

Selected Slides from 4/19/17 Council Forecast Presentation

ZWAC

May 10, 2017

Curbside Composting Program

Overview



- FY 2005 Council approves resolution in support of zero waste by 2040
- Goal of boosting a stagnant diversion rate and achieve goals established by the Council-adopted Zero Waste Plan
- Pilot program started January 2013
- Program expansion planned in FY 2017
- Program rollout completed by FY 2020

Curbside Composting Program

FY 2018 Incremental Costs



- Compost Processing and Fleet costs: \$640,000
- Advertising and Outreach: \$90,000
- 7 new positions + annualized costs: \$720,000
- Incremental Debt Service: \$550,000

Total: \$2.0 million

Major Fee/Rate Description	FY 2017 Rate		FY 2018 Projected Rate Increase		FY 2018 Projected Rate
Residential customer (Curbside Composting portion only) *	\$1.00	+	\$1.10	=	\$2.10

Curbside Composting Program Costs

Expense and Revenue Implications



<u>Incremental</u> Program Requirements						
Curbside Composting Program	FY17 Budget	FY18 Projected	FY19 Projected	FY20 Projected	FY21 Projected	Total
Operating Budget	\$1.3M	+\$1.4M	+\$1.3M	+\$1.0M	+\$0.1M	\$5.1M
Debt Service Payments	\$0.0M	+\$0.6M	+\$1.0M	+\$0.6M	+\$0.3M	\$2.4M*
Staffing	+12 FTEs	+7 FTEs	+6 FTEs	+3 FTEs	0 FTEs	28FTEs
Curbside Composting Rate Impact	\$1.00	+\$1.10	+\$1.15	+\$0.65	\$0	\$3.90

*Debt service payments continue through FY 2028

- Total program cost including FY16 Purchases and interest from debt service payments: **\$22.4 million**
- Total rate increases related to curbside composting: **\$3.90 by 2020**

Major Rates and Fees Forecast

Five-Year Rates, Fees, and Tax Forecast Change*

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	5-Year Total
Austin Energy	\$0.34	\$2.11	\$0.44	\$1.90	\$0.25	\$5.04
Austin Water	\$0.00	\$1.00	\$0.00	\$1.60	\$0.00	\$2.60
Austin Resource Recovery	\$1.10	\$1.80	\$1.30	\$1.00	\$1.00	\$6.20
Clean Community Fee	\$0.70	\$0.30	\$0.25	\$0.10	\$0.05	\$1.40
Transportation User Fee	\$0.00	\$1.30	\$0.52	\$0.52	\$0.44	\$2.78
Drainage Fee	\$0.00	\$0.95	\$0.42	\$0.23	\$0.24	\$1.84
Property Tax	\$5.20	\$6.13	\$3.41	\$2.84	\$2.91	\$20.49
TOTAL	\$7.34	\$13.59	\$6.34	\$8.19	\$4.89	\$40.35

* All numbers represent projected incremental changes to monthly rate, fee, or tax

Curbside Composting Program

Diversion Rate Impact

Diversion Rate Projection with Full Curbside Composting Implementation	
Actual FY 2016	Projection FY 2020
Diversion rate performance measure calculation with estimated residual removed	Diversion rate calculation with estimated additional compost tonnage diverted
37.6%	44.8%