is available for ash or other materials that cannot be recycled. This program also provides for the shipment of nonprocessable waste, such as construction material and, if necessary, bypass waste, from the Transfer Station to either recycling facilities or the contracted landfill in Brunswick County.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	10,653,810	0.9
Increase Cost: Out-of-County - Increased Contractor Costs	157,160	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-4,630	0.1
FY12 CE Recommended	10,806,340	1.0

Recycling & Waste Reduction - Multi-Family Dwellings

This program provides for mandatory recycling and waste reduction for multi-family properties. Program efforts include technical support, assistance, education, outreach and training, in addition to the review and monitoring of waste reduction and recycling plans and annual reports. This program also provides for enforcement of the County's recycling regulations and other requirements of the County Code, as they apply to multi-family waste generators.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	805,990	4.3
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-8,270	0.2
FY12 CE Recommended	797,720	4.5

Recycling Center

This program provides for the separation, processing, and marketing of recyclable materials (glass, metal, and plastic). The Recycling Center also serves as a transfer point for shipping residential mixed paper for processing. The Recycling Center receives recyclable material collected under the County curbside collection program, as well as from municipalities and multi-family properties which have established similar types of programs. The materials are then sorted and shipped to markets for recycling; also provides for the management of the County's residential mixed paper. Residential mixed paper includes newspaper, corrugated containers, kraft paper bags, magazines, telephone directories, and unwanted mail.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	5,939,800	3.0
Increase Cost: Recycling Center - Increased Building and Equipment Maintenance	90,550	0.0
Increase Cost: Increased Contractor Costs for Recycling Center and Paper Recycling	87,660	0.0
Decrease Cost: Recycling Center - defer equipment replacement	-73,050	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-221,310	0.2
FY12 CE Recommended	5,823,650	3.2

Recycling Outreach & Education

This program provides for broadly educating the general public about recycling, buying recycled products, composting, grasscycling, and waste reduction, and the need to comply with applicable County laws. Public education is an important tool supporting solid waste program goals and ensuring the success of recycling initiatives.

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Percent of total municipal solid waste recycled	44.2	43.6	43.8	44.0	44.4
Percent of multi-family municipal solid waste recycled	14.1	14.0	14.6	14.7	14.7
Percent of single-family municipal solid waste recycled	54.3	52.1	52.2	52.3	52.4
Percent of non-residential municipal solid waste recycled	40.1	40.8	41.3	41.9	42.7
Multi-Family Recycling (tonnages)	10,764	10,587	11,652	12,396	13,106
Non-Residential Recycling (tonnages)	233,274	227,220	233,281	239,618	247,935
Number of Site Visits to Provide Recycling Assistance to Businesses	10,000	10,000	10,000	10,000	10,000
Single-Family Recycling (tonnages)	251,332	233,554	235,102	236,446	237,977
Tons Recycled Overall	495,370	471,361	480,035	488,460	499,018

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	299,580	0.9
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-4,860	0.1
FY12 CE Recommended	294,720	1.0

Residential Collection

This program provides for securing, administering, monitoring, and enforcing countywide contracts with private collectors for collection of residential refuse and responding to the service needs of residents. Staff processes service requests from MC311 to ensure timely fulfillment by collection contracts. This program also provides for enforcement of the County's recycling regulations, as they apply to single-family waste generators and enforcement of relevant parts of Chapter 48 of the County Code. Staff maintains the database of households served and administers the billing of that service.

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Average number of recycling collections missed per week, not picked up within 24 hours	17	13	29	32	31
Average number of refuse collections missed per week, not picked up within 24 hours	6.7	5	9	11	9
Single-family Solid Waste Charge: Refuse Collection Fee, charged for once per week curbside collection including on-call bulk pickups (dollars per household)	73	75	74	70	72

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	25,665,630	28.2
Decrease Cost: Residential Recycling - Contractor Costs	-415,590	0.0
Decrease Cost: Residential Refuse - Contractor Costs	-504,770	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	45,780	1.1
FY12 CE Recommended	24,791,050	29.3

Resource Recovery Facility & Related Waste Transfer

This program provides for the operation of the Montgomery County Resource Recovery Facility (RRF). The RRF serves as the primary disposal facility for non-recycled waste generated in the County. Electricity generated by the combustion of municipal solid waste is sold into the competitive energy market. Extensive environmental and operational monitoring is conducted, to meet contractual obligations and all applicable regulatory standards regarding the facility. This program also includes costs at the Transfer Station and for transportation of waste from the Transfer Station to the RRF.

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Landfill space diverted from use as a result of recycling, grasscycling, and conversion to refuse to energy (cubic yards/year)	1,837,987	1,989,969	2,014,073	2,063,700	2,063,700

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	41,724,720	1.2
Increase Cost: RRF - Annualization of Operating Expenses including changes in Electricity Sales Revenue and Contractor Costs	1,292,670	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	63,110	0.1
FY12 CE Recommended	43,080,500	1.3

Satellite Drop-Off Sites

This program operates a satellite drop-off site at the Poolesville Highway Services Depot. Residents can bring bulky materials to this site. The site, which operates only on weekends, provides drop-off for trash items as a convenience to County residents and reduce the incidence of roadside dumping. Material that is collected is then transported to the Transfer Station in Rockville.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	226,960	1.7
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-2,940	0.0
FY12 CE Recommended	224,020	1.7

Site 2

This program provides for the management of properties acquired for a potential future landfill. All properties are leased and/or used by private residents. Management activities include the inspection, evaluation, and maintenance of leased agricultural land, single-family dwellings, and agricultural buildings. Activities are coordinated with the Division of Operations as needed.

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	162,070	0.4
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-2,650	0.0
FY12 CE Recommended	159,420	0.4

Solid Waste Transfer Station

The purpose of this program is to provide a receiving, processing, and shipping facility for municipal solid waste generated within the County. Yard waste is also received, processed, and shipped to the Compost Facility, mulchpreserves, or other outlets. Other waste is handled or recycled including scrap metal, oil and anti-freeze, textiles, car batteries, and construction material. County staff operate the scale-house and oversee general operations, while contractors provide for the receipt and transfer of waste and operate the public unloading facility and recycling drop-off areas. This program includes enforcement of the County's ban on delivery of recyclables mixed with trash delivered for disposal and the inspection and licensing of waste collection vehicles; and it provides for the regulation and enforcement of certain provisions of Chapter 48 of the County Code, including licensing requirements for refuse and recycling commercial collectors, and haulers of solid waste and recyclables.

Program Performance Measures	Actual FY09	Actual FY10	Estimated FY11	Target FY12	Target FY13
Number of Visits Related To Household Hazardous Waste Disposal	72,819	95,000	100,000	105,000	105,000

FY12 Recommended Changes	Expenditures	WYs
FY11 Approved	4,558,290	16.9
Decrease Cost: Transfer Station - Reduction in contract costs	-605,990	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-38,260	0.7
FY12 CE Recommended	3,914,040	17.6

Support for Recycling Volunteers

The mission of this program is to use resident volunteers to augment available staff resources to educate the general public and thereby improve participation in waste reduction, recycling, and buying recycled programs. This resident-to-resident and peer-to-peer contact is very effective in motivating people living and working in the County to actively participate in recycling.

<i>FY12 Recommended Changes</i>	<i>Expenditures</i>	<i>WYs</i>
FY11 Approved	217,930	1.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	-41,700	-0.5
FY12 CE Recommended	176,230	0.5

Waste Reduction

Waste reduction is at the top of the County's waste management hierarchy. The purpose of this program is to encourage efforts and actions to reduce the amount of solid waste generated in the County. Included within this program area are efforts to recover textiles and building and construction materials and recover bicycles for reuse, as well as efforts to reduce the use of hazardous materials by substituting nonhazardous alternative products through outreach and public education.

<i>FY12 Recommended Changes</i>	<i>Expenditures</i>	<i>WYs</i>
FY11 Approved	198,250	0.0
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	46,560	0.5
FY12 CE Recommended	244,810	0.5

Waste System Planning

This program supports the planning and development of solid waste programs in accordance with the mandates of the County's Ten Year Comprehensive Solid Waste Management Plan. This may include evaluating existing source reduction, recycling, composting, collection, and disposal programs and policies with the intent of achieving solid waste program goals.

<i>FY12 Recommended Changes</i>	<i>Expenditures</i>	<i>WYs</i>
FY11 Approved	285,070	2.2
Miscellaneous adjustments, including restoration of employee furloughs, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting more than one program	13,750	0.4
FY12 CE Recommended	298,820	2.6

Yard Trim Reduction Program

The purpose of this program is to provide education and training to residents, multi-family properties, and businesses to encourage both grasscycling and composting on-site, thus reducing the amount of yard trim materials that must be collected, transported, and managed at the County's Compost Facility in Dickerson or at private compost facilities.

<i>FY12 Recommended Changes</i>	<i>Expenditures</i>	<i>WYs</i>
FY11 Approved	152,350	0.0
FY12 CE Recommended	152,350	0.0

BUDGET SUMMARY

	Actual FY10	Budget FY11	Estimated FY11	Recommended FY12	% Chg Bud/Rec
SOLID WASTE COLLECTION					
EXPENDITURES					
Salaries and Wages	848,797	830,360	830,360	895,110	7.8%
Employee Benefits	238,065	270,390	270,390	277,170	2.5%
Solid Waste Collection Personnel Costs	1,086,862	1,100,750	1,100,750	1,172,280	6.5%
Operating Expenses	5,376,158	5,598,260	5,598,260	5,109,540	-8.7%
Capital Outlay	0	0	0	0	—
Solid Waste Collection Expenditures	6,463,020	6,699,010	6,699,010	6,281,820	-6.2%
PERSONNEL					
Full-Time	10	5	5	5	—
Part-Time	0	0	0	0	—
Workyears	11.8	11.4	11.4	11.8	3.5%
REVENUES					
Collection Fees	6,830,402	6,795,200	6,733,110	6,400,380	-5.8%
Investment Income	6,738	30,000	4,330	8,700	-71.0%
Solid Waste Collection Revenues	6,837,140	6,825,200	6,737,440	6,409,080	-6.1%
SOLID WASTE DISPOSAL					
EXPENDITURES					
Salaries and Wages	6,589,784	6,603,470	6,603,470	6,670,550	1.0%
Employee Benefits	2,135,730	2,277,160	2,277,160	2,064,770	-9.3%
Solid Waste Disposal Personnel Costs	8,725,514	8,880,630	8,880,630	8,735,320	-1.6%
Operating Expenses	77,186,285	86,186,280	84,335,880	87,201,140	1.2%
Debt Service Other	4,009,000	4,010,750	4,010,750	4,008,750	0.0%
Capital Outlay	623,708	2,349,600	0	662,980	-71.8%
Solid Waste Disposal Expenditures	90,544,507	101,427,260	97,227,260	100,608,190	-0.8%
PERSONNEL					
Full-Time	77	75	75	74	-1.3%
Part-Time	0	0	0	0	—
Workyears	92.9	88.3	88.3	91.1	3.2%
REVENUES					
Civil Penalties/Fines	51,463	0	51,460	51,460	—
Disposal Fees/Operating Revenue	19,828,953	27,096,110	27,349,240	26,169,770	-3.4%
State Grant	30,000	0	0	0	—
Systems Benefit Charge	63,038,161	53,431,470	54,497,320	56,038,740	4.9%
Sale Of Recycled Materials	3,834,942	4,390,740	3,874,740	3,868,490	-11.9%
Investment Income: Pooled	222,639	529,400	110,000	110,000	-79.2%
Investment Income: Non-Pooled	159,414	140,000	200,000	200,000	42.9%
Miscellaneous	118,752	6,785,810	6,023,230	7,064,040	4.1%
License Fees	11,034	11,010	11,030	11,030	0.2%
Solid Waste Disposal Revenues	87,295,358	92,384,540	92,117,020	93,513,530	1.2%
DEPARTMENT TOTALS					
Total Expenditures	97,007,527	108,126,270	103,926,270	106,890,010	-1.1%
Total Full-Time Positions	87	80	80	79	-1.2%
Total Part-Time Positions	0	0	0	0	—
Total Workyears	104.7	99.7	99.7	102.9	3.2%
Total Revenues	94,132,498	99,209,740	98,854,460	99,922,610	0.7%

FY12 RECOMMENDED CHANGES

	Expenditures	WYs
SOLID WASTE COLLECTION		
FY11 ORIGINAL APPROPRIATION	6,699,010	11.4
Other Adjustments (with no service impacts)		
Increase Cost: Finance Property Tax Billing [Administration and Support]	54,500	0.0
Increase Cost: Annualization of FY11 Personnel Costs	28,010	0.0
Increase Cost: Restore Personnel Costs - Furloughs	15,170	0.4
Increase Cost: Risk Management Adjustment	9,760	0.0
Increase Cost: Administration - Annualization of Operating Expenses	9,410	0.0
Increase Cost: Printing and Mail Adjustment	1,750	0.0
Increase Cost: Motor Pool Rate Adjustment	950	0.0
Increase Cost: Miscellaneous Collection Fund Increases	650	0.0
Decrease Cost: Occupational Medical Services Adjustment	-20	0.0
Decrease Cost: Retiree Health Insurance Pre-Funding	-6,450	0.0
Decrease Cost: Retirement Adjustment	-7,730	0.0
Decrease Cost: Group Insurance Adjustment	-18,420	0.0
Decrease Cost: Residential Refuse - Contractor Costs [Residential Collection]	-504,770	0.0
FY12 RECOMMENDED:	6,281,820	11.8
SOLID WASTE DISPOSAL		
FY11 ORIGINAL APPROPRIATION	101,427,260	88.3
Other Adjustments (with no service impacts)		
Increase Cost: RRF - Annualization of Operating Expenses including changes in Electricity Sales Revenue and Contractor Costs [Resource Recovery Facility & Related Waste Transfer]	1,292,670	0.0
Increase Cost: Retiree Health Insurance Pre-Funding	317,330	0.0
Increase Cost: Out-of-County - Increased Contractor Costs [Out-of-County Refuse Disposal]	157,160	0.0
Increase Cost: Restore Personnel Costs - Furloughs	142,570	3.5
Increase Cost: Recycling Center - Increased Building and Equipment Maintenance [Recycling Center]	90,550	0.0
Increase Cost: Increased Contractor Costs for Recycling Center and Paper Recycling [Recycling Center]	87,660	0.0
Increase Cost: Risk Management Adjustment	74,640	0.0
Increase Cost: Gude Landfill Maintenance [Gude Landfill]	71,020	0.0
Increase Cost: Motor Pool Rate Adjustment	26,530	0.0
Increase Cost: Printing and Mail Adjustment	12,740	0.0
Increase Cost: Environmental Protection Chargeback Increases	12,680	0.0
Increase Cost: Department of Housing and Community Affairs Chargeback [Housing and Environmental Permit Enforcement]	10,210	0.0
Increase Cost: Oaks Landfill - Annualization of Operating Expenses [Oaks Landfill]	7,210	0.0
Increase Cost: Annualization of FY11 Personnel Costs	4,440	-1.0
Increase Cost: Administration - Annualization of Operating Expenses	4,110	0.0
Shift: Department of Housing and Community Affairs Chargeback - Reallocation of costs [Housing and Environmental Permit Enforcement]	1,450	0.3
Decrease Cost: Occupational Medical Services Adjustment	-280	0.0
Decrease Cost: Environmental Protection Chargeback [Administration and Support]	-4,460	0.0
Decrease Cost: Compost Facility - Reduction in contract costs [Dickerson Compost Facility]	-8,740	0.0
Shift: Finance Property Tax Bill - Reallocation Based on Number of Accounts [Administration and Support]	-68,750	0.0
Decrease Cost: Recycling Center - defer equipment replacement [Recycling Center]	-73,050	0.0
Decrease Cost: Retirement Adjustment	-87,150	0.0
Decrease Cost: Miscellaneous Disposal Fund Decreases	-89,470	0.0
Decrease Cost: Group Insurance Adjustment	-164,990	0.0
Decrease Cost: Residential Recycling - Contractor Costs [Residential Collection]	-415,590	0.0
Decrease Cost: Transfer Station - Reduction in contract costs [Solid Waste Transfer Station]	-605,990	0.0
Decrease Cost: Compost Facility - defer equipment replacement [Dickerson Compost Facility]	-1,613,570	0.0
FY12 RECOMMENDED:	100,608,190	91.1

PROGRAM SUMMARY

Program Name	FY11 Approved		FY12 Recommended	
	Expenditures	WYs	Expenditures	WYs
Administration and Support	2,970,850	14.4	3,334,680	14.8
Commercial Recycling and Waste Reduction	1,737,220	10.1	1,727,540	10.5
Debt Service - Disposal Fund	4,010,750	0.0	4,008,750	0.0
Dickerson Compost Facility	4,259,640	1.1	2,821,750	1.1
Dickerson Master Plan Implementation	144,350	0.8	90,140	0.6
Gude Landfill	380,000	1.0	503,140	1.3
Household and Small Quantity Household Hazardous Materials	1,179,050	1.0	1,051,300	0.0
Housing and Environmental Permit Enforcement	1,097,120	9.9	1,093,730	10.4
Oaks Landfill	1,456,840	0.7	1,495,310	0.6
Out-of-County Refuse Disposal	10,653,810	0.9	10,806,340	1.0
Recycling & Waste Reduction - Multi-Family Dwellings	805,990	4.3	797,720	4.5
Recycling Center	5,939,800	3.0	5,823,650	3.2
Recycling Outreach & Education	299,580	0.9	294,720	1.0
Residential Collection	25,665,630	28.2	24,791,050	29.3
Resource Recovery Facility & Related Waste Transfer	41,724,720	1.2	43,080,500	1.3
Satellite Drop-Off Sites	226,960	1.7	224,020	1.7
Site 2	162,070	0.4	159,420	0.4
Solid Waste Transfer Station	4,558,290	16.9	3,914,040	17.6
Support for Recycling Volunteers	217,930	1.0	176,230	0.5
Waste Reduction	198,250	0.0	244,810	0.5
Waste System Planning	285,070	2.2	298,820	2.6
Yard Trim Reduction Program	152,350	0.0	152,350	0.0
Total	108,126,270	99.7	106,890,010	102.9

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY11		FY12	
		Total\$	WYs	Total\$	WYs
SOLID WASTE DISPOSAL					
General Services	County General Fund	204,810	0.0	204,810	0.0
Liquor Control	Liquor Control	15,220	0.0	15,220	0.0
Parking District Services	Bethesda Parking District	54,510	0.0	54,510	0.0
Parking District Services	Montgomery Hills Parking District	1,700	0.0	1,700	0.0
Parking District Services	Silver Spring Parking District	103,910	0.0	103,910	0.0
Parking District Services	Wheaton Parking District	10,220	0.0	10,220	0.0
Total		390,370	0.0	390,370	0.0

FUTURE FISCAL IMPACTS

Title	CE REC. (\$000's)					
	FY12	FY13	FY14	FY15	FY16	FY17
This table is intended to present significant future fiscal impacts of the department's programs.						
SOLID WASTE COLLECTION						
Expenditures						
FY12 Recommended	6,282	6,282	6,282	6,282	6,282	6,282
No inflation or compensation change is included in outyear projections.						
Retiree Health Insurance Pre-Funding	0	-2	-7	-15	-16	-16
These figures represent the estimated cost of the multi-year plan to pre-fund retiree health insurance costs for the County's workforce.						
Subtotal Expenditures	6,282	6,279	6,274	6,267	6,266	6,266
SOLID WASTE DISPOSAL						
Expenditures						
FY12 Recommended	100,608	100,608	100,608	100,608	100,608	100,608
No inflation or compensation change is included in outyear projections.						
Retiree Health Insurance Pre-Funding	0	-37	-111	-228	-235	-237
These figures represent the estimated cost of the multi-year plan to pre-fund retiree health insurance costs for the County's workforce.						
Subtotal Expenditures	100,608	100,571	100,497	100,381	100,373	100,371

SOLID WASTE ENTERPRISE FUND

RATES AND FISCAL PROJECTIONS FOR FY12-17

Assumptions:

- Refuse collection services are maintained at their current level, but the annual household collection charge decreases from \$74.00 to \$70.00.
- The disposal fee for municipal solid waste received at the Transfer Station (known as the “Tipping Fee”) is unchanged at \$56.00 per ton.
- Solid waste system service charges are adjusted to ensure the fiscal health of the fund (i.e., positive cash and retained earnings). The Executive recommends increasing the single-family service charges from \$209.85 to \$213.76.
- Expenditures for certain programs, such as the Resource Recovery Facility, Out-of-County Haul, and Mixed Paper Recycling, are calculated based on waste generation, disposal, and recycling estimates, as well as inflation. Other expenditures are increased by inflation, except where contract or scheduled costs apply.

FY12-17 PUBLIC SERVICES PROGRAM: FISCAL PLAN

Solid Waste Collection

FISCAL PROJECTIONS	FY11 ESTIMATE	FY12 REC	FY13 PROJECTION	FY14 PROJECTION	FY15 PROJECTION	FY16 PROJECTION	FY17 PROJECTION
ASSUMPTIONS							
Indirect Cost Rate	12.59%	12.59%	12.59%	12.59%	12.59%	12.59%	12.59%
CPI (Fiscal Year)	2.0%	2.4%	2.7%	3.0%	3.2%	3.4%	3.6%
Investment Income Yield	0.0014	0.004	0.009	0.02	0.0275	0.035	0.04
Charge per household (once-weekly refuse collection)	74	70	72	74	76	78	82
Number of Households (mid-FY)	90,333	91,367	91,801	92,236	92,670	93,065	93,460
BEGINNING FUND BALANCE	1,895,410	1,769,370	1,731,080	1,521,060	1,446,500	1,318,440	1,116,130
REVENUES							
Charges For Services	6,733,110	6,400,380	6,614,570	6,830,500	7,048,090	7,264,450	7,669,380
Miscellaneous	4,330	8,700	19,600	43,600	60,000	76,400	87,300
Subtotal Revenues	6,737,440	6,409,080	6,634,170	6,874,100	7,108,090	7,340,850	7,756,680
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To The General Fund	(164,470)	(165,550)	(171,770)	(179,280)	(187,120)	(195,310)	(203,880)
Indirect Costs	(138,780)	(147,590)	(166,770)	(174,280)	(182,120)	(190,310)	(198,880)
Technology Modernization CIP	(20,690)	(12,960)					
Desktop Computer Modernization	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
TOTAL RESOURCES	8,468,380	8,012,900	8,193,480	8,215,880	8,367,470	8,463,980	8,668,930
PSP OPER. BUDGET APPROP/ EXPS.							
Operating Budget	(6,699,010)	(6,281,820)	(6,674,890)	(6,776,770)	(7,064,200)	(7,363,510)	(7,663,220)
Retiree Health Insurance Pre-Funding	n/a	n/a	2,470	7,390	15,170	15,660	15,830
Subtotal PSP Oper Budget Approp / Exp's	(6,699,010)	(6,281,820)	(6,672,420)	(6,769,380)	(7,049,030)	(7,347,850)	(7,647,390)
TOTAL USE OF RESOURCES	(6,699,010)	(6,281,820)	(6,672,420)	(6,769,380)	(7,049,030)	(7,347,850)	(7,647,390)
YEAR END FUND BALANCE	1,769,370	1,731,080	1,521,060	1,446,500	1,318,440	1,116,130	1,021,540
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	20.9%	21.6%	18.6%	17.6%	15.8%	13.2%	11.8%

Assumptions:

1. Refuse collection charges are adjusted to achieve cost recovery.

Notes:

1. The refuse collection charge is adjusted annually to fund the approved service program and to maintain an ending net asset balance between 10% and 15% of resources at the end of the six-year planning period. The fund balance policy for the Collection Fund was completed in August 2004.

2. These projections are based on the Executive's Recommended budget and include the revenue and resource assumptions of that budget. The projected future expenditures, revenues, and fund balances may vary based on changes not assumed here.

FY12-17 DIVISION OF SOLID WASTE SERVICES

FISCAL PROJECTIONS	PROJECTED FY11	PROJECTED FY12	PROJECTED FY13	PROJECTED FY14	PROJECTED FY15	PROJECTED FY16	PROJECTED FY17
Single-Family Charges (\$/Household)	209.85	213.76	225.36	228.25	230.27	231.73	142.78
% change in rate from previous year	0.0%	-1.9%	5.4%	1.3%	0.9%	0.6%	-38.4%
Multi-Family Charges (\$/Dwelling Unit)	16.42	16.73	17.07	18.05	18.95	19.85	22.51
% change in rate from previous year	0.0%	1.9%	2.1%	5.7%	5.0%	4.8%	13.4%
Nonresidential Charges (medium "category" charge)	525.20	558.54	669.47	731.86	756.21	758.51	(72.95)
% change in rate from previous year	4.9%	6.3%	19.9%	9.3%	3.3%	0.3%	-109.6%
Nonresidential Charges (average \$/2000 sq. ft.)	205.68	214.08	256.60	280.51	289.85	290.73	(27.96)
% change in rate from previous year	1.8%	4.1%	19.9%	9.3%	3.3%	0.3%	-109.6%
Leaf Vacuuming Charge (single-family \$/Household)	-	-	-	-	-	-	-
Leaf Vacuuming Charge (multi-family \$/Dwelling)	-	-	-	-	-	-	-

OPERATIONS CALCULATION

Goal is to maintain net change near zero.

REVENUES							
Disposal Fees	27,349,240	26,169,770	26,217,290	27,107,150	28,024,620	29,835,560	29,732,250
Charges for Services/SBC	54,497,320	56,038,740	64,466,480	67,429,430	69,785,600	70,865,460	22,195,970
Miscellaneous	9,960,460	10,995,020	12,150,730	12,548,010	12,735,420	12,942,810	13,155,180
Investment Income	310,000	310,000	900,000	2,100,000	3,280,000	4,270,000	5,040,000
Subtotal Revenues	92,117,020	93,513,530	103,734,500	109,184,590	113,825,640	117,913,830	70,123,400
INTERFUND TRANSFERS	1,490,200	1,397,940	1,812,420	1,965,080	1,835,970	1,535,140	2,046,680
EXPENDITURES							
Personnel Costs	(8,880,630)	(8,735,320)	(9,128,410)	(9,539,190)	(9,968,450)	(10,417,030)	(10,885,800)
Operating Expenses	(85,997,030)	(91,209,890)	(93,945,340)	(91,432,120)	(100,950,930)	(101,326,140)	(81,955,090)
Capital Outlay	(2,346,600)	(662,980)	(2,417,240)	(1,566,790)	(2,310,940)	(411,950)	(2,444,530)
Other Expenditure Restrictions Raised in Prior Years	-	-	-	-	-	-	-
Subtotal Expenditures	(97,227,260)	(100,608,190)	(105,490,990)	(102,568,100)	(113,230,320)	(112,155,120)	(95,285,420)
POTENTIAL FUTURE EXPENDITURES*	-	-	-	-	-	-	-
OTHER CLAIMS ON FUND BALANCE	-	-	-	-	-	-	-
CURRENT RECEIPTS TO CIP**	-	-	-	-	-	-	-
PAYOUT OF CLOSURE COSTS (Non-CIP)	1,411,960	1,447,140	1,513,680	1,511,650	1,551,090	1,591,590	1,633,180
CY ACCRUED CLOSURE COSTS	(41,170)	(36,960)	(37,690)	(39,420)	(39,440)	(40,500)	(41,590)
NET CHANGE	(2,249,250)	(4,286,560)	1,831,920	10,053,800	3,942,940	8,844,940	(21,523,750)

*Extraordinary Expenditure Charges to Stability Fund

** Amounts may not match PDF display for the CIP

CASH POSITION

Goal is to maintain cash and investments over/(under) reserve requirements greater than zero.

ENDING CASH & INVESTMENTS							
Unrestricted Cash	19,999,160	16,739,800	14,917,640	17,358,160	19,796,480	28,845,620	9,497,410
Restricted Cash	32,028,180	32,595,090	33,569,440	40,201,370	41,555,910	40,444,280	36,289,650
Subtotal Cash & Investments	52,027,340	49,334,890	48,487,080	57,559,530	61,352,390	69,289,900	45,787,060
RESERVE & LIABILITY REQUIREMENTS							
Management Reserve	(24,149,660)	(25,667,930)	(25,642,020)	(28,307,580)	(28,038,780)	(23,821,350)	(23,821,350)
Debt Service Reserve	(893,000)	(524,000)	(255,500)	-	-	-	-
Future System Contingency Reserve	(1,000,000)	(1,000,000)	(1,615,680)	(2,249,840)	(2,903,020)	(3,590,840)	(4,280,010)
Research & Development Reserve	(100,000)	(100,000)	(378,680)	(664,190)	(956,240)	(1,258,990)	(1,563,880)
Renewal & Replacement Reserve	(3,987,610)	(4,087,300)	(4,189,490)	(4,294,220)	(4,401,580)	(4,511,620)	(4,624,410)
Stability Reserve	(1,897,710)	(1,215,860)	(1,486,070)	(4,685,540)	(6,256,290)	(7,261,480)	(2,000,000)
Subtotal Reserve Requirements	(32,028,180)	(32,595,090)	(33,569,440)	(40,201,370)	(41,555,910)	(40,444,280)	(36,289,650)
Closure/Postclosure Liability	(17,510,130)	(16,099,970)	(14,623,990)	(13,151,750)	(11,640,090)	(10,089,000)	(8,497,410)
Current Liabilities Not Including Debt/Closure	-	-	-	-	-	-	-
Subtotal Reserve & Liability Requirements	(49,538,310)	(48,695,060)	(48,193,420)	(53,353,120)	(53,196,000)	(50,533,280)	(44,787,060)
CASH & INVESTMENTS OVER/(UNDER)	2,489,030	636,830	293,660	4,206,410	8,156,390	18,756,620	1,000,000
RESERVE & LIABILITY REQUIREMENTS	2,489,030	636,830	293,660	4,206,410	8,156,390	18,756,620	1,000,000

Net Assets

ENDING NET ASSETS	67,269,190	66,715,580	69,835,830	79,048,400	83,989,130	90,773,500	68,582,070
Less: Reserve Requirements	(32,028,180)	(32,595,090)	(33,569,440)	(40,201,370)	(41,555,910)	(40,444,280)	(36,289,650)
NET ASSETS OVER/(UNDER)	35,241,010	34,120,490	36,266,390	38,845,030	42,433,220	50,329,220	32,292,420
RESERVE REQUIREMENTS	35,241,010	34,120,490	36,266,390	38,845,030	42,433,220	50,329,220	32,292,420

FY12 Solid Waste Service Charges

- Purpose** - To fund solid waste management services provided to residents and businesses in Montgomery County through service charges to all entities that benefit from such services.
- Classification of Service Charges** - There are five basic categories of service charges:

Base Systems Benefit Charge - Paid by all entities to cover costs of system administration, historical debt service, waste reduction, and "stand-by" disposal capacity.

Incremental Systems Benefit Charge - Paid by entities based on sector-specific services they receive (single-family homeowners pay for curbside recycling collection and processing, businesses pay for the commercial recycling program, etc.)

Disposal Charges - Paid as a service charge via the tax bill or at the Transfer Station by all entities who deliver solid waste to Montgomery County for disposal. At the Solid Waste Transfer Station, this charge is referred to as the "Tipping Fee" for accepting municipal solid waste for disposal.

Leaf Vacuuming Charge - Covers the cost of leaf vacuuming service provided in the Leaf Vacuuming District.

Refuse Collection Charge - Paid by homeowners who receive once weekly refuse collection service by County contractors.

- Implementation of Service Charges** - Service charges are collected from the various sectors in the following manner:

	Base Systems Benefit Charge	Incremental Systems Benefit Charge	Disposal Charge	Leaf Vacuuming Charge	Refuse Collection Charge
Unincorporated Single-Family	Via tax bill	Via tax bill	Via tax bill	Via tax bill to those serviced	Via tax bill to those serviced
Incorporated Single-Family	Via tax bill	Not applicable	Charged at Transfer Station	Not applicable	Not applicable
Unincorporated Multi-family	Via tax bill	Via tax bill	Charged at Transfer Station	Via tax bill to those serviced	Not applicable
Incorporated Multi-family	Via tax bill	Via tax bill	Charged at Transfer Station	Not applicable	Not applicable
Unincorporated Non-Residential	Via tax bill	Via tax bill	Charged at Transfer Station	Not applicable	Not applicable
Incorporated Non-Residential	Via tax bill	Via tax bill	Charged at Transfer Station	Not applicable	Not applicable

FY12 RECOMMENDED SOLID WASTE SERVICE CHARGES TO BE COLLECTED VIA REAL PROPERTY ACCOUNT BILLING

Code Reference	Base Charge	Billing Rate	Disposal Charge	Base Systems Benefit Charge	Incremental Systems Benefit Charge	Refuse Collection Charge	Leaf Vacuuming Charge	Total Bill
	(\$/ton)	x (tons/HH)	= Charge	+ Charge	+ Charge	+ Charge	+ Charge	=
48-32(a)(1)			48-32(c)(2)	48-8A(b)(2)(A)	48-8A(b)(2)(B)	48-29	48-47	
SUBDISTRICT A (Refuse Collection District)*								
Inside Leaf Vacuuming District	\$ 56.00	0.86982	\$48.71	\$ 51.75	\$113.30	\$ 70.00	\$ 88.91	\$ 372.67
Outside Leaf Vacuuming District	\$ 56.00	0.86982	\$48.71	\$ 51.75	\$113.30	\$ 70.00		\$ 283.76
Incorporated				\$ 51.75				\$ 51.75
SUBDISTRICT B SINGLE-FAMILY**								
Incorporated				\$ 51.75				\$ 51.75
Inside Leaf Vacuuming District								
Unincorporated	\$ 56.00	0.86982	\$48.71	\$ 51.75	\$113.30		\$ 88.91	\$ 302.67
Outside Leaf Vacuuming District								
Unincorporated	\$ 56.00	0.86982	\$48.71	\$ 51.75	\$113.30			\$ 213.76
MULTI-FAMILY RESIDENTIAL**								
Incorporated				\$ 13.82	\$2.91			\$ 16.73
Unincorporated								
Outside Leaf Vacuuming District				\$ 13.82	\$2.91			\$ 16.73
Inside Leaf Vacuuming District				\$ 13.82	\$2.91		\$ 3.83	\$ 20.56

NONRESIDENTIAL - \$/2,000 SQ. FT. ***								
Code Reference								
Waste Generation Categories								
Low				\$ 124.39	\$ (12.68)			\$ 111.71
Medium Low				\$ 373.17	\$ (38.04)			\$ 335.13
Medium				\$ 621.95	\$ (63.41)			\$ 558.54
Medium High				\$ 870.73	\$ (88.77)			\$ 781.96
High				\$1,119.51	\$ (114.13)			\$ 1,005.38

OTHER RECOMMENDED FY 12 SOLID WASTE FEES

Base Solid Waste Charge under Section 48-32(a)(1): (This is known as the "Tipping Fee")	\$56.00 /disposal ton	
Waste delivered for disposal <500 lb loads in privately owned and operated vehicles or trailers <1,000 capacity per Section 48-32(c)(2):	\$0.00 /disposal ton	Recyclable Materials Acceptance Fees (Section 48-32(a)(2)):
		Paper and Commingled Containers \$0.00 /ton
		Yard Trim \$46.00 /ton
Waste delivered in open-top roll-off box	\$66.00 /disposal ton	Miscellaneous (48-31(f)): Compost Bins \$0.00 each

* Note: Base System Benefit Charges are set to cover County Base System Costs net of Disposal Charges.
 ** With respect to Base and Incremental System Benefit Charges, this category includes dwellings in buildings of six or fewer households.
 *** The Nonresidential rate multiplied by the total number of 2,000 square foot units of enclosed area equals the nonresidential charge.

EXECUTIVE SUMMARY

Introduction

The Montgomery County Department of Environmental Protection, Division of Solid Waste Services (DSWS), is responsible for solid waste management in the County. A major program area which the Department manages and operates is the County's comprehensive recycling program, encompassing the single-family, multi-family and non-residential sectors.

The County currently provides for the weekly collection of recyclable materials from the single-family sector, and from multi-family properties with 6 or fewer dwelling units. However, for the non-residential (or commercial) sector and the remaining, great majority of the multi-family sector, the County does not provide for the collection of recyclable materials.

Montgomery County has established a goal of recycling 50 percent of all waste generated in the County by 2010. While the single-family residential sector has achieved and surpassed this goal, the multi-family and non-residential sectors have yet to achieve 50 percent recycling. Given that about half of all waste generated in the County is generated by the approximately 35,000 businesses, non-profit organizations, and government facilities which make up the non-residential sector, this is the area of greatest recycling potential.

The Department oversees and enforces the provisions of Executive Regulation 15-04AM (ER 15-04AM), the County's recycling regulation. This regulation was enacted on February 8, 2005, and supersedes Executive Regulation 109-92AM (ER 109-92AM). The Department also oversees and enforces the provisions of Executive Regulation 18-04 (ER 18-04), also enacted on February 8, 2005. This particular regulation bans the disposal of certain recyclable materials in the waste as refuse.

In addition, the Department provides outreach, education, technical assistance and training to single-family and multi-family residents, property and business owners, managers, and employees throughout the County on waste reduction, recycling, and buying recycled products. A critical element of the Department's outreach and education efforts is to conduct on-site visits of multi-family and commercial properties, where staff provides technical assistance and targeted, site- and property-specific recommendations on setting up, maintaining, and expanding strong and successful recycling programs, in compliance with ER 15-04AM.

Current Status of Recycling in Montgomery County

The Department calculated that the recycling rate for Fiscal Year 2010 was 43.6 percent overall. More specifically, the single-family residential recycling rate was calculated at 52.1 percent, the multi-family recycling rate was estimated at 14.0 percent and the non-residential recycling rate was estimated at 40.8 percent.

The non-residential sector generates more than half (an estimated 51.5 percent) of all solid waste generated in the County. This portion of the waste stream provides the greatest potential for additional recyclable materials that may still be cultivated for recycling. Increasing the recycling rate clearly requires more concentrated efforts and resources directed to the non-residential or commercial sector.

Beginning in November 2008 and continuing today, significant changes have occurred in the recycling and trash industry due to the economic downturn. Demand for recyclable materials by markets and end-users dropped sharply as manufacturers curtailed production. The corresponding economic value or pricing for these recyclable materials also dropped sharply. At the same time, the amount of trash delivered to waste disposal facilities, as well as the amount of recyclable materials generated and recycled decreased dramatically due to decreased purchasing by consumers and less construction. The decreases seen in waste generation across all sectors continues well into FY11. The current state of the economy – global, national, as well as local – have all impacted waste generation and recycling, as well as market demand and market pricing for recyclable commodities.

There are other factors negatively impacting the recycling rate, specifically the single-family residential recycling rate which has decreased from 56.2 percent in FY2007 to 52.1 percent in FY2010. There has been an overall decline in the amount of outreach and education provided to the single-family residential sector since 2000 while the population of the County has grown more than 11 percent since 2000 according to U.S. Census data. New residents moving to the County from across the United States and from all over the world have not had the opportunity to receive timely information pertaining to the County's recycling program, thereby impacting their awareness of the recycling program and their participation. In addition, limiting direct mailings and information through other media outlets has restricted the amount of pertinent information reaching single-family residents about recent changes made to the recycling programs. As research has shown, it is imperative that a consistent level of outreach and education be provided to maintain residents' awareness of recycling programs in order to maintain and increase their participation to maximize the amount of materials recycled. Continued reductions to the amount of and restricting the type of outreach and education will continue to negatively impact the recycling rate as evidenced by the general decline in the single-family recycling rate since FY07.

Recycling Program Development, Initiatives and Activities

The Department consistently uses evaluation tools, including participation studies, focus groups, surveys, and research, in developing and refining its recycling programs, strategies and activities. Resident and business community input is a critical element in these efforts. One example is the Recycling Task Force, created in late 2001 by the County Executive to work with the County to address methods to increase recycling achievement in the commercial sector, and to an extent the multi-family sector. The Recycling Task Force was formed to assist in identifying issues, barriers and opportunities affecting commercial recycling and work toward improvements and serve

as a focus group to preview recycling initiatives. The Recycling Task Force is composed of representatives from some of the County's business leaders who have implemented extremely successful recycling programs, and can share their expertise and experiences. Their work resulted in the development of a series of comprehensive recommendations, almost all of which have been implemented.

Findings and noteworthy revelations from these evaluations are used in shaping and implementing future program initiatives, as well as outreach and education activities and efforts, in order to address ongoing recycling needs and to maximize positive impact and results on recycling achievement. After program initiatives and activities have been implemented and in effect for some time, studies are then utilized to evaluate the effectiveness of existing outreach and education items. Customer or consumer feedback from residents, property and/or business owners, managers and employees is also taken into account and used in both future program development and existing program evaluation.

Please refer to Section III: Recycling Strategies for Achieving Increased Recycling, beginning on **Page 12** for details, findings, and feedback from previous studies and research conducted by the Department to evaluate programs and improve recycling efforts.

The Action Plans in Sections IV, V, and VI beginning on **Page 41** provide detailed descriptions of the strategies proposed to capture the target recycling tons. Information is provided for each sector for the previous fiscal year, the current fiscal year, and the upcoming fiscal year, so the sequence of program development and refinement can be followed. Specific activities and actions taken to implement these strategies are also detailed. In many cases, strategies continue from one fiscal year to another, and, oftentimes there are refinements and additional activities undertaken in implementing the strategies in subsequent time periods. New initiatives are also pursued to further improve the recycling program and results.

The Action Plans described in Sections IV, V and VI of this document will bring the overall recycling rate in the County to an estimated approximately 46 percent. In order to increase the recycling rate above that level, there is a need to both continue these activities, and also pursue and implement additional activities and/or processes that complement current activities and processes in a comprehensive recycling program.

Conclusion

The Department estimates that continuing its current recycling strategies, specific activities and initiatives will bring the overall recycling rate in the County to approximately 46 percent. While outreach, education, training, technical assistance and enforcement must be continued in order to achieve and maintain this recycling level, other supplementary initiatives must also be pursued and used in order to achieve beyond 46 percent recycling. Recycling more, as well as reducing waste to begin with, will also

utilize available capacity at the Materials Recovery Facility (MRF), and extend the capacity of both the Resource Recovery Facility (RRF) and the Compost Facility in Dickerson. Achieving these efforts may also relieve physical burden experienced on the Transfer Station Tipping Floor and in queue.

The Department is implementing and/or pursuing the following concepts and initiatives to achieve increased recycling:

- Continued education and outreach on recycling
- Continued emphasis on waste reduction
- Continued enforcement, as appropriate and necessary
- Continued enforcement on the ban on disposal of certain recyclable materials in the waste stream
- Potential addition of other materials to those recommended or required to be recycled
- Research potential addition of other materials to be required to be recycled or banned from the waste stream
- Continued education and technical assistance to residents, businesses, multi-family property owners, and landscape service contractors on grasscycling and on-site or backyard composting
- Continued distribution of wheeled carts for single-family residential mixed paper recycling
- Continued distribution of blue bins for single-family residential commingled materials to allow for additional capacity as a result of the increased types of materials that are now recyclable
- Continued outreach efforts to independent municipalities lying within the County to increase their recycling initiatives and achievement
- Evaluation of alternatives in collection methods to increase residential recycling
- Provision of limited quantity of recycling containers to businesses/organizations
 - Continue monitoring and analyzing data from alternative collection case studies and conduct additional case studies or projects to further evaluate alternative collection methods of recyclable and/or refuse materials for commercial and/or multi-family properties
- Development of overlay areas to build upon the success of the cooperative recycling and refuse collection projects conducted in the Silver Spring and Bethesda CBD's (Central Business Districts)
- Collaboration with development review agencies to affect provision of adequate placement of recycling containers in compliance with the recycling regulation at commercial and multi-family developments. Agencies that DSWS staff will continue to work with include: M-NCPPC; Department of Permitting Services (DPS); and the Development Review Team of the Department of Transportation (DOT).
- Participation in the review of the County's Zoning Code update to include recycling as part of development and site plans
- System of additional economic incentives to encourage increased recycling

- Continued monitoring of regional and global market situations to assess feasibility of recycling additional materials
- Development of test projects to research functional viability of recycling additional materials, including materials such as wood waste, food waste, and other materials
- Refocus on market development in concert with the private sector to expand recycling opportunities

These efforts have been proven either here in Montgomery County or in other jurisdictions to have had positive effects on recycling rates. In addition, the County's policy of waste reduction continues to be a fundamental part of the education and outreach provided throughout all sectors.



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DEPARTMENT OF ENVIRONMENTAL PROTECTION

Isiah Leggett
County Executive

Robert G. Hoyt
Director

MEMORANDUM

February 10, 2011

TO: Valerie Ervin, President
Montgomery County Council

FROM: Robert G. Hoyt, Director *R. Hoyt*
Department of Environmental Protection

SUBJECT: Resolution # 16-894 Update On Composting Capacity and the Potential
Food Waste Composting

RECEIVED
MONTGOMERY COUNTY
COUNCIL

2011 FEB 14 AM 9:19

This memorandum serves to meet the requirement in the Ten-Year Solid Waste Management Plan approving Resolution Number 16-894 to provide the Council with an "Update on DEP's efforts to seek additional composting capacity and the potential expansion of the composting program to include food waste."

Yard Trim Composting

The County's Dickerson Yard Trim Composting Facility is limited, by Agreement of Settlement and Compromise, to receive not more than 77,000 tons in any County fiscal year. During three historically peak years—FY04, FY06 and FY07—receipts exceeded that limit. More recently, however, the Division of Solid Waste Services (DSWS) has applied a variety of management strategies and tonnages have been reduced. During the three most recently completed fiscal years, an average of 71,400 tons per year (TPY) were delivered, and based on year-to-date receipts, DSWS expects to receive, during FY11, approximately 64,000 tons. In the absence of unusual circumstances, DSWS does not expect to need supplemental composting capacity in the near term, but nevertheless finds it appropriate to secure up to 10,000 TPY of supplemental composting capacity.

There are multiple private composting facilities in the area, which reliably can provide this level of supplemental back-up capacity on contingency contract basis. Therefore, working through its operating contractor, Maryland Environmental Service (MES), DSWS is procuring 10,000 TPY of back-up composting capacity, including transportation, renewable for up to three years. This procurement will be completed by the end of April 2011.

Food Waste Composting

According to the County's most recent waste composition sampling study, food wastes comprised approximately nineteen percent of the overall as-disposed waste stream. DSWS reviewed successful composting technologies and jurisdictional programs nationwide and found that effective programs start with collection of source-separated food waste. To understand the elements that would

have to come together to make this potential a reality in Montgomery County, DSWS gathered points of view from representatives of three distinct perspectives—processors, collectors, and generators.

Currently, there are two composting facilities that accept food waste located within a 50-mile radius of the county. Both are accepting food waste from collectors operating in Montgomery County, and both claim to have plans to expand operations in the near future. DSWS also spoke with representatives of two very large well established composting facilities located in Delaware and Virginia. Both indicated strong interest in building, owning and operating a composting facility in the DC-metro area and indicated that they are actively looking for a suitable parcel of land or partner for developing a composting facility to accept both yard waste and food waste.

DSWS interviewed two leading collections companies—already leading in food waste collection. Both indicated that food waste collection is the fastest growing line of their collection businesses, and characterized grocery stores, institutions and restaurants as “low-hanging fruit”. They indicated that the cost they must charge to collect source-separated food waste becomes more competitive as they add business to their routes. They also reported that the main obstacles to expansion are: material contamination, education of generating site employees, and distance to receiving facilities.

DSWS contacted businesses recognized as ‘champions’ in the recycling arena. They indicated a strong commitment to the environment and readiness to explore food waste composting as long as the economics are favorable. However, as may be expected, not all businesses are in the same position. Many businesses, even those with relatively intensive food waste generating characteristics, do not have room for new containers and view source separating their food waste as a burden.

Food Waste Pilot Project

The DSWS is developing, and soon will implement, a test project to evaluate and determine best management practices for businesses which generate food waste to follow in order to most effectively separate their food waste and transport that food waste to a composting facility or processing center where it is then composted.

Specific test aspects of the food waste composting project that DSWS will be conducting to develop recommended best practices include:

- Acceptable materials
- Container options, storage area standards
- Collection frequency, schedule, location
- Transportation and equipment
- Outreach, education and training needs
- Reporting requirements
- Permit and licensing requirements

The purpose of this pilot is to implement and demonstrate a successful non-residential sector food waste composting program that can be emulated by other businesses located in the county. Businesses that implement food waste composting programs will contribute to the County’s efforts to

Valerie Ervin, President
February 10, 2011
Page 3

increase the amount of materials diverted from disposal and recycled, thereby increasing the County's overall recycling rate. DSWS expects to have this pilot project up and running by fall 2011.

If you have questions or concerns regarding this information, please feel free to contact Dan Locke, Chief, Division of Solid Waste Services at 240-777-6402. Thank you.

RGH:wfd

cc: Kathleen Boucher, Assistant Chief Administrative Officer
Dan Locke, Chief, DEP/DSWS
Bill Davidson, Section Chief, DEP/DSWS
Eileen Kao, Section Chief, DEP/DSWS

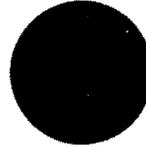


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SOLID WASTE ADVISORY COMMITTEE

April 12, 2011

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MONTGOMERY COUNTY
COUNCIL

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The Honorable Valerie Ervin
President
Montgomery County Council
100 Maryland Avenue
Rockville, Maryland 20850

Dear Ms. Ervin:

The Montgomery County Solid Waste Advisory Committee appreciates this opportunity to comment on the County Executive's Recommended FY12 Operating Budget for the Department of Environmental Protection's Division of Solid Waste Services.

We acknowledge that the County Council again faces some tough choices in this very difficult financial climate, but urge you to approve the County Executive's request for funding of the Division of Solid Waste Services. As you know, the Division continues to strive to achieve the County's goal of recycling 50 percent of the total waste stream, as well as to achieve meaningful waste reduction in the County. During the past year, the Division achieved significant efficiencies and cost savings through an ash residue recycling program. Through this program, the ash generated by the County's Resource Recovery Facility is used as alternative daily cover and road base at landfills, rather than just becoming an unused part of the landfills. In addition, the Division is in the process of procuring new contracts for collection services in its thirteen service areas. One of the provisions in the new contracts is to require the purchase of new EPA approved vehicles powered by compressed natural gas (CNG). CNG is significantly less expensive and cleaner burning than traditional diesel fuel. We understand that the Division expects all of its contract haulers to be using CNG powered vehicles by June 2012. Finally, we would like to highlight the 32 percent increase, FY 2010 over FY 2009, in sales of the County's various compost products which are made from County yard trim, including Leafgro, and we are pleased that this trend continues with FY 2011 sales through February up 45 percent over the same period in FY 2010.

We urge the County Council to approve the County Executive's Recommended FY12 Operating Budget for the Division of Solid Waste Services as submitted. The Solid Waste Advisory Committee believes that in doing so the County creates the conditions for sustainable growth necessary to meet the increasing need and demand for solid waste services.

Sincerely,

Steve Sprague
Chair, Solid Waste Advisory Committee

cc: Isiah Leggett, County Executive
Robert Hoyt, Director, DEP
Dan Locke, Chief, DSWS

Division of Solid Waste Services – Section and Position Responsibilities

Section Responsibilities	Position or Group Positions	Workload/Performance Measures
	<p>Division Chief – oversees the following: Collection Section- Has 21 personnel and this program is responsible for the provision of refuse collection services for 90,000 single family homes, and recyclable material collection services for 211,000 single family homes in Montgomery County. These services are provided by three private contractors that were hired through a competitive procurement process. Collections staff administer these contracts and supervise the field operation to assure prompt, reliable service to our customers.</p> <p>Central Operations Section – has 22 personnel and manages operations at the Shady Grove Processing Facility and Transfer Station, the Recycling Center, and post-closure care responsibilities at Oaks and Gude Landfills. In addition, the remediation of the Gude Landfill and oversight of numerous operations contracts including those for the landfill gas-to-energy facilities and the Out-of-County haul contract are managed within this section. This section also performs the licensing of solid waste collectors and haulers, the enforcement of Chapter 48, Solid Waste, of the County Code, and the enforcement of Executive Regulations concerning not mixing recyclable material with solid waste for disposal. The Waste Reduction and Recycling Section – Has 17 personnel, and is responsible for outreach, education, technical assistance and training on waste reduction, recycling, recycling and solid waste laws, grasscycling, backyard and on-site composting, and buying recycled goods, for the 1.5 million residents living in approximately 211,000 single-family homes and 112,000 multi-family dwelling units contained within 700 properties, and employees working in the 35,000 businesses, non-profit organizations, or government facilities located in Montgomery County. This section is responsible for ensuring that all multi-family properties and all businesses, organizations, and government facilities comply with the County’s</p>	

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recycling regulations, Executive Regulation 15-04AM, which mandates recycling by generators of recyclable materials, and Chapter 48 of the County Code. **Business Section** – Has 14 personnel and this program provides budget management, program and management analysis, contract administration, and administrative support; manages enterprise fund business processes and supports solid waste policy issues through system evaluation and analysis which includes rate setting and fiscal health management; performs financial analysis of enterprise funds; and revenue forecasting and enhancement; hauler billing processing; system-wide tonnage tracking and reporting; maintain waste statistical waste generation data; provide for overall operation and maintenance of existing computer equipment, as well as the purchase of any new automation equipment and technology. **Northern Operations & Strategic Planning** – has five personnel and this program provides for the operation of the Montgomery County Resource Recovery Facility (RRF); the Dickerson Compost Facility; and management of Site 2. Also included are the planning and development of solid waste programs in accordance with the mandates of the County’s Ten year Comprehensive Solid Waste Management Plan; and functions for the implementation of the Dickerson Solid Waste Facilities Master Plan.

Executive Administrative Aide – Perform office management related duties; perform document processing and management using electronic scanning technology; Provide administrative support to Division Chief, 5 Section Chiefs, Attorney, and 73 staff; prepare correspondence to send to other Montgomery County Government Departments, the County Executive, the County Council, and other external agencies and departments; Prepare monthly and quarterly reports for distribution; prepare and process payments using the P- Card and the ERP Oracle system. Primary point of contact for the Division Chief.

Collection Section-

Has 21 personnel, and this program is responsible for the provision of refuse collection services for 90,000 single family homes, and recyclable material collection services for 211,000 single family homes in Montgomery County. These services are provided by three private contractors that were hired through a competitive procurement process. Collections staff administer these contracts and supervise the field operation to assure prompt, reliable service to our customers.

Section Chief – responsible for the management and administration of the thirteen refuse and recyclable material collection contracts, providing services to 211,000 customers each week. Manages customer service, budget, personnel management, and serves as senior MC311 liaison.

Program Manager II (Customer Service) – Relationship Manager (liaison) with MC311 and collection contractors responsible for coordination of customer service requests and timely distribution of service requests to collection contractors. Reports to Section Chief.

Program Manager II (Code Enforcement) – responsible for management of contractors and Code Enforcement Officers in the provision of refuse and recycling collection services in thirteen service areas. Reports to Section Chief; maintains high level of customer satisfaction, and assures contractors’ adherence to provision of contracts, service requirements and policy standards.

Program Manager I (Code Enforcement) – responsible for management of fleet of vehicles used by field staff. Assists Program Manager II with oversight of contractors and field personnel.

Executive Administrative Aid – Reports to Customer Service Program Manager. Responsible for administrative support for the Section. Reviews all 311 service requests to assure accuracy; quality assurance to guarantee accurate information is communicated to collection contractors. Shepherds the service requests through the system to assure timely fulfillment of services to customers.

Office Services Coordinator – Reviews 311 service requests, returns those with errors for correction; manages radio dispatch with field personnel. Provides administrative support to staff.

Program Specialist I – manages licensing of collection contractors.

- Average number of recycling collections missed per week
- Average number of refuse collections missed per week
- Average number of 311 service requests processed and fulfilled.
- Single-family Solid Waste Charge: Refuse Collection Fee

	<p>(6) Program Specialist II – Code Enforcement personnel responsible for oversight of refuse and recyclable material collection services in Subdistrict A. Serve as customer liaison.</p> <p>Program Specialist II – responsible for coordinating monthly payments to collection contractors.</p> <p>(5) Code Enforcement Inspector III - Code Enforcement personnel responsible for oversight of refuse and recyclable material collection services in Subdistrict B. Serve as customer liaison.</p> <p>(2) Public Service Worker II – responsible for repair and delivery of recycling carts, and delivery of recycling bins in thirteen service areas.</p>	
<p>Central Operations Section – has 22 personnel and manages operations at the Shady Grove Processing Facility and Transfer Station, the Recycling Center, and post-closure care responsibilities at Oaks and Gude Landfills. In addition, the remediation of the Gude Landfill and oversight of numerous operations contracts including those for the landfill gas-to-energy facilities and the Out-of-County haul contract are managed within this section. This section also performs the licensing of solid waste collectors and haulers, the enforcement of Chapter 48, Solid Waste, of the County Code, and the enforcement of Executive Regulations concerning not mixing recyclable material with</p>	<p>Section Chief - who manages personnel, oversees programs, and reviews and approves the payment of approximately \$20 million in operational and capital expenditures;</p> <p>Engineer III - the landfill engineer administers contracts for maintenance of the closed Oaks and Gude Landfills, regulatory compliance for landfill gas and leachate management and planning for the remediation of the Gude Landfill;</p> <p>(3) Program Manager II's - one oversees solid waste collector and hauler licenses, manages three Code Enforcement Inspector IIIs and one Program Specialist II, and oversees on-site enforcement activities, one oversees operations and administers the contracts for the Recycling Center and Office Paper Systems and performs planning functions for emergency debris management, and one serves as a financial manager for all cash and check management at the Transfer Station, supervises the scale house supervisors and one of the Program Manager Is, administers the out-of-county haul and other contracts and reviews and approves payments, and assists with other financial matters such as expense monitoring and budget projections.</p>	<ul style="list-style-type: none"> ▪ Number of visits related to HHW Disposal ▪ Percent of Total Municipal Solid Waste Landfilled ▪ County staffing requirements are driven by the number of hours we are open at our facilities, the need to provide customer service on a range of solid waste issues, the need to administer and oversee contracts for all our services, the need to enforce Chapter 48, and the need to meet a wide

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solid waste for disposal.

(2) Program Manager I's - one is the environmental compliance and safety manager for the Shady Grove Processing Facility and Transfer Station and oversees the preparation of numerous permitting and reporting requirements and performs frequent inspections of operations, the other serves as an assistant operations managers and deals with a wide range of operational issues including radiation detections and records, traffic management, review of scale house records, coordination and scheduling of facility repairs, and assistance with cash counting and preparation of bank deposits.

(1) Program Specialist II and (3) Code Enforcement Inspector III's - these four individuals are the field staff for addressing a wide range of day-to-day operations at the Transfer Station including assisting customers, addressing customer complaints, and dealing with problem customers,, inspecting trucks for collectors' and haulers' licenses, responding to radiation alarms, enforcing Chapter 48 of the County Code, inspecting equipment, directing traffic during busy periods and assuring the safe evacuation of areas during fires and other emergencies.

(1) Public Administration Intern – This individual manages the solid waste licensing process for businesses and vehicles.

(2) Executive Administrative Aides (Cashier Supervisors) and one (1) Office Services Coordinator (Lead Cashier) – These are the individuals who supervise the truck scale houses at the Shady Grove Transfer Station and Processing Facility which are open 60 hours per week. They organize the cash each day prior to opening, count cash and checks, operate the scales as required to cover for cashiers, run reports and deal with any type of customer problems related to deposits, weight tickets or records.

(1) Office Services Coordinator – This individual runs the administrative office of the Transfer Station. Duties include inputting all invoices into the ERP financial system for payment, managing inbound and outbound mail, assisting walk-in customers with questions about solid waste and recycling programs, cross-checking time sheets

range of regulatory requirements that require permitting, reporting and sometimes corrective actions.

	<p>and leave records for consistency, and staffing the Solid Waste Advisory Committee (SWAC), drafting meeting minutes, organizing meeting schedules and providing other administrative support to SWAC.</p> <p>(6) Refuse Disposal Cashiers – The six cashiers staff the truck scale houses at the truck entrances to the Shady Grove Processing Facility and Transfer Station which is open 60 hours per week and the Recycling Center which is open 50 hours per week. Every vehicle is weighed and recorded.</p>	
<p>The Waste Reduction and Recycling Section – Has 17 personnel, and is responsible for outreach, education, technical assistance and training on waste reduction, recycling, recycling and solid waste laws, grasscycling, backyard and on-site composting, and buying recycled goods, for the 1.5 million residents living in approximately 211,000 single-family homes and 112,000 multi-family dwelling units contained within 700 properties, and employees working in the 35,000 businesses, non-profit organizations, or government facilities located in Montgomery County. This section is responsible for ensuring that all multi-family properties and all businesses, organizations, and government facilities comply with the County’s recycling</p>	<p>Section Chief - who oversees development of policies and initiatives to increase recycling achievement; oversees all section personnel, supervises and manages six (6) direct reports, oversees workings and interactions with the Solid Waste Advisory Committee (SWAC); manages the following programs and initiatives: Recycling Outreach and Education; Recycling Volunteers; Multi-Family Recycling and Waste Reduction; Non-Residential Recycling and Waste Reduction; Recycling Investigations and Compliance; Waste Reduction; Waste Reduction of Yard Trim; oversees personnel matters for the Division; represents the Division at various local, State, Federal and citizen levels for the purpose of communicating progress and initiatives on all recycling and waste reduction issues; and oversees budgets and expenditures and takes actions as appropriate.</p> <p>Administrative Specialist II - who is responsible for personnel and human resource actions and related issues for the entire Division consisting of 79 employees. This position is responsible for initiation, preparation, processing and updating confidential personnel actions and related records; developing a variety of Division administrative and personnel related policies, procedures and forms to direct and facilitate work activities and standardize operations; recommending DSWS employee recruitment methods to best identify and recruit for best candidates and diversity; and oversight of employee training, including ensuring mandatory training requirements are met.</p>	<ul style="list-style-type: none"> ▪ Percent of Total municipal solid waste recycled ▪ Percent of MSW recycled for MF, SF, & NR sectors ▪ Tons recycled from MF, SF, & NR sectors ▪ Tons recycled overall ▪ Number of Site Visits to Provide Recycling Assistance to Businesses

regulations, Executive Regulation 15-04AM, which mandates recycling by generators of recyclable materials, and Chapter 48 of the County Code.

Program Manager II - who serves as Recycling Coordinator, and who supervises and manages three (3) staff direct reports; oversees preparation and control of outreach programs and budgets; oversees efforts to develop program initiatives to increase recycling across each of the sectors; quantifies efforts to increase non-residential recycling; quantifies efforts to increase multi-family recycling; plans and executes budgeted outreach activities to increase recycling across each sector, single-family, multi-family, and non-residential; and represents the Division in numerous forums to communicate recycling and waste reduction issues.

Program Manager I - who manages the Commercial (Non-Residential) Recycling and Waste Reduction Program, and who supervises and manages five (5) staff direct reports; formulates program initiatives to enable businesses and organizations to improve programs to recycle, reduce waste generation, and buy recycled products; provides and directs education and training to business owners, managers and employees, as well as commercial property managers and staff, to increase recycling; manages the SORRT (Smart Organizations Reduce and Recycle Tons) Program; determine ways to improve accounting for recycling that is being done in the non-residential sector, but is unreported or under-reported; work with County facilities, Montgomery County Public Schools, and other local public facilities to assist them and increase recycling; coordinate and provide lead on the Recycling Oversight Committee; develop additional initiatives and program efforts to continue outreach and education efforts that best meet the needs of constituents and customers.

Program Manager I - who manages the Multi-Family Recycling and Waste Reduction Program, and who supervises and manages (2) staff direct reports; formulates program initiatives to enable multi-family properties to improve programs to recycle, reduce waste generation, and buy recycled products; provides and directs education and training to multi-family property owners, managers, staff, as well as residents; manages the TRRAC (Think Reduce and Recycle At Apartments and Condominiums) Program; develop additional initiatives and program

efforts to continue outreach and education efforts that best meet the needs of constituents and customers.

Program Specialist II - manages the Recycling Volunteer Program, provides outreach, education and training on grasscycling and composting to residents to increase management at the source, and participates in and coordinates outreach events to educate and motivate residents to recycle more. This position is responsible for recruiting, training, and retaining a corps of dedicated volunteers who assist the Division in communicating with residents about the importance of recycling, the do's and don'ts of recycling, and why they should recycle as much as possible, etc. This position also seeks out and registers DSWS in events and activities so that the Division and its Recycling Volunteers can participate in as many opportunities as possible, in order to educate more residents and increase recycling. The Volunteer Coordinator also solicits and matches appropriate and interested volunteers to work with staff members, allowing the Division to reach the maximum number of residents possible by participating in as many (often simultaneous) events as possible throughout the year.

(4) Program Specialist II - positions are Recycling Investigators. Three of these Recycling Investigators focus on the commercial or non-residential sector, and ensure that businesses are in compliance with the recycling regulations, Executive Regulation 15-04AM, as well as Chapter 48 (Solid Waste Codes). The fourth Recycling Investigator focuses on the multi-family sector, and ensures that multi-family properties are in compliance with the recycling regulations and Chapter 48. All investigators pursue compliance issues using a progressive method that is based upon education. When there is a business or property that is not in compliance, investigators explain what the violation is, and exactly what needs to be done to get the situation into compliance. Compliance is the goal in order to bring about more recycling. Progressive steps are: verbal warnings, issuance of notices of violation, issuance of citations, requesting of abatement orders, etc. The desired outcome is to achieve compliance as early in the process as possible.

	<p>(5) Program Specialist I - positions are Business Recycling Education Specialists, who work one-on-one with the 35,000 businesses, non-profit organizations, and government facilities in the County, providing direct service to those businesses. Each Business Recycling Education Specialist is required to conduct 45 site visits each week, during which the specialist meets with a representative (s) of the business or organization, walks through the site, notates any site constraints or physical requirements, conducts a waste audit, observes the core business conducted, and provides specific and targeted recommendations on how the business can improve its recycling program and increase the amount of materials recycled. In addition, these positions provide in-house training to management, staff and employees to ensure that they understand the importance of recycling, the proper methods of recycling, and recycle as much as possible.</p> <p>(2) Program Specialist I - positions are Multi-Family Recycling Education Specialists, who work one-on-one with the multi-family properties, providing direct service to those properties. Each Multi-Family Recycling Education Specialist is required to conduct 35 site visits each week, during which the specialist meets with a representative (s) of the property, walks through the site, conducts a waste audit, observes the layout and design of the units and site, and provides specific and targeted recommendations on how the property can improve its recycling program and increase the amount of materials recycled. In addition, these positions provide on-site training to property management, site staff and residents to ensure that they understand the importance of recycling, the proper methods of recycling, and recycle as much as possible.</p>	
<p>Business Section – Has 14 personnel and this program provides budget management, program and management analysis, contract administration, and administrative</p>	<p>Business Manager - Manage the process to assure charges and revenue are consistent with fiscal targets; to assure that rates and charges are fully integrated with budget process, provide revenue consistent with fiscal targets, and are equitable and fully defensible as user fees. Oversee management of hauler credit account billing system. Demonstrate ability to develop creative and innovative solutions to</p>	<ul style="list-style-type: none"> ▪ Single-Family Solid Waste charge ▪ Contract administration of over 50 contracts ▪ Budget formulation,

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support; manages enterprise fund business processes and supports solid waste policy issues through system evaluation and analysis which includes rate setting and fiscal health management; performs financial analysis of enterprise funds; and revenue forecasting and enhancement; hauler billing processing; system-wide tonnage tracking and reporting; maintain waste statistical waste generation data; provide for overall operation and maintenance of existing computer equipment, as well as the purchase of any new automation equipment and technology.

complex fiscal and program management issues. Demonstrate ability to manage entire financial management process, research, reconcile and analyze financial data, establish and maintain internal controls, and generate timely, accurate, and consistent financial reports. Complete competent and useful solid waste systems evaluation and analyses in support of policy issues of importance to the DSWS.

Sr. Financial Specialist - Perform development of Solid Waste System Disposal Rates. Work with the Business Manager in carrying out the annual rate setting process; work with the Budget Specialist to obtain the necessary data for the rate model; assist office of Management and Budget in understanding how the rates are developed. Maintain documentation for the rate model and update the model and its documentation to reflect policy changes.

Management & Budget Specialist III - Compile, analyze, document, and prepare the annual operating and biannual CIP budgets for the Division of Solid Waste. Present and justify Division's operating budget before Division Chief, Department Director, OMB, and County Council. Work closely with Solid Waste management team, DEP Director's Office, OMB, and budget managers from other departments in order to successfully complete both submissions. Perform analysis in preparing the Division's Operating and CIP budget submissions.

Accountant/Auditor III - Track waste stream tonnages using mass-balance spreadsheet. Prepare the mass-balance spreadsheet for both the fiscal and calendar years; Perform calculations for both the "Research and Development" and "Future System Contingency Fund." Satisfy requests from internal or external sources for various reports such as verifying waste stream tonnages, comment on miscellaneous studies by consultants or others in DSWS based on experience and/or new information gathering. Prepare charts based on data gathered for presentation to management. Prepare the capital reserve calculation according to Master Authorization, Section 5.14 and submit calculation to contracted engineer for verification. Perform monthly audits/reviews of all DSWS P-card purchases. Reconcile and process invoices using

- review and analysis
- Rate setting and fiscal health management
 - Tonnage tracking and forecasting
 - Monitor changes in State property database and billing system

the ERP Oracle – E –Business system. Responsibilities include managing approximately 145 difference waste hauler accounts (issue invoices, ensure timely collection, research and resolve problem accounts, and disposition of delinquent accounts).

(2) Administrative Spec II – One position performs the following:
Perform cash and budget management functions such as perform quality assurance on cash management practices at the Transfer Station by reconciling monthly bank statements with incoming cash and checks to the Transfer Station and assist with compiling information for the annual budget submission; maintain Fixed Assets database and serve as the Division's fixed asset designee with County Finance and other external agencies; prepare reports and research replacement cost formulas to add into the database; perform revenue tracking, reconciling tons and tipping fee revenues monthly, assessing externalities affecting waste export and tons delivered; verify all quantitative data regarding the monthly report ensuring that the amounts are accurate before the report is published. The other position performs **contract administration functions:** Administer Public Outreach and Engineering Contracts including the review of Task Orders; Ensures all task orders are issued, evaluated, and awarded within contract requirements. Provide procurement support on Refuse and Recycling Contracts, including monitoring required contractor reports, updating records with current insurance certificates and performance bond documentation, drafting amendments, providing recommendations for price increases, and ensuring timely renewal of contracts. Prepare monthly task order expenditure reports, outreach budget tracking reports, and invoice payment spreadsheets for management and staff. Review and approve all Division procurements and payments for accuracy and completeness. Process change orders to increase and decrease purchase orders amounts as requested. ensure the required funds are available and properly allocated prior to the creation of purchase orders.

Program Spec II – performs Database Maintenance and Property Billing to review approximately 270,000 real property tax accounts to assure correct billing status for the Solid Waste charges on their tax

bills; resolve problem accounts and process adjustments resulting from nonresidential appeals. Monitor changes in the State property database, research approximately 2,500 new properties annually; update the County's real property billing system for accurate solid waste charge codes. Manually update each property account using the mainframe (IMS) and coordinate with DTS to correct any issues. Receive quarterly updates come from DTS in electronic format, then work with DTS to convert new property changes and send DTS data electronically; Convert quarterly house count into a PDF format, send to contractors and also email data to collection contractors.

Office Services Coordinator - Track payments and requisitions and notify Division staff of payments. Verify that packing slips agree with merchandise received and make note of any exceptions. Check invoices for accuracy, verify prices and codes, and check computations before processing payment. Ensure appropriate staff members have approved invoices for payment before entering into ERP Oracle System. Using appropriate procedures, enter payments into ERP. Research and resolve problems with purchase orders and payments.

(2) Information Tech Spec III – One position functions as an *IT project manager and systems administrator* that evaluates proposed IT solutions and communicates technological solution alternatives including costs and time frames to Sr. Management for decision making; provides solutions for DSWS organizational processes, functional needs, or problem resolution; Stay abreast of current technologies and how they can assist with financial and operations systems technological solutions; Develops a comprehensive set of network and server operations standards, practices, metrics and reporting requirements and develop and implement IT skills matrix and cross training plan; Relate potential impacts of technological solutions on the organization in terms of efficiencies introduced, manual processes eliminated, and cost and resource savings; Trouble shoot, develop and carryout maintenance plans, upgrade hardware and software as necessary for Java/Oracle, SQL Server, or MS Access Application; Trouble shoot, develop and carryout maintenance plans,

upgrade hardware and software as necessary Paradigm Software-Transfer Station Compuweigh/Weighstation Software. The other position functions as a **web developer and social media specialist**: Manage Division’s website certification to ensure that content is current and accurate. Maintain inventory of Division web pages to be certified, with page assignments to managers; Update pages as required Create and maintain static and dynamic web content so that it is current and accurate, writing specifically for the web, and using plain language techniques; Update, revise, or remove content in a timely manner Develop and maintain site architecture; Identify opportunities for new web applications/services; design and develop new applications, and enhance existing ones; Determine, design, and create user interfaces.

(2) Information Technology Spec II – One position functions as a **data and GIS specialist**: responsibilities include Maintain and continually improve GIS skills; Complete periodic training; Effectively present information and respond to questions from managers, clients and customers; Write reports and routine business correspondence as needed; Provide on-line access to maps and to SWS related data to DSWS staff; Demonstrate data analysis potential using Division data and GIS capabilities; Install software and upgrades; Diagnose and correct DSWS user issues including connectivity, username/password maintenance, plotter usage; Support other members of the IT staff as needed Participate as data migration team member; Participate as User Acceptance Training (UAT) team member; Maintain routes and route boundaries data and meta-data for Trash, Recycling, and Yard Trim Maintain the data in the Division’s online collection day lookup; Maintain data and meta-data associated with all Division’s GIS data or layers; Develop, document and maintain tools, techniques, and procedures to effectively maintain and utilize Division data. The other position include **user support and server administrator**: Troubleshoot and assist internal staff with automation equipment for the smooth performance of the day-to-day Solid Waste operation; evaluate and assess technical situations, provide problem analysis and course of action, report results/progress to IT Specialist III; Support Division’s desktop computers and laptops. Trouble shoot, develop and carryout

	<p>maintenance plans, upgrade hardware and software as necessary; Update and maintain inventory of automation hardware as needed; Analyze, research, maintain, test software applications and systems as necessary to meet the needs of the division. Research, recommend, and install upgrades for existing software for Solid Waste staff. Research and recommend new software that would increase the day-to-day operations of Solid Waste.</p>	
<p>Northern Operations & Strategic Planning – Has five personnel and this program provides for the operation of the Montgomery County Resource Recovery Facility (RRF); the Dickerson Compost Facility; and management of Site 2. Also included are the planning and development of solid waste programs in accordance with the mandates of the County’s Ten year Comprehensive Solid Waste Management Plan; and functions for the implementation of the Dickerson Solid Waste Facilities Master Plan.</p>	<p>Chief - manages the activities of the Section and conducts periodic special environmental assessments related to Resource Recovery Facility emissions.</p> <p>Sr. Engineer - manages the County’s contract with the Northeast Maryland Waste Disposal Authority for operation of the Resource Recovery Facility (RRF). Situated with a permanent office in the facility RRF, Joe is the County’s eyes and ears at the RRF. He also manages the County-owned properties known as “Site 2” held in reserve for a future possible landfill.</p> <p>Engineer III - provides technical support to the Division’s planning and analysis activities and manages scheduled periodic and ad hoc technical studies. These include periodic updates of the County’s Ten Year Comprehensive Solid Waste Management Plan, waste composition “Tip & Sort” studies, system wide accounting of greenhouse gas and NOx emissions, and waste management technology assessments.</p> <p>Program Manager II - manages the Compost Facility contract which includes grinding operations at the Transfer Station, oversees implementation of the Dickerson Facilities Master Plan, provides support to the Dickerson Facilities Implementation Group (DAFIG), and other special projects. A recent success was development and deployment of a Deer Management Program for County-owned lands in the Dickerson area.</p> <p>Sr. Planning Specialist - provides support to the Division in the Strategic Planning Process, identifies near and long term planning and</p>	<ul style="list-style-type: none"> ▪ Percent of Total Municipal Solid Waste Landfilled

	<p>study needs, facilitates Managers and work group processes, and personally conducts special studies as needed. Current priorities include food waste composting, expansion of recyclable materials (an REOI soon to be issued), and development of an ISO 14001 Environmental Management System for the Dickerson Composting Facility.</p>	
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Resolution No.: _____
Introduced: _____
Adopted: _____

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the request of the County Executive

SUBJECT: Solid Waste Service Charges

Background

1. Under County Code Section 48-31, each fiscal year the County Council must, by resolution, set the base solid waste charges, the residential system benefit charges, and the nonresidential system benefits charges and all other solid waste service, collection, and disposal charges and fees.
2. Under County Code Section 48-8A(b)(1), the County Council must set, each fiscal year by resolution, the rates for the residential and nonresidential systems benefit charges.
3. Under County Code Section 48-47(c)(1) and (2), the County has established a Leaf Recycling Service Area in which special fees are charged for leaf recycling services.
4. On March 15, 2011, the County Executive recommended, effective July 1, 2011, solid waste charges including residential Base Systems Benefit Charges which, when multiplied by the generation rates (set by Executive Regulation 4-11), yield household charges for FY 2012:

Refuse Collection Charge:

For single-family households and dwellings in buildings with six or fewer dwelling units located within Sub-district A, the Solid Waste Refuse Collection District:

Once weekly refuse collection charge \$70.00 / Household

Disposal Fee (Applies to All Single-Family Households and Dwellings in Buildings Comprised of Six or Fewer Dwelling Units Outside of Municipalities)

Disposal fee (tip fee * tons disposed per household) $\$56.00 \times 0.86982 =$
\$48.71 / Household

Systems Benefit Charges for Single-Family Households and Dwellings in Buildings Comprised of Six or Fewer Dwelling Units:

Base Systems Benefit Charges =

Base costs / Ton x Generation / Household - Offset from Disposal Fees:
 $\$53.96404 / \text{Ton} \times 1.8616 \text{ Ton} / \text{Household (ER 4-11)} - \$48.71 / \text{Household} =$
\$51.75 / Household

Incremental Systems Benefit Charges =

Charge Rate (\$ / Ton Waste Generated) x Generation / Household:
 $\$60.8616 \times 1.8616 = \$113.30 / \text{Household}$

Systems Benefit Charges for Multi-Family Properties in Buildings Comprised of Seven or Greater Dwelling Units (Charge per Dwelling Unit):

Base Systems Benefit Charges =

Base Cost / Ton x Tons Generated / Dwelling - Tip Fee Offsets
 $\$53.96404 / \text{Ton} \times 0.7484 \text{ Ton} / \text{Dwelling (ER 4-11)} - \$26.56 / \text{Dwelling} =$
\$13.82 / Dwelling

Incremental Systems Benefit Charges =

Charge Rate (\$/Ton Waste Generated) x Generation / Dwelling:
 $\$3.8868 \times 0.7484 = \$2.91 / \text{Dwelling}$

Total multi-family Systems Benefit Charges on property bill \$16.73 / Dwelling

Nonresidential Properties:

Base and Incremental System Benefit Charge rates by waste generation category per billable unit of 2,000 square feet of gross floor area of property improvement on real property as reported by the State Department of Assessments and Taxation:

<u>Generator Category</u>	<u>Base (\$/GFA Unit)</u>	<u>Incremental (\$/GFA Unit)</u>	<u>Total (\$/GFA Unit)</u>
Low	\$ 124.39	\$ -12.68	\$ 111.71
Medium Low	\$ 373.17	\$ -38.04	\$ 335.13
Medium	\$ 621.95	\$ -63.41	\$ 558.54
Medium High	\$ 870.73	\$ -88.77	\$ 781.96
High	\$1,119.51	\$ -114.13	\$1,005.38

Base Solid Waste Charges per ton for solid waste:

Refuse received at the Transfer Station (weighing > 500 pounds/load)	\$ 56.00
Refuse received at the Transfer Station (weighing < 500 pounds/load)	\$ 0.00
Materials delivered for disposal in open-top roll-off boxes	\$ 66.00
Commercial Yard Trim received at the Transfer Station	\$ 46.00
Scrap metal delivered to the Transfer Station	\$ 0.00
Recyclable paper received at the County's Recycling Center	\$ 0.00
Commingled containers received at the County's Recycling Center	\$ 0.00
Source separated recyclable materials dropped off at the recycling drop-off area of the Transfer Station	\$ 0.00

Leaf Vacuuming charge in the Leaf Recycling Service Area:

Single-family Household	\$ 88.91
Multi-family Residential Unit	\$ 3.83

Action

The County Council approves the above solid waste charges, effective July 1, 2011.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council