

MEMORANDUM

April 12, 2012

TO: Transportation, Infrastructure, Energy & Environment Committee

FROM:  Keith Levchenko, Senior Legislative Analyst

SUBJECT: **FY13 Operating Budget:** Department of Environmental Protection (DEP)-Division of Solid Waste Services Operating Budget and FY13 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.
- Recommended follow-up items (with suggested timeframe) include:
 - Recycling update and discussion of long-term goals (Summer or Fall 2012)
 - Food waste composting pilot project results (Winter 2012-13)
 - Gude Drive Landfill remediation update (TBD)

The following officials and staff will be attending this meeting:

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

Attachments to this memorandum include:

- DSWS Excerpt from the County Executive's FY13 Recommended Budget (©1-16)
- DSWS – Section and Position Responsibilities Chart (©17-31)
- Material Flow Diagram Fiscal Year 2011 (©32)
- FY09 Waste Composition Study Summary Table: Waste Recycling by Material Type (©33)

- Solid Waste System Disposal Fund, Rate Setting Methodology, FY13 Rate Case (©34)
- Resolution to Approve FY13 Solid Waste Service Charges (©35-39)
- Solid Waste Advisory Committee Comments on the FY13 Recommended Budget (©40)

OVERVIEW

Expenditure Summary

For FY13, the Executive recommends total expenditures of \$108.4 million for the Division of Solid Waste Services, a \$1.5 million increase (or 1.4%) from the FY12 approved budget.

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

	Approved FY12	Rec FY13	Change from FY12	
			\$\$\$	%
Personnel Costs	9,907,600	10,418,958	511,358	5.2%
Operating Expenses	96,319,430	97,368,616	1,049,186	1.1%
Capital Outlay	662,980	628,500	(34,480)	-
Total	106,890,010	108,416,074	1,526,064	1.4%
Full-Time Positions	79	79	-	0.0%
Part-Time Positions	-	-	-	n/a
Workyears/FTEs	102.9	103.4	0.5	0.5%

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 FY13, DSWS' recommended position complement is 79 full time positions; the same as for FY12. As part of the County's migration to a new budgeting system, workyears have been converted to "full-time equivalents" (FTEs) for FY13. The difference between workyears in FY12 and FTEs in FY13 (up 0.5) is a result of technical adjustments associated with this conversion and not related to changes in actual staffing.

Last year, at Council Staff's request, DSWS provided a chart showing the section and position responsibilities in DSWS (see ©17-31); these have not changed substantially since then. 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.

For FY13, lapse is recommended at the same level as FY12 (\$104,249). For FY13, the conversion from workyears to FTEs has eliminated the -2.12 workyears associated with the lapse in FY12.

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 in FY10. DSWS includes a material flow diagram on the DEP website that shows the many streams involved with regard to County waste and the volumes (by fiscal year) for each stream. The calculations of recycling rates under various assumptions are included as well. The FY11 diagram is attached on ©32.

Resource Recovery Facility

Processible Tons of Waste to the Resource Recovery Facility (RRF) for FY13: 587,100 tons (17,100 tons above the projection of 580,000 tons for FY12). 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 resulted in a downward trend in tonnages in FY09, with a bottoming out in FY10 (at 535,980 tons). However, tonnages went back up in FY11 and are projected to continue to increase in FY12 and FY13 and beyond. Table 2 (below) shows the RRF tonnage throughput calculation from the FY10 actual through the FY13 projection.

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

	FY10 actual		FY11 Actual		FY12 Projected		FY13 Projected	
	% of MSW	Tons	% of MSW	Tons	% of MSW	Tons	% of MSW	Tons
Total Municipal Solid Waste (MSW) (in tons)*		1,080,346		1,120,143		1,131,876		1,142,996
Recycling Rate/Tons	43.6%	471,361	43.8%	496,953	44.0%	504,853	44.4%	514,274
Exportation Rate/Tons	14.0%	151,149	13.2%	148,296	6.1%	69,563	6.2%	71,262
Processable Waste to RRF	42.4%	457,836	42.4%	474,894	49.3%	557,460	48.8%	557,460
addback metals from ash (counted in recycling)	1.1%	11,653	1.1%	12,575	1.1%	12,540	1.1%	12,540
Total RRF MSW Burned	43.5%	469,489	43.5%	487,469	50.4%	570,000	49.9%	570,000
Construction/Demotion Debris (C/D) Burned		66,491		77,971		tbd		tbd
Total RRF Throughput (MSW+C/D)		535,980		565,440		570,000		587,100
% of permit level (permit level = 657,000)		81.6%		86.1%		86.8%		89.4%

*MSW actuals do not include C/D. FY12 and beyond numbers do not break out C/D from MSW.

Recycling Rate

The recycling rate increased in FY11 after a slight dip in FY10 and is expected to continue to increase in FY12 and beyond (as overall tonnages increase and additional programs are implemented) (see Table #3, below). The recent 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 (FY11 % of waste generated)	FY05	FY06	FY07	FY08	FY09	FY10	FY11	FY12 Proj	FY13 Proj
Single Family (41.5%)	54.8%	55.7%	56.2%	55.8%	54.3%	52.1%	52.2%	52.2%	52.2%
Multi-Family (7.4%)	12.1%	12.1%	13.5%	13.7%	14.1%	14.0%	14.4%	14.5%	14.5%
Non-Residential (51.0%)	33.9%	34.7%	37.3%	40.0%	40.1%	40.8%	42.4%	43.0%	43.8%
COMBINED	41.1%	41.7%	43.2%	44.3%	44.2%	43.6%	44.4%	44.6%	45.0%

DSWS estimates that under current strategies, the recycling rate will rise to approximately 46 percent by FY18.

Every few years, DSWS does a waste composition study to better understand the mix of different materials in the County's waste stream. Based on this study, DSWS can extrapolate recycling percentages for different materials and identify opportunities where improvement is possible. The most recent study was done in FY09. A new study is recommended for funding in FY13 (\$192,670). Summary information from the FY09 study is attached on ©33. Non-residential recycling and food waste recycling continue to be two areas of opportunity for increasing the recycling rate.

DSWS implemented a one-year food waste composting pilot project at the Executive Office Building in November 2011. Below is an update from DSWS on this pilot project:

The food waste recycling project kicked off on November 1, 2011, and has been underway since that date. At this point, we have implemented what we believe to be the most appropriate management practices covering all aspects of the program, we monitor the program daily, and are troubleshooting and making any necessary adjustments in order to confirm and establish sustained best management practices. In addition, we are generating our own data, as well as collecting data from other sources, on the amounts of food waste collected for recycling.

On December 22, 2011, we received notice from the food waste composting facility where the collector was delivering the food waste to that they were no longer accepting food waste from any sources for recycling. Quickly, we contacted the only other operational facility we are aware of in the region that currently accepts extremely limited amounts of food waste for recycling, but which is operating as of now only on a pilot basis. They have agreed to accept the food waste from our recycling project for the time being. In the meantime, we continue to work with the Maryland Department of the Environment as well as the Metropolitan Washington Council of Governments on the broader issue of regional capacity for food waste recycling.

Our food waste recycling project is a 12-month study: this year long period of time will reflect any seasonal fluctuations which may impact generation throughout the course of a year; any seasonal conditions which may impact and necessitate special considerations for food waste storage issues; and will allow for an adequate duration to experience any issues which may arise in the process of establishing and maintaining a food waste recycling program. A complete assessment will be done at the completion of the 12-month study. The overall pilot goals are to: increase the amount of material recycled by the EOB, educate DEP staff on the best ways to establish and advise future customers on food waste recycling program start-ups, develop and produce an implementation ready set of "best management practice guidelines" that we hope will be deployed to start up additional food waste composting programs in County businesses.

As noted in the DSWS update, finding facilities to accept food waste continues to be a challenge. **Council Staff suggests that DEP brief the Council on the results of this pilot project next winter.**

The Solid Waste Advisory Committee's comments on the FY13 Recommended Budget (attached on ©40) speak to a number of positive trends in DSWS's recycling efforts and recommends support for the County Executive's FY13 Recommended Budget for Solid Waste.

The County's long-time recycling goal for many years has been to recycle 50 percent of our municipal solid waste by 2010. While we did not achieve that goal, our recycling numbers stack up

well with comparable jurisdictions throughout the country. The question now is, what recycling goal (or goals, if any) should the County move forward with for the future? These goals should be considered in the context of the County’s overall solid waste management strategy: reduce, reuse, recycle, incinerate, landfill. **Council Staff suggests that the recycling rate and long-term solid waste goals should be discussed in more detail after the budget.**

Compost Facility

Compost Facility Tonnage for FY13: 66,477 tons (a slight increase of 546 tons from FY12). The operating limit (based on an agreement with the Sugarloaf Citizens Association) is 77,000 tons per year. Last year, commercial yard trim tipping fees were increased (from \$40 to \$46) to slow the curve of any tonnage increases by encouraging more “grasscycling.” The commercial yard trim tipping fee is recommended to remain unchanged at \$46 per ton for FY13.

SOLID WASTE COLLECTION FUND EXPENDITURES

The Solid Waste Services budget is divided into two enterprise funds: Collection and Disposal. These 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 FY12	Rec FY13	Change from FY11 \$\$\$	%
Personnel Costs	1,172,280	1,232,735	60,455	5.2%
Operating Expenses	5,109,540	4,934,170	(175,370)	-3.4%
Capital Outlay	-	-	-	-
Total	6,281,820	6,166,905	(114,915)	-1.8%
Full-Time Positions	5	5	-	0.0%
Part-Time Positions			-	n/a
Workyears/FTEs	11.80	11.19	-0.61	-5.2%

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 1.8 percent (\$114,915). All of the changes in FY13 are technical adjustments, as shown on ©9. No changes in service levels are assumed. The workyear reduction is a technical adjustment resulting from the conversion from workyears to full-time equivalents (FTEs).

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 (-\$168,090) as a result of lower bid prices across contracts bid since FY11. 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, and 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 FY12	Rec FY13	Change from FY11 \$\$\$	%
Personnel Costs	8,735,320	9,186,223	450,903	5.2%
Operating Expenses	91,209,890	92,434,446	1,224,556	1.3%
Capital Outlay	662,980	628,500	(34,480)	-
Total	100,608,190	102,249,169	1,640,979	1.6%
Full-Time Positions	74	74	-	0.0%
Part-Time Positions	0	0	-	n/a
Workyears/FTEs	91.10	92.20	1.10	1.2%

Solid Waste Disposal Fund expenditures are recommended to increase by 1.6 percent (\$1.6 million). 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. Currently, 90% of the 125 truck fleet has been converted to CNG. The remaining 10% will go into service on June 4, 2012. Currently, all three contractors are using the CNG fueling facility at Crabbs Branch. One of the three contractors is in the process of building their own station, to be located at its facility.

Fund). The following chart breaks out the major cost changes in this program. Overall, program expenditures are up about \$676,000 from FY12.

**Table #6
RRF Program Costs**

	FY12 Approved	Rec FY13	Change
Net Debt Service	26,679,025	26,068,481	(610,544)
Operating Contract	25,433,569	25,600,506	166,937
Rail Engine Service Fee	2,865,712	3,044,772	179,060
Non-Processible Waste	187,476	157,588	(29,888)
Waste Processed	353,293	351,247	(2,046)
Electric Sales Revenue	(17,162,795)	(14,962,141)	2,200,654
Recycled Ferrous Revenue	(721,050)	(592,116)	128,934
Other NMWDA Contract Costs	4,263,024	3,116,066	(1,146,958)
Charges from Risk Management	758,060	707,000	(51,060)
Other Miscellaneous	424,192	265,240	(158,952)
Totals	43,080,506	43,756,643	676,137

Some highlights of these changes include:

- Debt service costs are based on a set amortization schedule. Debt service is dropping in FY13 and all debt service payments will end in April 2016.
- A decrease in electric sales revenue is expected (which means a lower offset to expenditures). This is the single-biggest cost increase in this program. Electricity revenue is affected by a number of factors, including: tonnage levels, waste composition, electric market rates, and operations. The biggest factor in the reduced revenue is the decline in energy prices by about 15 percent.
- The Council recently approved a contract extension between the Northeast Maryland Waste Disposal Authority (NMWDA) and Covanta (the operator of the RRF). This extension included a number of contract changes favorable to the County. These changes are incorporated into the FY13 budget numbers. For further details regarding these contract changes, please see the Council Staff packet from March 27 (agenda item #3E) available for download at:
http://montgomerycountymd.granicus.com/MapView.php?view_id=6&clip_id=2652&meta_id=32140

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 largest program in the Solid Waste budget (behind the RRF). For FY13, \$16.8 million is budgeted for contracts with three haulers. Costs are up slightly in these contracts, due to house counts and CPI adjustments.

Gude Landfill

Remediation planning in coordination with the Maryland Department of the Environment (MDE) is ongoing. DEP is requesting an additional \$412,369 for additional study dollars as part of the Solid Waste Disposal Fund budget for FY13.

An update on the planning work, from DSWS staff, is provided below. DEP expects at least another year of study and discussions with MDE regarding which corrective measures to pursue. Depending on the timing of the completion of the planning work and the resulting measures to be undertaken, a future CIP amendment may be requested in FY13 or FY14.

On March 13, 2012, the Maryland Department of the Environment (MDE) notified DEP that they have accepted the findings of the Nature and Extent Report Amendment No. 1 for the Gude Landfill. This means that MDE agrees that DEP has properly defined how far the low level Volatile Organic Compound (VOC) groundwater contamination extends beyond the landfill and the constituents that are present. MDE requested that within sixty (60) days of their approval, we provide them with a schedule for the final Assessment of Corrective Measures (ACM) Report. The ACM will evaluate various individual and combinations of remediation technologies such as capping the landfill with a synthetic membrane, injecting nutrients and bacteria into the soil that will accelerate the biodegradation of the VOCs, mining waste from certain areas and replacing it with clean soil, creating impermeable or semi-permeable barriers, and the no action alternative, i.e., letting nature take its course continuing the natural degradation of contaminants over time. The ACM may include some pilot field tests (this is yet to be discussed with MDE). The ACM is estimated to take approximately one year given that there may be some back and forth discussions with MDE, taking us to about May 2013. The final ACM report will include a specific recommendation for how to approach the remediation of the site. Once MDE approves the final recommendation, we will be able to better define the time required for design and implementation. Actual costs could range from several million dollars to \$30 million dollars or more. It is important to note that while all this is going on, DEP still performs routine post-closure care of the landfill including operating the gas management system, maintaining the soil cap, correcting any erosion or ponding, repairing leachate seeps, and conducting routine monitoring of groundwater quality management. The additional costs of about \$400,000 in the operating budget is for engineering services related to the planned remediation and also includes about \$75,000 for more aggressive dewatering of areas that tend to get saturated with water and adversely affect the efficiency of the gas collection system.

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 ©15 for descriptions of the different charges). Solid waste charges are established through an annual Council resolution (introduced on March 27 and attached on ©36-39). A public hearing will be held on April 24. The Council will take action on the solid waste charges in mid-May.

Refuse collection charges (i.e., for Subdistrict A where the County contracts directly with haulers) support the Solid Waste Collection Fund and are set with a policy goal of keeping retained earnings at a level of 10 percent to 15 percent of resources across the six-year fiscal period. See ©13.

The Solid Waste Disposal Charges are developed through a complex rate model (see summary document on ©34). DSWS calculates the necessary rates for each sector to cover both base and incremental costs. Rate smoothing with available fund balance is also done across a six-year projection period, both at the macro level and within each sector. The policy goal is to have \$1.0 million cash reserve in the Disposal Fund at the end of the six-year fiscal period. See ©14.

The FY12 approved charges and the FY13 recommended charges are presented below:

**Table #7
Solid Waste Charges (FY12 and FY13)**

Charge	Approved FY12	CE Rec. FY13	Percent Change
SINGLE FAMILY			
Base Systems Benefit Charge	\$51.75	\$55.77	7.8%
Incremental Systems Benefit Charge	\$113.30	\$109.22	-3.6%
Disposal Fee	\$48.71	\$48.77	0.1%
Leaf Vacuuming Charge	\$88.91	\$88.91	0.0%
Refuse Collection Charge	\$70.00	\$66.00	-5.7%
Total Charges, Households Receiving:			
Recycling Collection Only	\$213.76	\$213.76	0.0%
Recycling and Leaf Collection	\$302.67	\$302.67	0.0%
Recycling and Refuse Collection	\$283.76	\$279.76	-1.4%
Recycling, Leaf and Refuse Collection	\$372.67	\$368.67	-1.1%
MULTI-FAMILY			
Base Systems Benefit Charge	\$13.82	\$16.66	20.5%
Incremental Systems Benefit Charge	\$2.91	\$0.074	-97.5%
Leaf Vacuuming Charge	\$3.83	\$3.83	0.0%
Total Charges			
Units inside Leaf Vacuuming District	\$20.56	\$20.56	0.0%
Units outside Leaf Vacuuming District	\$16.73	\$16.73	0.0%
NONRESIDENTIAL			
(by waste generation category per 2,000 sq. feet of gross floor area)			
Low	\$111.71	\$117.97	5.6%
Medium Low	\$335.13	\$353.90	5.6%
Medium	\$558.54	\$589.84	5.6%
Medium High	\$781.96	\$825.77	5.6%
High	\$1,005.38	\$1,061.70	5.6%
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	\$66.00	\$66.00	0.0%
Commercial Yard Trim	\$46.00	\$46.00	0.0%
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 FY13, base system costs are about \$64.5 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 FY13, incremental systems benefit costs are about \$20.6 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 balance reserve 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 FY13, single-family properties are recommended to see flat or slightly declining rates, depending on the exact services provided (among refuse, recycling, and leaf collection). Multi-family charges (with or without the leaf vacuuming charge) are recommended to remain the same as in FY12.

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 5.6 percent for FY13, 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 per ton 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 were increased last year (from \$60 to \$66 per ton and \$40 to \$46 per ton respectively). No increases are recommended this year. Open top containers tend to contain construction and demolition (C/D) debris, some of which can be processed at the RRF and some of 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.

5. Refuse Collection Charge

The Executive proposes decreasing the FY13 refuse collection fee from \$70.00 to \$66.00 per household. This fee is paid by homeowners in Subdistrict A for 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 FY13.

The rates for FY13 represent flat or modest increases which, in turn, are reflective of an FY13 Solid Waste budget request that includes only modest incremental changes as well. Council Staff concurs with the FY13 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. The current regulation for FY13 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 FY13 Budget as recommended by the County Executive.**
- **Approve the FY13 Solid Waste Charges as recommended by the County Executive.**
- **Recommended follow-up items (with suggested timeframe) include:**
 - **Recycling Update and Long-term Goals (Summer or Fall 2012)**
 - **Food Waste Composting Pilot Project Results (Winter 2012-13)**
 - **Gude Drive Landfill Remediation Update (TBD)**

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 percent 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 FY13 Operating Budget for the Division of Solid Waste Services is \$108,416,074, an increase of \$1,526,064 or 1.4 percent from the FY12 Approved Budget of \$106,890,010. Personnel Costs comprise 9.6 percent of the budget for 79 full-time positions for 103.39 FTEs. Operating Expenses, Capital Outlay, and Debt Service account for the remaining 90.4 percent of the FY13 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 FY12 estimates reflect funding based on the FY12 approved budget. The FY13 and FY14 figures are performance targets based on the FY13 recommended budget and funding for comparable service levels in FY14.

ACCOMPLISHMENTS AND INITIATIVES

- ❖ ***Out-of-County Haul program reduced costs by approximately \$400,000 to \$500,000 per year through amending the contract with Brunswick Waste Management, LLC to allow the beneficial use of ash for Alternate Daily Cover at modern permitted landfills owned by Republic Services and as road base material within the confines of these modern landfills.***
- ❖ ***Increased the number of locations where residents can obtain compost bins from 16 to 17 distribution sites. Fourteen of the sites (up from 10 last year) have evening and/or weekend hours allowing residents more opportunities to obtain a compost bin.***
- ❖ ***Revised the County's contract with Covanta to save \$20 million over the next ten years.***

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, revenue forecasting and enhancement, ratepayer database management, hauler billing processing, and system-wide tonnage tracking and reporting; maintain statistical waste generation data, headline 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 FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
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)	209.85	209.85	213.76	213.76	221.27

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	3,334,680	14.80
Increase Cost: DEP Chargebacks	1,092	0.00
Technical Adj: Annualization of FY12 Personnel Costs	0	-0.01
Decrease Cost: Finance Chargeback - Property Tax Bills	-160	0.00
Decrease Cost: County Attorney Chargeback - Collection	-540	0.00
Decrease Cost: County Attorney Chargeback - Disposal	-10,979	0.00
Decrease Cost: Automation	-50,000	0.00
Decrease Cost: Administration - Annualization of Operating Activities	-56,507	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	-112,182	2.67
FY13 CE Recommended	3,105,404	17.46

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, reuse, 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. All program initiatives and services apply to not-for-profit organizations, as well as federal, state and local government facilities.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	1,727,540	10.50
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	65,432	0.00
FY13 CE Recommended	1,792,972	10.50

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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	4,008,750	0.00
Decrease Cost: Debt Service - Annualization of Operating Cost	-1,189,500	0.00
FY13 CE Recommended	2,819,250	0.00

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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	2,821,750	1.10
Increase Cost: Compost Facility (adjustment for equipment maintenance)	65,000	0.00
Increase Cost: Compost Facility - Contract cost increase	32,769	0.00

	Expenditures	FTEs
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	757,011	0.05
FY13 CE Recommended	3,676,530	1.15

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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	90,140	0.60
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	4,494	-0.03
FY13 CE Recommended	94,634	0.57

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 remediation mandated by the Maryland Department of the Environment 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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	503,140	1.30
Increase Cost: Gude Landfill - Studies related to remediation	412,369	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	-27,747	0.01
FY13 CE Recommended	887,762	1.31

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 management facilities.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	1,051,300	0.00
Increase Cost: Household Hazardous Waste - Contract cost increase	25,515	0.00
Decrease Cost: Household Hazardous Waste - Advertising	-100,000	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	-3	0.00
FY13 CE Recommended	976,812	0.00

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 (RRF).

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	1,093,730	10.40
Increase Cost: DHCA Chargeback	9,724	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	33,985	-0.07
FY13 CE Recommended	1,137,439	10.33

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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	1,495,310	0.60
Increase Cost: Oaks Landfill - Contract cost increase	113,028	0.00
Decrease Cost: Oaks Landfill - Leachate Hauling	-200,000	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	141,711	-0.08
FY13 CE Recommended	1,550,049	0.52

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 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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	10,806,340	1.00
Increase Cost: Out-of-County Haul - Contract cost increase	352,570	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	26,287	0.00
FY13 CE Recommended	11,185,197	1.00

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 on recycling, reuse, buying recycled products, and waste reduction, 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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	797,720	4.50
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	33,096	0.00
FY13 CE Recommended	830,816	4.50

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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	5,823,650	3.20
Increase Cost: Mixed Paper Recycling - Annualization of Operating Expenses	101,564	0.00
Increase Cost: Recycling Center - Contract cost increase	26,710	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	19,228	-0.20
FY13 CE Recommended	5,971,152	3.00

Recycling Outreach & Education

This program provides for broadly educating the general public about recycling, reuse, 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 and working to achieve the County's recycling goal.

Program Performance Measures	Actual FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Percent of Total Municipal Solid Waste Recycled	43.6	44.4	44.6	45.0	45.3
Percent of Multi-family Municipal Solid Waste Recycled	14.0	14.4	14.5	14.5	14.6
Percent of Single-family Municipal Solid Waste Recycled	52.1	52.2	52.2	52.2	52.2
Percent of Non-residential Municipal Solid Waste Recycled	40.8	42.4	43.0	43.8	44.3
Multi-Family Recycling (tonnages)	10,587	11,988	12,454	12,642	12,877
Non-Residential Recycling (tonnages)	227,220	242,380	249,109	257,004	263,643
Number of Site Visits to Provide Recycling Assistance to Businesses	10,000	11,074	10,000	10,000	10,000
Single-Family Recycling (tonnages)	233,554	242,585	243,289	244,628	246,272
Tons Recycled Overall	471,361	496,954	504,853	514,274	522,792

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	294,720	1.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	4,878	0.00
FY13 CE Recommended	299,598	1.00

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 FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Average number of recycling collections missed per week, not picked up within 24 hours	13	9	9	10	10
Average number of refuse collections missed per week, not picked up within 24 hours	5	4	4	5	5
Single-family Solid Waste Charge: Refuse Collection Fee, charged for once per week curbside collection including on-call bulk pickups (dollars per household)	75	74	70	66	66

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	24,791,050	29.30
Increase Cost: Residential Recycling Collection Program - Contract cost increase	157,702	0.00
Increase Cost: Recycling Supplies (Recycling Carts, Bins, Cans)	41,230	0.00
Decrease Cost: Residential Refuse Collection Program - Reduction in contract costs	-168,090	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	142,190	-1.30
FY13 CE Recommended	24,964,082	28.00

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 for related operations at the Transfer Station and for transportation of waste from the Transfer Station to the RRF.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	43,080,500	1.30
Increase Cost: Resource Recovery Facility Program - Annualization of Operating Activities electricity Pricing adjustment)	1,635,540	0.00
Decrease Cost: Resource Recovery Facility - NEA contract	-372,721	0.00
Decrease Cost: Resource Recovery Facility Program - Annualization of Operating Activities	-531,750	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	-54,927	-0.05
FY13 CE Recommended	43,756,642	1.25

Satellite Site

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 reduces the incidence of roadside dumping. Material that is collected is then transported to the Transfer Station in Rockville.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	224,020	1.70
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	229	0.00
FY13 CE Recommended	224,249	1.70

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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	159,420	0.40
Increase Cost: Site 2 Landfill - Increased maintenance costs	117,115	0.00
Decrease Cost: Site 2 Landfill - Reduce barn renovation to roof only	-75,000	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	3,054	0.00
FY13 CE Recommended	204,589	0.40

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, mulch preserves, 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 FY10	Actual FY11	Estimated FY12	Target FY13	Target FY14
Number of Visits Related To Household Hazardous Waste Disposal	95,000	80,000	82,000	84,000	86,000

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	3,914,040	17.60
Increase Cost: Transfer Station - Reallocation of expenses from Resource Recovery Facility	664,656	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	-607,435	-0.50
FY13 CE Recommended	3,971,261	17.10

Support for Recycling Volunteers

The mission of this program is to recruit and retain 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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	176,230	0.50
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	2,249	0.00
FY13 CE Recommended	178,479	0.50

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 by residents, employees, and visitors 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, recycle propane tanks, 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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	244,810	0.50
Decrease Cost: Waste Reduction - Advertising	-20,000	0.00
Decrease Cost: Waste Reduction - Newspaper Campaign/School Lunch	-35,370	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	2,244	0.00
FY13 CE Recommended	191,684	0.50

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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	298,820	2.60
Increase Cost: "Tip & Sort" Waste Composition Study	192,670	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	25,630	0.00
FY13 CE Recommended	517,120	2.60

Yard Trim Reduction Program

The purpose of this program is to provide education and training to residents, multi-family properties, and businesses to reduce the amount of yard trim materials (grass, leaves, and brush) generated and also to manage what is generated on-site through both grasscycling and composting, 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.

FY13 Recommended Changes	Expenditures	FTEs
FY12 Approved	152,350	0.00
Decrease Cost: Yard Trim Program - Eliminate Mailer	-72,000	0.00
Multi-program adjustments, including negotiated compensation changes, employee benefit changes, changes due to staff turnover, reorganizations, and other budget changes affecting multiple programs. Other large variances are related to the transition from the previous mainframe budgeting system to Hyperion.	3	0.00
FY13 CE Recommended	80,353	0.00

BUDGET SUMMARY

	Actual FY11	Budget FY12	Estimated FY12	Recommended FY13	% Chg Bud/Rec
SOLID WASTE COLLECTION					
EXPENDITURES					
Salaries and Wages	1,011,514	895,110	895,112	914,432	2.2%
Employee Benefits	323,056	277,170	290,321	318,303	14.8%
Solid Waste Collection Personnel Costs	1,334,570	1,172,280	1,185,433	1,232,735	5.2%
Operating Expenses	5,211,845	5,109,540	5,109,540	4,934,170	-3.4%
Capital Outlay	0	0	0	0	—
Solid Waste Collection Expenditures	6,546,415	6,281,820	6,294,973	6,166,905	-1.8%
PERSONNEL					
Full-Time	5	5	5	5	—
Part-Time	0	0	0	0	—
FTEs	11.40	11.80	11.80	11.19	-5.2%
REVENUES					
Investment Income	920	8,700	0	0	—
Miscellaneous Revenues	-9,745	0	0	0	—
Systems Benefit Charge	6,731,133	6,400,380	6,370,300	6,032,860	-5.7%
Other Charges/Fees	13,046	0	10,000	0	—
Solid Waste Collection Revenues	6,735,354	6,409,080	6,380,300	6,032,860	-5.9%
SOLID WASTE DISPOSAL					
EXPENDITURES					
Salaries and Wages	6,612,135	6,670,550	6,670,551	6,818,108	2.2%
Employee Benefits	2,199,683	2,064,770	2,189,099	2,368,115	14.7%
Solid Waste Disposal Personnel Costs	8,811,818	8,735,320	8,859,650	9,186,223	5.2%
Operating Expenses	85,531,215	87,201,140	82,260,120	89,615,196	2.8%
Debt Service Other	4,025,750	4,008,750	4,008,750	2,819,250	-29.7%
Capital Outlay	0	662,980	0	628,500	-5.2%
Solid Waste Disposal Expenditures	98,368,783	100,608,190	95,128,520	102,249,169	1.6%
PERSONNEL					
Full-Time	75	74	74	74	—
Part-Time	0	0	0	0	—
FTEs	88.30	91.10	91.10	92.20	1.2%
REVENUES					
Investment Income	98,854	310,000	93,390	103,390	-66.6%
Miscellaneous Revenues	218,280	7,115,500	6,345,755	6,321,941	-11.2%
Property Rentals	15,129	0	0	0	—
Sale of Recycled Materials	4,724,046	3,868,490	4,786,110	4,808,934	24.3%
Solid Waste Collection Fees	-1,533	0	0	0	—
Solid Waste Disposal Fees/Operating Revenues	20,687,914	26,169,770	27,368,111	26,631,970	1.8%
Systems Benefit Charge	63,971,029	56,038,740	55,488,829	56,775,600	1.3%
Other Charges/Fees	271,237	0	0	0	—
Other Fines/Forfeitures	47,576	0	0	0	—
Other Licenses/Permits	3,335	11,030	3,375	3,335	-69.8%
Solid Waste Disposal Revenues	90,035,867	93,513,530	94,085,570	94,645,170	1.2%

	Actual FY11	Budget FY12	Estimated FY12	Recommended FY13	% Chg Bud/Rec
DEPARTMENT TOTALS					
Total Expenditures	104,915,198	106,890,010	101,423,493	108,416,074	1.4%
Total Full-Time Positions	80	79	79	79	—
Total Part-Time Positions	0	0	0	0	—
Total FTEs	99.70	102.90	102.90	103.39	0.5%
Total Revenues	96,771,221	99,922,610	100,465,870	100,678,030	0.8%

FY13 RECOMMENDED CHANGES

	Expenditures	FTEs
SOLID WASTE COLLECTION		
FY12 ORIGINAL APPROPRIATION	6,281,820	11.80
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Retirement Adjustment	22,335	0.00
Increase Cost: Lump Sum Wage Adjustment	20,292	0.00
Increase Cost: Group Insurance Adjustment	17,705	0.00
Increase Cost: Motor Pool Rate Adjustment	9,380	0.00
Increase Cost: Longevity Adjustment	1,235	0.00
Increase Cost: Technical adjustment due to migration from BPREP to Hyperion	323	0.00
Technical Adj: Annualization of FY12 Personnel Costs [Administration and Support]	0	-0.01
Technical Adj: Conversion of WYs to FTEs in the New Hyperion Budgeting System; FTEs are No Longer Measured for Overtime and Lapse	0	-0.60
Decrease Cost: Finance Chargeback - Property Tax Bills [Administration and Support]	-160	0.00
Shift: Remove Occupational Medical Services Chargeback from OHR	-320	0.00
Decrease Cost: County Attorney Chargeback - Collection [Administration and Support]	-540	0.00
Decrease Cost: DEP Chargeback Director's Office	-615	0.00
Decrease Cost: Printing and Mail Adjustment	-2,190	0.00
Decrease Cost: Retiree Health Insurance Pre-Funding	-2,470	0.00
Decrease Cost: Risk Management Adjustment	-11,800	0.00
Decrease Cost: Residential Refuse Collection Program - Reduction in contract costs [Residential Collection]	-168,090	0.00
FY13 RECOMMENDED:	6,166,905	11.19
SOLID WASTE DISPOSAL		
FY12 ORIGINAL APPROPRIATION	100,608,190	91.10
<u>Other Adjustments (with no service impacts)</u>		
Increase Cost: Resource Recovery Facility Program - Annualization of Operating Activities electricity Pricing adjustment [Resource Recovery Facility & Related Waste Transfer]	1,635,540	0.00
Increase Cost: Disposal Fund Capital Items	1,301,970	0.00
Increase Cost: Transfer Station - Reallocation of expenses from Resource Recovery Facility [Solid Waste Transfer Station]	664,656	0.00
Increase Cost: Gude Landfill - Studies related to remediation [Gude Landfill]	412,369	0.00
Increase Cost: Out-of-County Haul - Contract cost increase [Out-of-County Refuse Disposal]	352,570	0.00
Increase Cost: "Tip & Sort" Waste Composition Study [Waste System Planning]	192,670	0.00
Increase Cost: Lump Sum Wage Adjustment	162,451	0.00
Increase Cost: Retirement Adjustment	162,193	0.00
Increase Cost: Residential Recycling Collection Program - Contract cost increase [Residential Collection]	157,702	0.00
Increase Cost: Group Insurance Adjustment	131,777	0.00
Increase Cost: Site 2 Landfill - Increased maintenance costs [Site 2]	117,115	0.00
Increase Cost: Oaks Landfill - Contract cost increase [Oaks Landfill]	113,028	0.00
Increase Cost: Mixed Paper Recycling - Annualization of Operating Expenses [Recycling Center]	101,564	0.00
Increase Cost: Annualization of Operating Expenses - Utilities	95,346	0.00
Increase Cost: Compost Facility (adjustment for equipment maintenance) [Dickerson Compost Facility]	65,000	0.00
Increase Cost: Recycling Supplies (Recycling Carts, Bins, Cans) [Residential Collection]	41,230	0.00
Increase Cost: Compost Facility - Contract cost increase [Dickerson Compost Facility]	32,769	0.00
Increase Cost: Recycling Center - Contract cost increase [Recycling Center]	26,710	0.00
Increase Cost: Smaller Disposal Fund Increases - Chargebacks	26,150	0.00
Increase Cost: Household Hazardous Waste - Contract cost increase [Household and Small Quantity Household Hazardous Materials]	25,515	0.00
Increase Cost: Motor Pool Rate Adjustment	25,310	0.00
Increase Cost: DHCA Chargeback [Housing and Environmental Permit Enforcement]	9,724	0.00
Increase Cost: Longevity Adjustment	4,037	0.00
Increase Cost: DEP Chargebacks [Administration and Support]	1,092	0.00
Increase Cost: Smaller Chargeback increases	116	0.00

	Expenditures	FTEs
Technical Adj: Conversion of WYs to FTEs in the New Hyperion Budgeting System; FTEs are No Longer Measured for Overtime and Lapse	0	1.28
Shift: Remove Occupational Medical Services Chargeback from OHR	-1,920	0.00
Decrease Cost: Technical adjustment due to migration from BPREP to Hyperion	-9,148	-0.18
Decrease Cost: Printing and Mail Adjustment	-9,770	0.00
Decrease Cost: County Attorney Chargeback - Disposal [Administration and Support]	-10,979	0.00
Decrease Cost: Waste Reduction - Advertisng [Waste Reduction]	-20,000	0.00
Decrease Cost: Electricity Rate Savings	-34,940	0.00
Decrease Cost: Waste Reduction - Newspaper Campaign/School Lunch [Waste Reduction]	-35,370	0.00
Decrease Cost: Retiree Health Insurance Pre-Funding	-37,030	0.00
Decrease Cost: Automation [Administration and Support]	-50,000	0.00
Decrease Cost: Administration - Annualization of Operating Activities [Administration and Support]	-56,507	0.00
Decrease Cost: Yard Trim Program - Eliminate Mailer [Yard Trim Reduction Program]	-72,000	0.00
Decrease Cost: Risk Management Adjustment	-74,540	0.00
Decrease Cost: Site 2 Landfill - Reduce barn renovation to roof only [Site 2]	-75,000	0.00
Decrease Cost: Household Hazardous Waste - Advertising [Household and Small Quantity Household Hazardous Materials]	-100,000	0.00
Decrease Cost: Oaks Landfill - Leachate Hauling [Oaks Landfill]	-200,000	0.00
Decrease Cost: Resource Recovery Facility - NEA contract [Resource Recovery Facility & Related Waste Transfer]	-372,721	0.00
Decrease Cost: Resource Recovery Facility Program - Annualization of Operating Activities [Resource Recovery Facility & Related Waste Transfer]	-531,750	0.00
Decrease Cost: Elimination of Capital Items Approved in FY12	-662,980	0.00
Increase Cost: Disposal Fund Capital Items (adjustment for deferral of some items)	-673,470	0.00
Decrease Cost: Debt Service - Annualization of Operating Cost [Debt Service - Disposal Fund]	-1,189,500	0.00
FY13 RECOMMENDED:	102,249,169	92.20

PROGRAM SUMMARY

Program Name	FY12 Approved		FY13 Recommended	
	Expenditures	FTEs	Expenditures	FTEs
Administration and Support	3,334,680	14.80	3,105,404	17.46
Commercial Recycling and Waste Reduction	1,727,540	10.50	1,792,972	10.50
Debt Service - Disposal Fund	4,008,750	0.00	2,819,250	0.00
Dickerson Compost Facility	2,821,750	1.10	3,676,530	1.15
Dickerson Master Plan Implementation	90,140	0.60	94,634	0.57
Gude Landfill	503,140	1.30	887,762	1.31
Household and Small Quantity Household Hazardous Materials	1,051,300	0.00	976,812	0.00
Housing and Environmental Permit Enforcement	1,093,730	10.40	1,137,439	10.33
Oaks Landfill	1,495,310	0.60	1,550,049	0.52
Out-of-County Refuse Disposal	10,806,340	1.00	11,185,197	1.00
Recycling & Waste Reduction - Multi-Family Dwellings	797,720	4.50	830,816	4.50
Recycling Center	5,823,650	3.20	5,971,152	3.00
Recycling Outreach & Education	294,720	1.00	299,598	1.00
Residential Collection	24,791,050	29.30	24,964,082	28.00
Resource Recovery Facility & Related Waste Transfer	43,080,500	1.30	43,756,642	1.25
Satellite Site	224,020	1.70	224,249	1.70
Site 2	159,420	0.40	204,589	0.40
Solid Waste Transfer Station	3,914,040	17.60	3,971,261	17.10
Support for Recycling Volunteers	176,230	0.50	178,479	0.50
Waste Reduction	244,810	0.50	191,684	0.50
Waste System Planning	298,820	2.60	517,120	2.60
Yard Trim Reduction Program	152,350	0.00	80,353	0.00
Total	106,890,010	102.90	108,416,074	103.39

CHARGES TO OTHER DEPARTMENTS

Charged Department	Charged Fund	FY12		FY13	
		Total\$	FTEs	Total\$	FTEs
SOLID WASTE DISPOSAL					
General Services	County General Fund	204,810	0.00	215,054	0.00
Liquor Control	Liquor Control	15,215	0.00	15,976	0.00
Parking District Services	Bethesda Parking District	54,510	0.00	57,230	0.00
Parking District Services	Montgomery Hills Parking District	1,700	0.00	1,786	0.00
Parking District Services	Silver Spring Parking District	103,910	0.00	109,103	0.00
Parking District Services	Wheaton Parking District	10,220	0.00	10,728	0.00

Charged Department	Charged Fund	FY12		FY13	
		Total\$	FTEs	Total\$	FTEs
Total		390,365	0.00	409,877	0.00

FUTURE FISCAL IMPACTS

Title	CE REC.		(\$000's)			
	FY13	FY14	FY15	FY16	FY17	FY18
This table is intended to present significant future fiscal impacts of the department's programs.						
SOLID WASTE COLLECTION						
Expenditures						
FY13 Recommended	6,167	6,167	6,167	6,167	6,167	6,167
No inflation or compensation change is included in outyear projections.						
Elimination of One-Time Lump Sum Wage Adjustment	0	-20	-20	-20	-20	-20
This represents the elimination of the one-time lump sum wage increases paid in FY13.						
Retiree Health Insurance Pre-Funding	0	-5	-13	-13	-13	-13
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	6,167	6,142	6,134	6,133	6,133	6,133
SOLID WASTE DISPOSAL						
Expenditures						
FY13 Recommended	102,249	102,249	102,249	102,249	102,249	102,249
No inflation or compensation change is included in outyear projections.						
Elimination of One-Time Lump Sum Wage Adjustment	0	-162	-162	-162	-162	-162
This represents the elimination of the one-time lump sum wage increases paid in FY13.						
Longevity Adjustment	0	1	1	1	1	1
This represents the annualization of longevity wage increments paid during FY13.						
Retiree Health Insurance Pre-Funding	0	-74	-191	-198	-200	-200
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	102,249	102,014	101,897	101,890	101,888	101,888

SOLID WASTE ENTERPRISE FUND

RATES AND FISCAL PROJECTIONS FOR FY13-18

Assumptions:

- Refuse collection services are maintained at their current level, but the annual household collection charge decreases from \$70.00 to \$66.00.
- 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 no change in the single-family service charge of \$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.

FY13-18 PUBLIC SERVICES PROGRAM: FISCAL PLAN
Solid Waste Collection

FISCAL PROJECTIONS	FY12 ESTIMATE	FY13 REC	FY14 PROJECTION	FY15 PROJECTION	FY16 PROJECTION	FY17 PROJECTION	FY18 PROJECTION
ASSUMPTIONS							
Indirect Cost Rate	12.59%	12.13%	12.13%	12.13%	12.13%	12.13%	12.13%
CPI (Fiscal Year)	3.1%	2.7%	2.9%	2.9%	2.7%	2.7%	2.7%
Investment Income Yield	0.15%	0.25%	0.35%	0.85%	1.60%	2.35%	2.85%
Number of Households	91,081	91,407	91,733	92,059	92,449	92,840	93,230
Charge per household (once-weekly refuse collection)	\$ 70.00	\$ 66.00	\$ 66.00	\$ 71.00	\$ 75.00	\$ 77.00	\$ 79.00
BEGINNING FUND BALANCE	2,154,740	2,074,520	1,771,900	1,321,300	1,154,680	1,193,060	1,238,580
REVENUES							
Charges For Services	6,380,300	6,032,860	6,054,380	6,536,189	6,933,675	7,148,680	7,365,170
Miscellaneous	0	0	0	0	0	0	0
Subtotal Revenues	6,380,300	6,032,860	6,054,380	6,536,189	6,933,675	7,148,680	7,365,170
INTERFUND TRANSFERS (Net Non-CIP)							
Transfers To The General Fund	(165,550)	(168,570)	(159,790)	(157,980)	(149,530)	(149,530)	(149,530)
Indirect Costs	(147,590)	(149,530)	(149,530)	(149,530)	(149,530)	(149,530)	(149,530)
Technology Modernization CIP	(12,960)	(14,040)	(10,260)	(8,450)	0	0	0
Desktop Computer Modernization	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
TOTAL RESOURCES	8,369,490	7,938,810	7,666,490	7,699,509	7,938,825	8,192,210	8,454,220
PSP OPER. BUDGET APPROP/ EXP'S.							
Operating Budget	(6,294,973)	(6,166,910)	(6,370,400)	(6,577,820)	(6,779,250)	(6,987,280)	(7,205,630)
Annualizations and One-Time	n/a	n/a	20,292	20,292	20,292	20,292	20,292
Retiree Health Insurance Pre-Funding	n/a	n/a	4,920	12,700	13,190	13,360	13,360
Subtotal PSP Oper Budget Approp / Exp's	(6,294,973)	(6,166,910)	(6,345,188)	(6,544,828)	(6,745,768)	(6,953,628)	(7,171,978)
TOTAL USE OF RESOURCES	(6,294,973)	(6,166,910)	(6,345,188)	(6,544,828)	(6,745,768)	(6,953,628)	(7,171,978)
YEAR END FUND BALANCE	2,074,520	1,771,900	1,321,300	1,154,680	1,193,060	1,238,580	1,282,240
END-OF-YEAR RESERVES AS A PERCENT OF RESOURCES	24.8%	22.3%	17.2%	15.0%	15.0%	15.1%	15.2%

Assumptions:

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

Notes:

- 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.
- 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.

FY13-18 DIVISION OF SOLID WASTE SERVICES

FISCAL PROJECTIONS	APPROVED FY12	PROJECTED FY13	PROJECTED FY14	PROJECTED FY15	PROJECTED FY16	PROJECTED FY17	PROJECTED FY18
Single-Family Charges (\$/Household)	213.76	213.76	221.27	229.14	223.85	196.60	164.91
% change in rate from previous year	1.9%	0.0%	3.5%	3.6%	-2.3%	-12.2%	-16.1%
Multi-Family Charges (\$/Dwelling Unit)	16.73	16.73	17.37	18.25	18.13	18.09	18.06
% change in rate from previous year	1.9%	0.0%	3.8%	5.0%	-0.7%	-0.2%	-0.1%
Nonresidential Charges (medium "category" charge)	558.54	589.84	648.29	711.50	701.65	451.46	266.12
% change in rate from previous year	6.3%	5.6%	9.9%	9.7%	-1.4%	-35.7%	-41.1%
Nonresidential Charges (average \$/2000 sq. ft.)	214.08	220.98	242.88	266.56	262.87	169.14	99.70

Goal is maintain net change near zero

OPERATIONS CALCULATION

REVENUES							
Disposal Fees	27,366,580	26,631,970	27,488,460	28,371,530	29,272,630	30,201,940	30,948,280
Charges for Services/SBC	55,488,830	56,775,600	61,888,040	66,303,330	64,735,080	50,085,340	36,786,820
Miscellaneous	11,136,770	11,134,210	11,452,170	11,595,440	11,766,610	11,940,020	12,107,840
Investment Income	93,390	103,390	113,390	173,390	273,390	383,390	463,390
Subtotal Revenues	94,085,570	94,645,170	100,942,060	106,443,690	106,047,710	92,610,690	80,306,330
INTERFUND TRANSFERS	1,397,450	831,870	1,137,480	1,341,600	1,081,620	1,323,180	1,192,920
EXPENDITURES							
Personnel Costs	(8,859,650)	(9,186,230)	(9,599,610)	(10,031,590)	(10,483,010)	(10,954,750)	(11,447,710)
Operating Expenses	(85,605,890)	(92,434,450)	(91,595,100)	(97,352,880)	(96,541,510)	(75,247,900)	(76,295,920)
Capital Outlay	(662,980)	(628,500)	(1,573,830)	(2,501,300)	(1,259,730)	(3,847,090)	(1,810,650)
Other Expenditure Restrictions Raised in Prior Years)							
Subtotal Expenditures	(95,128,520)	(102,249,180)	(102,768,540)	(109,885,770)	(108,284,250)	(90,049,740)	(89,554,280)
POTENTIAL FUTURE EXPENDITURES*	-	-	-	-	-	-	-
OTHER CLAIMS ON FUND BALANCE	-	-	-	-	-	-	-
CURRENT RECEIPTS TO CIP**	-	-	-	-	-	-	-
PAYOUT OF CLOSURE COSTS (Non-CIP)	1,447,140	1,349,550	1,527,560	1,567,220	1,607,940	1,649,740	1,692,660
CY ACCRUED CLOSURE COSTS	(38,150)	(37,690)	(35,150)	(39,660)	(40,720)	(41,800)	(42,920)
NET CHANGE	1,763,490	(5,460,280)	803,410	(572,920)	412,300	5,492,070	(6,405,290)

*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	20,445,280	14,960,960	13,428,760	12,471,300	14,473,680	15,555,670	8,064,430
Restricted Cash	31,634,280	31,639,050	33,265,140	33,469,600	30,970,090	33,004,660	33,049,350
Subtotal Cash & Investments	52,079,560	46,600,010	46,693,900	45,940,900	45,443,770	48,560,330	41,113,780
RESERVE & LIABILITY REQUIREMENTS							
Management Reserve	(24,857,480)	(25,692,140)	(27,471,440)	(27,071,060)	(22,512,440)	(22,388,570)	(22,388,570)
Debt Service Reserve	(524,000)	(255,500)	-	-	-	-	-
Future System Contingency Reserve	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,653,640)	(2,326,880)	(3,016,620)
Research & Development Reserve	(100,000)	(100,000)	(100,000)	(100,000)	(398,030)	(703,200)	(1,015,110)
Renewal & Replacement Reserve	(3,991,620)	(4,091,410)	(4,193,700)	(4,298,540)	(4,406,000)	(4,516,150)	(4,629,060)
Stability Reserve	(1,161,190)	(500,000)	(500,000)	(1,000,000)	(2,000,000)	(3,069,860)	(2,000,000)
Subtotal Reserve Requirements	(31,634,290)	(31,639,050)	(33,265,140)	(33,469,600)	(30,970,110)	(33,004,660)	(33,049,360)
Closure/Postclosure Liability	(16,221,150)	(14,909,290)	(13,416,880)	(11,889,320)	(10,322,100)	(8,714,160)	(7,064,420)
Current Liabilities Not Including Debt/Closure	-	-	-	-	-	-	-
Subtotal Reserve & Liability Requirements	(47,855,440)	(46,548,340)	(46,682,020)	(45,358,920)	(41,292,210)	(41,718,820)	(40,113,780)
CASH & INVESTMENTS OVER/(UNDER) RESERVE & LIABILITY REQUIREMENTS	4,224,120	51,670	11,880	581,980	4,151,560	6,841,510	1,000,000

Net Assets

ENDING NET ASSETS	70,470,440	67,424,780	68,247,850	69,474,680	69,356,450	75,805,060	69,281,500
Less: Reserve Requirements	(31,634,290)	(31,639,050)	(33,265,140)	(33,469,600)	(30,970,110)	(33,004,660)	(33,049,360)
NET ASSETS OVER/(UNDER) RESERVE REQUIREMENTS	38,836,150	35,785,730	34,982,710	36,005,080	38,386,340	42,800,400	36,232,140

FY13 Solid Waste Service Charges

1. **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.

2. **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.

3. **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

FY13 RECOMMENDED SOLID WASTE SERVICE CHARGES TO BE COLLECTED VIA REAL PROPERTY ACCOUNT BILLING

Code Reference	Base Charge	x	Billing Rate	=	Disposal Charge	+	Base Systems Benefit Charge	+	Incremental Systems Benefit Charge	+	Refuse Collection Charge	+	Leaf Vacuuming Charge	=	Total Bill
	(\$/ton)		(tons/HH)		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		0.87089		\$ 48.77		\$ 55.77		\$109.22		\$ 66.00		\$88.91		\$ 368.67
Outside Leaf Vacuuming District	\$ 56.00		0.87089		\$ 48.77		\$ 55.77		\$109.22		\$ 66.00				\$ 279.76
Incorporated							\$ 55.77								\$ 55.77
SUBDISTRICT B SINGLE-FAMILY**															
Incorporated							\$ 55.77								\$ 55.77
Inside Leaf Vacuuming District															
Unincorporated	\$ 56.00		0.87089		\$ 48.77		\$ 55.77		\$109.22				\$88.91		\$ 302.67
Outside Leaf Vacuuming District															
Unincorporated	\$ 56.00		0.87089		\$ 48.77		\$ 55.77		\$109.22						\$ 213.76
MULTI-FAMILY RESIDENTIAL**															
Incorporated							\$ 16.66		\$0.07						\$ 16.73
Unincorporated															
Outside Leaf Vacuuming District							\$ 16.66		\$0.07						\$ 16.73
Inside Leaf Vacuuming District							\$ 16.66		\$0.07				3.83		\$ 20.56
NONRESIDENTIAL - \$/2,000 SQ. FT. ***															
Code Reference															
Waste Generation Categories															
Low							\$ 135.27		\$ (17.30)						\$ 117.97
Medium Low							\$ 405.80		\$ (51.90)						\$ 353.90
Medium							\$ 676.33		\$ (86.49)						\$ 589.84
Medium High							\$ 946.86		\$ (121.09)						\$ 825.77
High							\$ 1,217.39		\$ (155.69)						\$ 1,061.70
OTHER RECOMMENDED FY 13 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															
Waste delivered in open-top roll-off box \$66.00 /disposal ton															
Recyclable Materials Acceptance Fees (Section 48-32(a)(2)):															
Paper and Commingled Containers \$0.00 /ton															
Yard Trim \$46.00 /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.

Division of Solid Waste Services – Section and Position Responsibilities

From FY12 Budget Review

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>	

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

<p>solid waste for disposal.</p>	<p>(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.</p> <p>(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.</p> <p>(1) Public Administration Intern – This individual manages the solid waste licensing process for businesses and vehicles.</p> <p>(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.</p> <p>(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</p>	<p>range of regulatory requirements that require permitting, reporting and sometimes corrective actions.</p>
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	<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,

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,

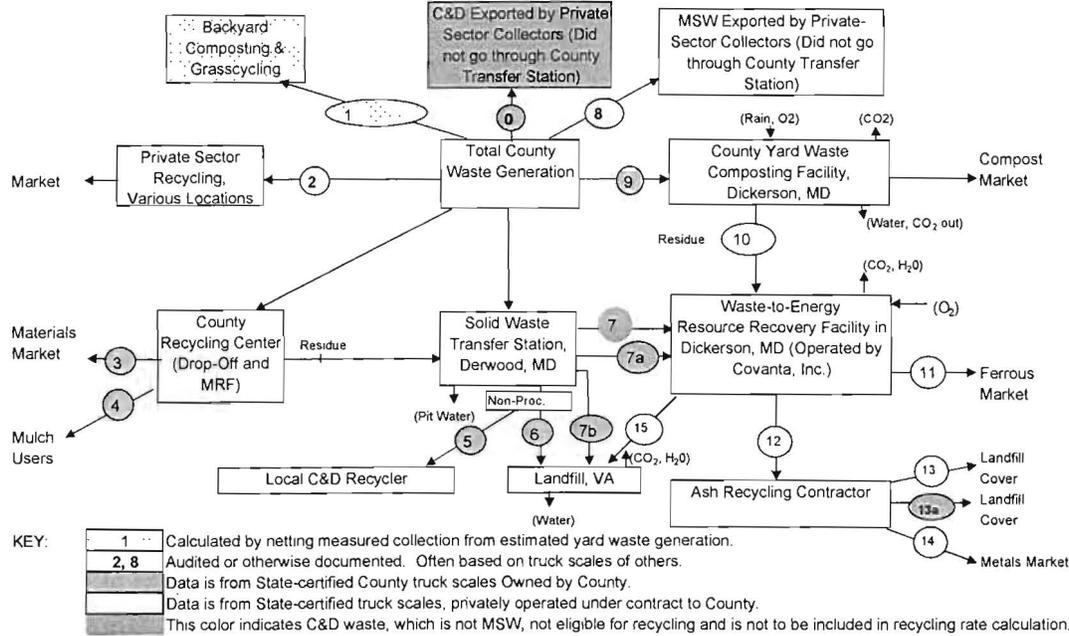
upgrade hardware and software as necessary Paradigm Software-Transfer Station Compuweigh/Weighstation Software. The other position functions as a **web developer and social media specialist**: Manage Division's website certification to ensure that content is current and accurate. Maintain inventory of 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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MATERIAL FLOW DIAGRAM Fiscal Year 2011



Total Waste Generation, Including C&D Exported by Private Sector	1,342,836
County-Managed Waste (CMW) = 1 + 2 + 3 + 4 + 5 + 6 + 7 + 7a + 7b + 8 + 9 =	1,236,539
MSW Generated (above less streams 5, 6 and 7a)	1,120,143

Stream No.	Material Description	Sources of Data	Total (tons/yr)	Comments
0	Construction & Demo Debris Private Export	Licensed Collector Reports under ER 92-59	106,297	Not County-managed and not eligible for recycling
1	Yard Waste Source Reduction	Calculated w/ estimates & measurements	35,600	17.5% of MSW less leakage less yard waste facility tons
2	Recycled via non-County Facilities	Collector, Processor, Business & Self-Hauler Rpts.	229,044	Filtered to avoid double-counting
3	County Recycling Facility Material Sales	County TS & MRF Scales, Outbound	87,515	Outgoing to Market from County Recycling Center
4	Mulch Loaded Out From TS	County Transfer Station (TS) Scale Records	66,827	Scaled Out As Taken to Mulch Preserve Locations
5	Non-Processibles Recycled**	County TS Scale Out Records	36,782	
6	Non-Processibles Land filled**	County Trans. Sta'n. & Covanta Scale Records	1,643	
7	Loaded on Rail to RRF (MSW burned)	Covanta Scales as Loaded	487,468	Total Tons Loaded on Rail to RRF Net of 7a
7a	Loaded on Rail to RRF (C&D Burned)	County Transfer Station (TS) Scale Records	77,971	In-Bound C&D less Outbound Non-Processibles Landfilled
7b	By-pass (Accepted Processible Land filled)	County TS Scale Out Records	-	
8	Refuse Disposed Out of County	Audited 6-Mo. Hauler Reports	148,296	Private Sector MSW Collection not delivered to County TS
9	All Incoming Leaves and Grass	Compost Facility & TS Scale Records	65,393	Includes 0 to Backup Composters
10	Composting Residue to RRF	Covanta Scale Records	-	
11	Ferrous recovered at RRF	Covanta Scale Records	10,853	
12	Ash Loaded to Ash Recycling Contractor	Covanta Scale Records	135,678	
13	Non-Metal Outgoing from Ash Recycler	Allied Monthly Report	112,314	
13a	Non-Metal Outgoing from Ash Recycler (C&D residue)	Allied Monthly Report	23,391	
14	Metals (Fe, Cu, Brass, Coins)	Allied Monthly Report	1,722	
15	All ash not recycled	Covanta Scale Records	31,951	

Recycling Rate Calculations		Numerator	Denominator	Rate
County Recycling Rate "With Ash"	$(1 + 2 + 3 + 4 + 9 - 10 + 11 + 13 + 14) / (CMW - 5 - 6 - 7a) =$	609,269	1,120,143	54.4%
County Recycling Rate "Without Ash"	$(1 + 2 + 3 + 4 + 9 - 10 + 11 + 14) / (CMW - 5 - 6 - 7a) =$	496,954	1,120,143	44.4%
State Recycling Rate	$(2 + 3 + 4 + 9 - 10 + 11 + 13 + 14) / (CMW - 1 - 5 - 6 - 7a) =$	567,121	1,078,736	52.6% ***
State Recycling & Reduction Rate	$(2 + 3 + 4 + 9 - 10 + 11 + 13 + 14) / (CMW - 1 - 5 - 6) + 5.0\% =$	567,121	1,078,736	57.6% ***
EPA Recycling Rate	$(2 + 3 + 4 + 9 - 10 + 11 + 14) / (CMW - 1 - 5 - 6 - 7a) =$	455,547	1,078,736	42.2% ***

Notes:

- ** Nonprocessibles are Construction & Demolition-type materials: not eligible for recycling credit, but are County-managed solid waste.
- *** For State and EPA methods, numerator and denominator exclude motor oil and source reduction.

Nomenclature:

- "C&D" means "Construction and Demolition" waste, exclusive of MSW, traditionally managed by the private sector, but much now comes to County TS.
- "CMW" means "County Management Waste". It includes all MSW, whether or not exported by private sector collectors, but only C&D delivered to TS.
- "MSW" stands for "Municipal Solid Waste", and represents the waste eligible for recycling under the State recycling law, regulations and guidelines.
- "TS" stands for the County's "Transfer Station", located in Derwood, Maryland, just south of Gaithersburg.

Waste Recycling by Material Type: Achievement, Opportunity and Challenge

Basis for composition of disposed waste as the FY09 waste sorts recycled to system-wide FY09 tonnage**	FY09 Actuals															Opportunity	Success Scenario To Reach 60% Overall Recycling Rate				
	Single-Family			Multi-Family			Non-Residential			Multi-Family & Non-Residential			Aggregate Actual FY09			Currently Disposed (Tons)	Disposed Tons Targeted	Additional Capture (tons)	Generated (tons)	Captured (tons)	Capture Rate %
	Generated (tons)	Captured (tons)	Capture Rate %	Generated (tons)	Captured (tons)	Capture Rate %	Generated (tons)	Captured (tons)	Capture Rate %	Generated (tons)	Captured (tons)	Capture Rate %	Generated (tons)	Captured (tons)	Capture Rate %						
Banned ER15-04	295,000	238,980	81.0%	26,659	9,155	34.3%	295,832	191,899	64.9%	322,491	201,054	62.3%	617,491	440,034	71.3%		177,457	65,317	617,491	505,351	81.8%
Subtotal, Banned Components	295,000	238,980	81.0%	26,659	9,155	34.3%	295,832	191,899	64.9%	322,491	201,054	62.3%	617,491	440,034	71.3%		177,457	65,317	617,491	505,351	81.8%
Paper	94,939	62,687	66.0%	11,912	1,890	15.9%	153,383	87,077	56.8%	165,295	88,967	53.8%	260,234	151,655	58.3%	108,579	108,579	39,985	260,234	191,620	73.6%
Glass	19,859	15,140	76.2%	3,233	763	23.6%	12,131	3,728	30.7%	15,365	4,491	29.2%	35,223	19,631	55.7%	15,592	15,592	5,739	35,223	25,370	72.0%
Other Ferrous	15,533	10,609	68.3%	2,749	1,307	47.6%	64,263	57,151	88.9%	67,011	58,458	87.2%	82,544	69,067	83.7%	13,477	13,477	4,960	82,544	74,028	89.7%
Yardwaste	151,625	144,270	95.1%	5,880	4,645	79.0%	50,244	39,584	78.8%	56,124	44,229	78.8%	207,749	188,499	90.7%	19,250	19,250	7,085	207,749	195,584	94.1%
Narrow-Neck Plastics	6,869	3,701	53.9%	1,105	132	12.0%	5,277	100	1.9%	6,382	232	3.6%	13,250	3,933	29.7%	9,318	9,318	3,430	13,250	7,362	55.6%
Ferrous/Bimetal Containers	2,940	1,690	57.5%	837	318	38.0%	2,976	379	12.7%	3,813	697	18.3%	6,752	2,387	35.4%	4,365	4,365	1,607	6,752	3,994	59.1%
Aluminum Beverage Cans	1,271	706	55.5%	443	33	7.3%	2,181	214	9.8%	2,624	246	9.4%	3,895	952	24.4%	2,943	2,943	1,083	3,895	2,035	52.3%
Other Aluminum (Foil)	648	21	3.2%	226	1	0.3%	1,360	1	0.0%	1,585	1	0.1%	2,233	22	1.0%	2,211	2,211	814	2,233	836	37.4%
Other Non-Ferrous Metal	1,317	157	11.9%	275	65	23.8%	4,017	3,665	91.2%	4,293	3,731	86.9%	5,610	3,888	69.3%	1,722	1,722	634	5,610	4,522	80.6%
Potential and Encouraged																119,564					
Food Waste	43,291	17	0.0%	12,252	1	0.0%	69,724	5,685	8.2%	81,976	5,686	6.9%	125,267	5,703	4.6%				125,267	5,703	4.6%
Shopping Bags	2,327	-	0.0%	514	-	0.0%	1,210	197	16.3%	1,724	197	11.4%	4,051	197	4.9%	3,854			4,051	197	4.9%
Other Film Plastic	13,506	-	0.0%	2,851	-	0.0%	23,035	-	0.0%	25,886	-	0.0%	39,392	-	0.0%	39,392			39,392	-	0.0%
Plastic Flower Pots	260	21	8.1%	28	1	3.6%	86	1	1.2%	114	2	1.8%	374	23	6.2%	351			374	23	6.2%
Plastic Tubs and Lids	1,491	121	8.1%	418	4	1.0%	2,297	3	0.1%	2,715	7	0.3%	4,205	128	3.0%	4,077			4,205	128	3.0%
Other Rigid Plastic	9,409	369	3.9%	3,001	61	2.0%	14,705	1,678	11.4%	17,706	1,739	9.8%	27,116	2,108	7.8%	25,008			27,116	2,108	7.8%
Textiles & Leather (no Rugs)	9,958	113	1.1%	3,584	4	0.1%	16,375	5,858	35.8%	19,959	5,862	29.4%	29,917	5,975	20.0%	23,942			29,917	5,975	20.0%
Carpets / Rugs	2,846	-	0.0%	2,390	-	0.0%	12,310	-	0.0%	14,701	-	0.0%	17,346	-	0.0%	17,346			17,346	-	0.0%
Wood Waste (including Pallets)	4,778	4,501	94.2%	1,565	80	5.1%	36,942	21,145	57.2%	38,507	21,225	55.1%	43,285	25,726	59.4%	17,559			43,285	25,726	59.4%
Whole Tires (as Rubber)	1,909	1,747	91.5%	561	434	77.5%	4,369	2,184	50.0%	4,930	2,618	53.1%	6,839	4,365	63.8%	2,473			6,839	4,365	63.8%
Lubricants (e.g. Motor Oil)	3,445	3,377	98.1%	970	895	92.3%	2,436	2,153	88.4%	3,405	3,048	89.5%	6,850	6,425	93.8%	425			6,850	6,425	93.8%
Electronics	6,382	1,587	24.9%	2,574	57	2.2%	5,483	759	13.9%	8,057	816	10.1%	14,439	2,403	16.6%	12,036			14,439	2,403	16.6%
Batteries	211	201	95.3%	170	7	4.2%	1,451	1,400	96.5%	1,620	1,407	86.8%	1,831	1,608	87.8%	223			1,831	1,608	87.8%
Latex Paint	241	47	19.6%	15	2	11.1%	192	1	0.7%	207	3	1.4%	448	50	11.2%	398			448	50	11.2%
Tire Steel	486	247	50.9%	132	62	46.8%	855	309	36.1%	987	370	37.5%	1,472	617	41.9%	855			1,472	617	41.9%
No Markets																					
Other Wood	3,966	-	0.0%	1,745	-	0.0%	8,763	-	0.0%	10,508	-	0.0%	14,474	-	0.0%	14,474			14,474	-	0.0%
Other Glass	231	-	0.0%	318	-	0.0%	543	-	0.0%	861	-	0.0%	1,092	-	0.0%	1,092			1,092	-	0.0%
Disposable Diapers	11,640	-	0.0%	2,543	-	0.0%	2,843	-	0.0%	5,386	-	0.0%	17,025	-	0.0%	17,025			17,025	-	0.0%
Other Waste	52,032	-	0.0%	14,088	-	0.0%	82,327	-	0.0%	96,414	-	0.0%	148,447	-	0.0%	148,447			148,447	-	0.0%
TOTAL	463,206	261,330	54.3%	76,377	10,762	14.1%	581,778	233,272	40.1%	668,166	244,034	37.1%	1,121,361	495,364	44.2%	625,997	177,457	65,317	1,121,361	560,681	50.0%

Notes:

Banned ER15-04

These materials are required to be recycled under Executive Regulation 15-04, and are banned from disposal in waste from all sectors.

Potential and Encouraged

Markets vary for these materials. Although not subject to the disposal ban, recycling is encouraged for all materials for which there are available markets.

No Markets

No existing or anticipated markets for these materials.

* http://www.montgomerycountymd.gov/content/depl/solidwaste/reference/recycling_rate/RecyclingRateDisplayforWeb.pdf

Increased Capture Needed as % of Banned Tons Disposed 36.8%

Overall Capture Rate Necessary for Banned Materials 81.8%

Current Capture Rate of Banned Materials 71.3%

Solid Waste System Disposal Fund, Rate Setting Methodology, FY13 Rate Case

Item	Amount	Notes
Total Budgetary Operating Costs for the Year	\$ 102,391,833	a
CIP Expen. (Current Receipts, Non-Closure)	\$ -	b
Contingency Funds	\$ 801,064	c
Closed landfill Expenses (inflation only)	\$ 38,150	d
Material Sales Revenue	\$ (4,808,934)	e
Miscellaneous Revenues	\$ (6,325,279)	f
Investment Income	\$ (103,390)	g
Sector-Specific Stability Fund Contributions (Draw)	\$ (6,479,196)	h
Fund Balance Adjusting Contribution (Draw)	\$ (2,570,000)	i
Transfer to Disposal Fund From Leaf Vacuuming Fund	\$ (892,412)	j
Fund Contribution for Small Loads (e.g. <500 lbs)	\$ 3,012,578	k
Net Revenues Required from Service Charges	\$ 85,064,414	
Incremental Systems Benefit Charges	\$ (20,554,109)	l
BASE SYSTEM COSTS	64,510,306	

BASE SYSTEM BENEFIT CHARGES	Single-Family	m	Multi-Family	m	Non-Residential	m
Service Sector						
Proportion of Total Waste Generation	40.5%	n	7.5%	n	52.0%	n
Sector Share of Base Costs	\$ 26,096,474	o	\$ 4,855,856	o	\$ 33,557,976	o
Offsets from Refuse Disposal Fees Tipping Fees	(12,173,758)	p	(2,995,417)	p	(12,894,469)	p
Base Costs to Collect on Property Levy	\$ 13,922,716		\$ 1,860,439		\$ 20,663,506	
Households (HH) or Commercial Gross Floor Area Units (GFAU)	249,633	q	111,688	q	81,548	r
Base System Benefit Charge on Property Levy (\$/HH. \$/GFAU)	\$ 55.77 /HH		\$ 16.66 /HH		\$ 253.39 /GFAU	
Fraction of Base Costs Paid on Tax Bill	53%		38%		62%	
INCREMENTAL SYSTEM BENEFIT CHARGES (ISBC)						
Recycling	\$ 22,745,191	s	\$ 1,237,996	t	\$ 2,006,590	u
Satellite Sites	117,470		1,972			
Studies Specific to the Nonresidential Sector						
Stabilization	(969,900)	v	(1,214,000)	v	(4,295,296)	v
Composting	1,295,637	w	(17,742)	w	(353,809)	w
Total	\$ 23,188,398		\$ 8,225		\$ (2,642,515)	
Households (HH) or Commercial Gross Floor Area Units (GFAU)	211,976	x	111,688	q	81,548	r
ISCB to be Charged on Property Levy	\$ 109.23 /HH		\$ 0.08 /HH		\$ (32.40) /GFAU	
DISPOSAL FEES (Charged on Property Levy (In-Lieu of Tipping Fee))						
Tons of Refuse Disposed by Subdistrict A & B Households	184,879	tons	NA		NA	
Single-Family Households in Sub-Districts A & B (Non-Municipal)	211,976	HH	NA		NA	
Disposal Tons Per Household	0.8722	ton/HH	NA		NA	
County Tipping Fee for Accepting Refuse at its Transfer Station	\$ 56.00	\$/ton	NA		NA	
Disposal Fee Levied on Subdistrict A & B Households on Tax Bill	\$ 48.77 /HH		NA		NA	
Total System Benefit Charges Levied on Tax Bill						
Non-Municipal Single-Family Homes	\$ 213.77 /HH					
Municipal Single-Family Homes	\$ 55.77 /HH					
Multi-Family Dwellings			\$ 16.74 /HH			
					\$ 220.99 /GFAU	

- a Does not include cost of maintaining closed landfill, which costs are paid from Landfill Post Closure Reserves (GASB18)
- b Current Receipts to fund solid waste projects financed by County's Long Term Capital Improvements Program (CIP)
- c Toward unplanned research and capital needs contingencies
- d Amount that GASB 18 does not permit to be reserved for landfill post closure costs (inflation).
- e Revenue from recyclables materials sold into secondary markets
- f From fees charged to accept commingled containers, yard trim, waste delivered in open top roll-off boxes, licence fees & rent
- g Pooled and non-pooled investment income as determined by the County Department of Finance
- h Sum of sector-specific rate stabilization contributions (see also note v)
- i Non-sector-specific contribution to (draw) to adjust overall fund balance
- j To pay for composting leaves collected by leaf vacuuming services (separate sub-fund)
- k Charge to fund balance to account for non-chargeable refuse deliveries (e.g. <500 lb loads per SS 48-32(c)(2) & MRF residue)
- l Revenue from Incremental System Benefit Charges
- m Single-family detached, townhouse, and multifamily dwellings in buildings comprised of 6 or fewer dwellings
- n Based on County's annual materials flow analysis.
- o (n) x (BASE SYSTEM COSTS)
- p Off-Sets Against Sector's Share of System Base Costs

	Single-Family	Multi-Family	Non-Residential
Disposed into County System	239,151	57,539	258,243
Non-Charged Loads (<500 lbs, PUF, Beauty-Spots, MRF Residue)	(21,762)	(4,049)	(27,984)
Off-Setting Tonnage	217,389	53,490	230,258
Tipping Fee	\$ 56.00 / ton	\$ 56.00 / ton	\$ 56.00 / ton
Sector Off-Sets for Refuse Disposal Fees and Tipping Fees	\$ 12,173,758	\$ 2,995,417	\$ 12,894,469

- q County tax account database, growth trends reconciled to Md. National Capital Park & Planning Commission (MNCPPC) projections.
- r 1 GFAU = 2000 sq. ft. improved property. NA for < \$5,000 improvement. State tax account data, inflated by MNCPPC employment.
- s Curbside recycling collection & processing costs net of material sales, outreach, household haz. waste, and recycling volunteers.
- t Recyclable Materials processing costs net of material sales revenue, outreach and education.
- u Recyclable Materials processing costs net of material sales revenue, outreach and education, commercial hazardous waste disposal.
- v Sector-specific contribution to (draw from) the rate Stabilization Reserve.
- w Sector share (tonnage proportional) of the yard waste composting facility operation, net of revenue.
- x Same as g, but without municipal households



OFFICE OF THE COUNTY EXECUTIVE
ROCKVILLE, MARYLAND 20850

Isiah Leggett
County Executive

MEMORANDUM

March 20, 2012

TO: Roger Berliner, President
County Council

FROM: Isiah Leggett 
County Executive

SUBJECT: Resolution – Solid Waste Services Charges

This memorandum transmits my proposed Resolution regarding the Solid Waste Services Charges. The enclosed proposed charges are based on the policy and objectives of my FY13 recommended budget.

If you have any questions, please contact Bob Hoyt, Director of the Department of Environmental Protection, at 240-777-7730. Thank you for your attention to this matter.

RGH:as

Attachment

cc: Bob Hoyt, Director, Department of Environmental Protection
Dan Locke, Chief, Division of Solid Waste Services, DEP
Keith Levchenko, County Council

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, 2012, the County Executive recommended, effective July 1, 2012, solid waste charges including residential Base Systems Benefit Charges which when multiplied by the generation rates (set by Executive Regulation 5-12) yield household charges for FY 2013:

Resolution No.:

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 \$66.00 / 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) $\$56.00 \times 0.87089 =$
 $\$48.77 / \text{Household}$

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:
 $\$54.49720 / \text{Ton} \times 1.9182 \text{ Ton} / \text{Household (ER 5-12)} - \$48.77 / \text{Household} =$
 $\$55.77 / \text{Household}$

Incremental Systems Benefit Charges =

Charge Rate (\$ / Ton Waste Generated) x Generation / Household:
 $\$56.9388 \times 1.9182 = \$109.22 / \text{Household}$

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
 $\$54.49720 / \text{Ton} \times 0.7978 \text{ Ton} / \text{Dwelling (ER 5-12)} - \$26.82 / \text{Dwelling} =$
 $\$16.66 / \text{Dwelling}$

Incremental Systems Benefit Charges =

Charge Rate (\$/Ton Waste Generated) x Generation / Dwelling:
 $\$0.0923 \times 0.7978 = \$.074 / \text{Dwelling}$

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	\$ 135.27	\$ -17.30	\$ 117.97
Medium Low	\$ 405.80	\$ -51.90	\$ 353.90
Medium	\$ 676.33	\$ -86.49	\$ 589.84
Medium High	\$ 946.86	\$ -121.09	\$ 825.77
High	\$1,217.39	\$ -155.69	\$1,061.70

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

Resolution No.:

Action

The County Council approves the above solid waste charges, effective July 1, 2012.

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council



SOLID WASTE ADVISORY COMMITTEE

April 11, 2012

The Honorable Roger Berliner
President
Montgomery County Council
100 Maryland Avenue
Rockville, Maryland 20850

Dear Mr. Berliner:

The Montgomery County Solid Waste Advisory Committee appreciates this opportunity to comment on the County Executive's Recommended FY13 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's efforts have resulted in an increase in the recycling rate from 43.6% to 44.4%. This has been due partly to the Division's targeted outreach programs, and partly due to the Division's efforts to continue to expand the materials that can be accepted for recycling. In particular, the Division has recently begun to accept aerosol cans, as well as a broader range of plastic products. Moreover, the Division continues to work to find more ways in which it may be economically feasible to recycle additional materials.

We urge the County Council to approve the County Executive's Recommended FY13 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
Daniel Locke, Chief, DSWS

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