

**Mayor's Task Force on Solid Waste  
Report to Mayor Bill White  
March 28, 2007**

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# **Mayor's Task Force on Solid Waste**

## **Report to Mayor Bill White**

**March 28, 2007**

### **Executive Summary**

#### **Service Eligibility**

The existing City Code defines eligibility for City solid waste collection services in terms of the following categories of units that abut public streets:

- (1) single-family residential; and
- (2) apartments of up to eight units.

The City has been serving ineligible units for years primarily for two reasons:

- (1) service was extended to traditional single-family homes on private streets after annexations but before the determination was made that the streets were private; and
- (2) service was extended to all units in some redeveloped higher-density areas before the determination was made that not all units in the development were eligible for service under the Code.

**Charge One:** The Task Force was charged with providing a definitive policy recommendation on how the City should deal with the future provision of solid waste services to these ineligible units and others similarly situated but not receiving services.

#### **Funding**

City solid waste services are provided without a user fee, which is a rare situation in Texas. While many residents look upon the City service as "free" it of course is not free, but has both monetary and societal costs because:

- (1) taxpayers fund it;
- (2) failure to reduce waste mortgages the future by creating both pollution from the vehicles used to collect and haul the excessive waste and a need for more difficult-to-site and remote landfill space;
- (3) lack of a dedicated revenue stream for solid waste services has in the past resulted in deferral of the acquisition of needed capital equipment, and equipment kept in service past its useful life is unreliable and inefficient; and
- (4) every City general fund dollar that is spent on excessive or inefficient waste removal and disposal is a dollar that could be used to fund police and fire services, libraries and parks.

**Charge Two:** The Task Force was charged with providing a recommendation on whether the City should establish dedicated user fees to fund solid waste services rather than continuing dependence on general revenues if there was a strong consensus among the Task Force members.

### **Task Force Report**

In carrying out its duties, the Task Force made discoveries and observations about the provision of solid waste services in general, and concluded that, while the two charges are two separate issues, because any policy changes on the definition of units that qualify for City solid waste services inevitably affects the cost to the City of providing those services, the two charges are linked.

### **The Task Force Recommends:**

- (1) new criteria for eligibility for City solid waste services should be adopted to provide an equitable standard that takes into consideration the development trends in the City and allows for all basic household trash service to be accomplished with automated equipment and a one-person crew;
- (2) the eligibility criteria should be strictly applied to ensure fairness and that City solid waste services are efficient;
- (3) policies should be put in place to promote notice from sellers of units that are ineligible for City solid waste services of that ineligibility;
- (4) units currently receiving City solid waste services or sponsorship payments that do not meet the new eligibility criteria should have service or payments discontinued after a reasonable notice period;
- (5) basic household trash services should continue to be provided through the general fund;
- (6) all other services (heavy trash, neighborhood depositories, dead animal collection, recycling and yardwaste) should be the subject of a waste reduction fund which is subsidized in part from the general revenues but otherwise paid for increasingly over time from a waste reduction fee charged to all units eligible for City solid waste collection service;
- (7) illegal use of the heavy trash service and illegal dumping must be stopped with increased enforcement and education;
- (8) the volume of heavy trash that units are allowed to put out for collection and the monthly frequency of collection are excessive, and a plan for gradual phased reduction of both volume and frequency should be implemented; and
- (9) waste volumes must be reduced through greater recycling, composting of yardwaste and wood-chipping of trees and limbs.

The Task Force membership endorses substantial change in residential solid waste practices *but* advises a course of incremental change to ensure consistent application of eligibility standards, improvement and cost reduction in the heavy trash situation (current cost for heavy trash service is \$28.3 million annually or 34% of the City Solid Waste Services budget), increased conservation to preserve landfill air space and adequate funding for responsible and efficient solid waste services.

# **Mayor's Task Force on Solid Waste**

## **Report to Mayor Bill White**

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### **The Charge and the Process**

The Task Force was charged with two areas of concern for evaluation and recommendation:

- (1) **The "Private Street" or "Out-of-Ordinance" Service Issue:** Provide a definitive policy recommendation on how the City should deal with the future provision of solid waste services to residential units which do not qualify for service under the Code due to the location of units on privately owned streets or the configuration of new denser development, each of which poses issues concerning the equitable application of the Code and the practicalities of providing service safely and with essentially standardized equipment.
- (2) **The Funding Source Issue:** If there is a strong consensus among the Task Force membership on the issue, provide a recommendation on whether the City should establish dedicated user fees to create a sound and sustainable revenue stream to fund solid waste services rather than continuing dependence on general revenues.

**Creation of the Task Force:** A Task Force membership was assembled to reflect the diversity of neighborhood and socioeconomic viewpoints and the business, government, legal, social and financial experience needed to consider and balance how different policy



choices concerning the provision of solid waste services could impact the public and the City government. The membership reflects the various categories of service users and potential users and developers of various forms of housing. (Refer to Appendix A.)

The Task Force Co-Chairs spent several months working with City staff from the City Controller's Office, Finance & Administration Department (F&A), Legal Department, the Mayor's Office, Planning and Development Department (PD) and the Solid Waste Department (SWD) and representatives of the Harris-Galveston Area Council (H-GAC) to refine information for the Task Force Members to consider. (Refer to Appendix A.) The Task Force held meetings of the full membership and divided into two committees for workshop sessions to fully vet the two charges for further consideration by the full membership.

**Guiding Principles:** Throughout the study and deliberation, the principles guiding the Task Force were that:

(a) The imposition of any fee-for-service that may be recommended, in lieu of the cost being borne by general revenues, should be based on equitable treatment of the served population and recognition that property and sales taxes are the primary sources of general revenues; and

(b) Any recommended policy changes should not inhibit responsible development activity within the city limits. The Task Force members were conscious of the fairness of current and proposed policies, and the health, safety and social ramifications of its ultimate recommendations. In carrying out its duties, the Task Force made discoveries and observations about the provision of solid waste services in general. It concluded that, while the two charges are two separate issues, because any policy changes on the definition of units that qualify for City solid waste services inevitably affects the cost to the City of providing those services, the two charges are linked.

## **General Findings and Observations**

### **Solid Waste Department (SWD) Status and Statistics**

The SWD, in general, is functioning well and is quite efficient due to good management, hard-working personnel, and the prevalence of standardized automated side-loading service for household trash and route optimization. Served residential units, and the City General Revenue Fund, receive and incur respectively high levels of solid waste service with good efficiency and value. A SWD Director planned retirement in 2007 signals an immediate need for succession planning to fill the position with the same level of operating expertise. A total of 456,400 residences are the responsibility of SWD. Service is provided either directly by SWD, by contract or through "Sponsorship Agreements", and this diversity of methods of providing services presented the Task Force with challenges in decision-making. SWD also serves, for a fee, approximately 1,900 small commercial units adjacent to existing residential routes and specially approved because of public convenience and necessity.

**Methods of Service:** Direct service by SWD personnel and equipment is provided to 313,400 units, and a contractor services 85,000 units. The contract will end in July of this year and the units will thereafter be served directly by SWD. The City has Sponsorship Agreements with approximately 300 entities that obligate the City to pay \$6 per unit per month in lieu of directly servicing approximately 58,000 units.

**Cost of Service Segments:** The services provided to each residential unit and the costs to the City to provide them are (See Appendix F):

- Basic weekly trash collection (\$38.21 million per year or \$6.95 monthly per unit)
- Heavy trash monthly collection (\$28.30 million per year or \$5.15 monthly per unit)
- Neighborhood Depositories (\$3.88 million per year or \$0.71 monthly per unit)
- Dead Animal Collection as required (\$522,000 per year or \$0.10 monthly per unit)
- Recycling twice monthly (\$2.91 million per year net of revenues or \$1.50 monthly per unit); only 162,000 residential units participate
- Yardwaste weekly collection (\$9.26 million per year or \$2.40 monthly per unit)

**Levels of Service:** The level of service provided is substantial but unevenly distributed among neighborhoods. For example, heavy trash service is used excessively in some areas and hardly at all in others, so the value to some households exceeds the average cost of service per household of \$16.81 and is much lower for others. Three City-operated neighborhood depositories are available for any Houston resident or property taxpayer for heavy trash dumping. The depositories also accept recyclable materials from any individual (not mass quantities from businesses) without limit to amount, residency or property tax payment.

**Age of Fleet:** Approximately \$29.1 million in capital expenditures will need to be made over the next five years, due in part to the planned direct service expansion in July to 85,000 units served by the private sector today. The average age of the truck fleet is 2.5 years, after the addition of the new trucks to serve the now-contracted area, and the remainder of the fleet has approximately 70% of expected useful life left. In some prior years, budget pressures caused inefficient deferrals of equipment replacement and higher maintenance costs.

**Allocated Cost of Services:** The current fully allocated cost to the City to provide solid waste services includes all labor, equipment, supplies, services, charges, depreciation, interest, pension, overhead and general government services expenses, and totals approximately \$83.1 million annually (using enterprise fund-type accounting, which yields a somewhat greater expense than is used within SWD for determining its direct cost of service, estimated at \$71.5 million). The costs are funded entirely from general revenues, rather than user fees, a unique funding situation in Texas. The major cities with solid waste services funded by general revenues tend to be developed primarily with high-rise housing rather than through big footprint conventional housing, as is Houston's case. The fiscal year 2007 SWD budget is approximately 5% of the general revenues of \$1.6 billion.

**Comparison to Other Cities:** Of Austin, Dallas, El Paso, Fort Worth and San Antonio, only Austin and San Antonio (whose general fund budgets include substantial amounts of funds transferred from the municipally-owned electrical power companies, a subsidy that

is not available to Houston and the other cities) have lower property tax rates than Houston, but every one of these cities charges for solid waste services in amounts ranging from a low of \$16 to a high of \$22.75 monthly (plus additional fees for higher levels of service). Other major cities reportedly charge higher than cost of service fees and impose surcharges, creating funding used for other public services (such as Los Angeles), but the legality of this would be questionable under Texas law. (See Appendix E.)

**Major Operational Issues:** Beyond the specific charges to the Task Force, we identified two major operating issues that need to be addressed that affect both of the charges:

- (a) Serious and ongoing problems with illegal dumping of heavy trash on vacant property and of commercially generated material by customers at curbsides in several neighborhoods has created a situation repugnant to most residents, one that they are powerless to change and which causes unjustified cost to the City; and
- (b) Recycling and yardwaste programs need to be greatly increased to benefit the environment and conserve existing commercially and socially valuable landfill air space.

**(a) Heavy Trash Service is a Serious and Expensive Problem**

The City's current heavy trash policy is:

“...no more than a total of two department truck loads or forty cubic yards of material, whichever is less, shall be collected from any one residential unit on any collection day.”  
Code Section 39-77(b)

**Excessiveness:** This statement encapsulates the excessiveness of Houston's heavy trash situation. A forty cubic yard roll-off container measures seven feet by eight feet by 22 feet. If each of the 456,000 households serviced directly or indirectly by SWD placed out on the curb for collection the maximum allowable volume every month it would constitute 5,472,000 forty cubic yard containers or 109,444,000 truckloads annually.

Monthly heavy trash service is almost without precedent in other cities, and in most a specific fee is charged for the service. El Paso charges \$267.38 to collect 40 cubic yards of heavy trash, which would amount to \$3,208.56 annually per household if 40 cubic yards were collected monthly. This is the same amount of heavy trash a Houston resident can put out at the curb and receive no specific charge for. Of course, not every customer puts out the maximum amount, and it seems inconceivable that if a customer did he would be in compliance with the Code requirement that all of the heavy trash be “...waste generated by residential users in connection with activities that are incidental to their use of their property for residential purposes...” Code, Section 39-50(d).

**Abusers:** Some customers disregard and flaunt the Code by placing commercial heavy trash out for collection. It has been reported by Task Force members that month after month there are routinely large cut-up trees on properties that have not had a tree growing on them in years, leading to the suspicion that the resident is cutting trees on other properties as a business and disposing of the material for free at residential curbsides.

Additionally, non-customers abuse certain neighborhoods by illegally dumping heavy trash items, knowing in advance the heavy trash schedules and that conditions in the neighborhoods, such as poor lighting, make those areas easy targets to such activities. The City of Austin does not publish its heavy trash schedule online to discourage illegal dumping. Dallas has “Brush Busters” trucks available seven days per week to pick up materials placed out illegally.

**Heavy Trash, Heavy Cost:** Providing heavy trash services costs the City approximately \$28.30 million per year out of an \$83.1 million fully allocated SWD budget (34%). The average cost of service per unit per month is \$5.15, which is misleading due to the unevenness of the legitimate utilization of the service, illegal use by customers and illegal dumping by outsiders. An estimate of savings from reducing heavy trash collection frequency to twice a year is half of the \$28.30 million per year cost, or \$14.15 million.

**Enforcement:** Effecting change in Houston will require strong enforcement (for a period of time until practices change) and material fines being levied that exceed the cost of taking the heavy trash to a landfill or a neighborhood depository. The cost of enforcement and opening new depository sites can eventually be borne from the heavy trash savings achieved. Enforcement will initially require extra funds, but if some Differential Response Teams (DRTs) are dedicated to heavy trash enforcement, eventually increased enforcement can yield a net revenue gain from fines. (See Appendix D for financial aspects.) Eventually, the projected savings of about \$14.15 million can be realized in full (this is a good-faith estimate by SWD, and it is difficult to judge how much the actual figure will be). Measures need to be instituted to improve the heavy trash and illegal dumping situation.

#### **(b) Yardwaste and Recyclables; Effect on Landfill Air Space**

**Yardwaste:** Virtually none of the compostable solid waste stream that SWD collects is composted. The City has an essentially dormant arrangement with a composter which in the past saved money on landfill payments and helped to extend the life of area landfills. Preserving landfill capacity avoids many of the thorny issues of siting or expanding a landfill and added costs when future waste must be trucked farther to new landfills. [Note: On December 12, 2006, several residents appeared before City Council to urge opposition to a substantial air space increase at a BFI landfill.]

The City reached a high in fiscal year 1999 with 28,696 tons of composting materials, realized a savings of \$463,149 in landfill cost avoidance and earned revenue for composting materials of \$6,709. However, there are costs to process the yardwaste for composting. For the yardwaste to be acceptable to the composter it must be uncontaminated by other wastes, and SWD employees cut each bag open by hand at the curb to both remove it from the un-compostable plastic and to check it for contaminating materials. One contaminated bag can ruin an entire truckload and require it to be sent to the landfill. Customers are instructed to put their yardwaste in plastic bags.

Over several years following 1999, SWD added solid waste services to approximately 20,000 customers while at the same time approximately \$1 million in overtime expenses were cut from the SWD budget. To provide service to the additional 20,000 customers while at the same time the number of crews was effectively cut due to reduction in overtime, the preparation of yardwaste by cutting bags and separate collection was

terminated to shift available funds to the cost of servicing the additional customers. Yardwaste collection teams often end up having to also collect smaller heavy trash that does not require the two-truck-and-claw equipment and basic trash in addition to compostables in the same truck.

SWD estimates that it would cost \$3 million per year to restart the cutting of bags and separate collection for composting based on the past \$1 million cut in overtime, the avoided cost of \$500,000 for an extra crew to serve the expanded customer base and the consideration that even in the peak composting years a large proportion of yard clippings in bags were taken to the landfill rather than composted. For fiscal year 2006 the tonnage composted had dropped to 1,204 with landfill savings of \$28,960 and no revenue.

Other cities use compostable bags, such as our neighboring West University Place and Fort Worth. Recent indications in Houston are that at least one large composting operator has ceased paying for composting material and has been increasingly resistant to receiving material in compostable bags. Some cities run composting operations, but the Task Force did not evaluate the efficiency, efficacy or economics of Houston undertaking such an approach.

Other options for managing yardwaste, other than through disposal in landfills, should be investigated further with City staff. Similarly, the disposal of 50% of heavy trash comprised of tree trunks and large limbs should be evaluated, including City-run operations or the seeding of small businesses conducting chipping and heavy mulch operations that could rely on the flow of raw material from the SWD operations.

**Recyclables:** There are also difficulties with the recycling program. Even for those neighborhoods that have curbside service, participation is low and this may be in part because the bins are small, especially for every-other-week collection for customers who are serious about recycling. The bins consume more curbside space, which presents an additional problem in the areas of denser development. Often customers who use the curbside recycling service must supplement the service with frequent trips to neighborhood depositories or, for paper, make frequent trips to the many recycling receptacles at schools, churches and other locations.

Anecdotal evidence suggests that some customers would prefer having more convenient depositories and drop recyclables off on their way to run other errands rather than attempting to squeeze recyclables into a small bin and store it in the home for two weeks, but SWD data indicate drop-off recycling volume is approximately 20% of the curbside recycling volume. One deactivated neighborhood depository could be reopened quickly at an annual operating cost of approximately \$500,000 (bringing the total to four). Additional neighborhood depositories could be added with a one-time capital cost of approximately \$500,000 and annual operating costs of approximately \$500,000.

### **Role of "Sponsorship Agreements"**

Sponsorship agreements are arrangements between the City and civic or homeowners' associations in which the association agrees to assume responsibility for solid waste services to units eligible for City solid waste services in exchange for the City paying \$6.00 per eligible unit per month to the association. Sponsorship agreements have been in

place since 1980, and the many participating neighborhoods have utilized them successfully, some to contract privately for a higher level of service. Many townhome and condominium units are now covered by the agreements.

The sponsorship payment rate has not changed since the inception of the program, and the payments cost the City \$4.2 million annually, in addition to the administrative costs involved. According to SWD estimates, there are a total of 77,100 units in the 300 neighborhoods that have sponsorship agreements. Only 58,543 of those units are eligible for City service under the existing Code, so the \$6.00 payments are only made for those units. The City saves approximately \$7.6 million annually, based on the average cost of service for the full list of services provided elsewhere, by not providing service directly to the units eligible for City service.

If criteria for City service eligibility are changed as the Task Force recommends, some units now eligible for City service and receiving sponsorship payments would have those sponsorship payments terminated and other newly eligible units could qualify for the payments. SWD is currently analyzing which neighborhoods would no longer be eligible for City solid waste services and therefore lose the sponsorship payments, and *initial* estimates indicate the total reduction in cost could be approximately \$1 million. The Legal Department has advised that City Ordinance No. 85-842 governs the sponsorship agreements and is reviewing what ordinance and Code changes will be needed to implement the change in eligibility for sponsorship payments caused by a change in eligibility for City service.

### **Land Development Trends and Planning Policies**

Representatives of H-GAC and PD predict that the City will continue to see denser development inside Loop 610 and elsewhere, which will exacerbate the private street and eligibility issues if not dealt with promptly. Policies need to be revised to prevent more of the solid waste service problems that are now cropping up. Some developers of new high-density units where most do not qualify for service under the Code have failed to inform the homeowners that they will not be eligible for City garbage services. Typically, such developers have not provided space on the property for a compactor, dumpster or other arrangement for waste collection. The result is that a new owner may call 311 to request a can, a can is delivered, and then it is discovered that the property is not eligible for service.

To avoid these issues in the future there must be a significantly enhanced system of evaluating streets and planned construction as to eligibility for service. The platting of properties should include any required notice of ineligibility, as should surveys used for title policy purposes. Planning and the Legal Departments concur. (See Appendix B.)

### **Charge One: Private Street or Out-of-Ordinance Service**

**City Obligations:** Through the Code, SWD has been tasked to "...supervise and be responsible for the collection, transportation and disposal of solid waste..." (Section 39-18). Property owners also have duties under the Code. "...Property owners shall ensure that solid waste collection services are provided on a regularly scheduled basis to collect all solid waste generated or accumulated on their property..." (Section 39-98).

**Service Rules:** If the City chooses to provide service, as it has, it may establish rational rules for service taking into consideration factors such as the amount of waste produced, street conditions, the City's equipment and access to private property. The Code provides that garbage collection services are only extended to residential units with a public street curblin in front of or adjacent to the property where the waste was generated. (Section 39-65, see also Section 39-1, definition of *Residential unit/ service unit*). Residential units include single-family homes, apartments of up to eight units, duplexes, condominiums, townhouses, townhomes and patio homes.

**Varying Operating Conditions:** Many ineligible residences present very difficult operating conditions and could yield unwelcome affects on neighborhoods on collection days. Parking on both sides of a street often impedes the normal movements of garbage trucks and necessitates the trucks to back up or down a street causing a safety hazard. Multiple rolling containers, piles of heavy trash, bags of yardwaste and recycling bins can cause health hazards and more obstacles to movement in restricted areas. If streets are not large or strong enough, the City trucks can cause damage and lead to disputes over the responsibility for the damages. Substantially different operating equipment and practices will cause the cost of service to certain ineligible households to be materially higher than the current average cost of service.

An example of a neighborhood that presents difficult operating conditions is a subdivision where the streets look standard, but the streets are not constructed to City standards and cannot withstand the weight of SWD trucks. Some of these areas have been served by the City for years, reportedly because when the City annexed the area, service was originally extended before the determination was made that the streets are private and weak. Previous administrations opted not to terminate service to some areas once it was determined the units did not meet the requirements for service under the Code. The Task Force members believe grandfathering is inequitable to similarly situated subdivisions that are not and will not be eligible for service. SWD is currently analyzing which neighborhoods would see termination of out-of-ordinance service.

Some ineligible units are now receiving basic residential trash collection services with relative ease. There are also a number of developments where one lot has been subdivided to accommodate several homes, only some of which have street frontage, but SWD is serving all of the units. From an operational standpoint, were it not for the current Code restrictions and as long as City trucks do not have to drive on private streets, the non-adjacent units could be collected readily (i) if the customer can get the container to a public street, (ii) there is a reasonable average footage for street frontage for the units to accommodate the rolling containers (cans must be spaced on five foot centers for collection) and (iii) these units do not have large amounts of heavy trash or yardwaste.

Small developments could find it difficult to contract for service from the private sector due to inefficient economy of scale. Changing the definition of eligibility for service to include these readily served units could mitigate the disruption of service and potential hardship to certain of the City's customers, and the current eligibility criteria were set forth in a time of vastly different urban development trends. The problem is where to draw the line on the number of units because some unit will inevitably fall just outside the eligibility measures, but clear-cut eligibility standards are needed to avoid case-by-case judgments on what units are eligible for service.

### **The Task Force Submits the Following Recommendations:**

- Do not operate SWD collection equipment on any private streets, including those now being served.
- Revise the Code to allow service eligibility for all units which may include a private street development but also abut and have direct access to a public street if: (1) there are no more than 20 units (a practical limitation regarding the number of cans on collection day) in that development; (2) one or more units in the development abuts a public street and provides at least five feet of public street frontage per unit in the development; and (3) collection of all rolling cans for the development is on the curblin of public street frontage that abuts a unit in that development and allows the cans to be placed on five foot centers. (See Appendix B illustrating the application of these criteria in various settings.)
- Revise the Code to disallow service eligibility to units in private street developments that abut a public street but are in a development that does not meet the new three-prong test above.
- Enforce the revised Code and terminate service to out-of-ordinance customers as of January 1, 2008, which should allow those customers time to make alternative arrangements (private sector service providers can provide good service, although in certain instances some level of hardship may be experienced while the private sector adapts to its role).
- Be consistent in enforcing the new service eligibility requirements. Communicate clearly to the land development community what is expected to help prevent surprises for homeowners concerning the ineligibility for City garbage service.
- The administration should further refine the proposed eligibility change with City staff to determine how it will mesh with details of existing Code provisions such as those concerning optional additional containers for a fee, heavy trash service and pick-up for the handicapped.

The Task Force was made aware that some areas of the City, annexed many years ago, are still not eligible for City collection service, primarily due to the status of their streets as “private.” In one case considered by the Task Force, it was determined, after investigation by the Legal Department that, in fact, the streets should be deemed “public” under the legal doctrine of implied dedication and acceptance (sometimes referred to as “easement by prescription”). While it may be possible that other areas currently deemed ineligible *might* qualify for City collection services, the Legal Department also advised that the facts surrounding the creation, use and maintenance of the streets within any such area must be investigated on a case-by-case basis to properly ascertain the legal status of the streets. No “general rule of acceptance” can be promulgated nor should such a solution be attempted. If and when any such area is considered, all facts and circumstances concerning the area should be forwarded to the Legal Department for investigation.

**Unit and Cost Estimates:** For many years, if not decades, SWD and its contractors have been collecting from ineligible households. Record keeping practices do not allow for a precise determination of the number of infractions or their location. Anecdotal information and an estimate from SWD suggest the number is approximately 10,000 units. If the Code eligibility provisions are revised as recommended there should be a negligible effect on



future budgets for these 10,000 units since they are already being served and some would see service terminated. The estimated cost to serve these 10,000 units is approximately \$2 million annually based on the average cost of service per unit of \$16.81 per month.

SWD estimates there could be as many as 30,000 units that would qualify for service under the recommended three-pronged test, but that number could be much smaller and of those that would be newly eligible it is not possible to predict how many would opt not to be served by the City because of the distance from the units to a public street and the long-standing arrangement of service by the private sector paid by the residents.

### **Charge Two: The Funding Source**

The Task Force focused first on identifying the level of service that should be provided, then on whether optimizing service levels could save money, and, finally, on methods of generating new revenue. New revenue or cost savings could be applied to extending service to current out-of-ordinance customers who would be served under the proposed three-pronged service test, improved lighting and enforcement to stop illegal dumping, education to encourage increased conservation, restarting the yardwaste program, and reduction in the abusive and illegal use of the heavy trash service.

**The Heavy Trash System is Broken:** Changing the heavy trash segment of solid waste services could eventually save the City millions of dollars and go a long way to ending the unsightliness and public safety aspects of the current abused system. Under any funding scenario, immediate action is needed in the form of educational efforts and a substantial emphasis on enforcement and penalties for illegal dumping to change behavior and end the abuse of certain neighborhoods. The Task Force believes the ultimate goal for heavy trash service for all neighborhoods should be collection twice per year on an on-call basis. The Task Force also believes that the total amount allowed to be collected per unit per collection date should be greatly reduced. Service would be augmented by the availability of the existing and newly developed neighborhood depositories. Austin, Atlanta and El Paso all have an on-call system.

It may take many years to move the entire City to an on-call system, and SWD will need to propose specific policies for the number of days that may elapse between the customer's call for service and the actual collection to allow for efficient routing and the number of days heavy trash can be put out at the curb before the scheduled collection window to prevent piles of trash sitting on curbs for days and weeks at a time. Nonetheless, many neighborhoods (representing approximately 70% of units receiving City solid waste services), which have historically had negligible heavy waste service requirements, could be changed to this on-call system very soon with minimal educational efforts.

For the abused/abusing neighborhoods (representing approximately 30% of units receiving City solid waste services) a transition term and process will be needed involving a Mayoral Policy Statement to prevent the diversion of Differential Response Teams to other police business, additional funds budgeted in the early efforts so that enforcement can begin before heavy trash collection frequency is reduced, involvement of the Super Neighborhoods and Civic Associations and coordination with Super Neighborhood cleanups and additional street lighting to deter illegal dumping. Each light has an

estimated cost of \$211, which includes electricity for the first year, with an average electricity cost per month per light of \$18, thereafter. Collection frequency will need to remain at the monthly scheduled level for a reasonable period as enforcement and education efforts are ramped up. The next steps would be to go to quarterly scheduled collection in these neighborhoods, then to twice per year on scheduled dates and finally to twice per year on an on-call basis. Significant public education will be needed during all phases and may need to include door-hangers for notification of the collection dates as they change and are spread out. (SWD is currently drafting a detailed Heavy Trash Neighborhood Transition Plan. See Appendix D for projected costs and savings.)

### **One Option: Full Cost Recovery Fee**

The most direct action would be to charge user fees, preferably tiered with a pay-as-you-throw (PAYT) system to customers to cover the full cost of providing the level of solid waste services used by each residential unit and to encourage conservation of both recyclables and yardwaste. The Legal Department has advised that in designing a rate structure the City has some latitude in setting fees for different levels of service, that incentivizing conservation is a rational basis for setting fees, but that the same fee must be charged for the same service across all eligible units throughout the City.

To avoid excessive hardship to low-income customers, a basic stripped-down level of service could be offered at no charge to all customers (financed by general revenues) with charges for all other services. The various categories of supplemental services and means for providing them are manifold. Customers could be encouraged to leave their grass trimmings on the yard or purchase a separate container for yard clippings, for example. A fee-based system could provide a level of fairness since there are currently many categories of taxpaying citizens who are not eligible for City garbage service financed through the General Fund.

There was discussion of “revenue neutrality” if a garbage fee were proposed. The Legal Department has advised that a property tax decrease to offset a new garbage fee could not be targeted only to homes, but would apply to all taxable properties in the City, providing a windfall for commercial interests. In other words, it is possible to make a garbage fee revenue neutral to the City budget by pairing it with a property tax decrease, but there is not a way to make its impact neutral only to City residential garbage customers, who are often the most vulnerable to new fees and higher taxes.

Other cities have experienced difficulties in making the change from a flat-fee or an “all-you-can-throw-for-free” garbage service to a PAYT system, both with the public becoming accustomed to the changes and in obtaining City Council approval. Of course, Houston’s current system is not free since taxpayers fund it, and the lack of incentive for conservation will cause expensive problems in the future.

Billing systems are often much more complicated in practice than in theory. For example, not all City garbage customers receive a water bill and not all City water customers receive City solid waste services. A decision would need to be made on whether to establish a utility system and/or enterprise fund for solid waste services, in the case of a utility system either as a separate entity or as part of the existing Combined Utility System.

**Recommended Option: Implement A Waste Reduction Fee**

- Provide basic household trash collection to eligible residential units which would continue to be financed by general revenue funds.
- Over some phased period of time move all other service segments (heavy trash collection and abuse enforcement, neighborhood depositories, dead animal collection, recycling and yardwaste) to an enterprise fund or similar dedicated fund for the purpose of waste reduction and neighborhood protection.
  - Effect eventual substantial savings and efficiencies by a reduction of the heavy trash service level, accompanied by substantial enforcement in abused/abusing neighborhoods.
  - Consider upgrading street lighting in abused neighborhoods as a cost-effective way to deter illegal dumping of heavy trash.
  - Create a dedicated waste reduction fee charged to each unit eligible for City solid waste collection service. Because the recommended fee is insufficient to cover all cost, supplement the dedicated fund with general revenue funds until cost savings and fees allow the system to be self-supporting. (See Appendix D for savings, revenue and cost estimates, including for phase-in period.)
  - Institute an effective and responsible recycling program and restart the composting program. Credit revenues from sales to the waste reduction fund.
  - Open one or more additional neighborhood depositories for recyclables and heavy trash. Consider allowing access to depositories by commercial operators to drop off yardwaste, tree trimmings and similar organics if end uses can be found for a clean waste stream.
  - Revamp current public relations practices to achieve more effective user education and recognition of the benefits of recycling and the preservation of landfill air space.

A monthly fee should be charged to each unit eligible for City solid waste collection service, including those receiving sponsorship payments in lieu of direct service and the 1,900 small commercial units served. Task Force Members believe \$3.50 per month is a cost that can be borne in all Houston communities, and F&A estimates that \$19 million would be generated annually by this fee. Of course, the Mayor and City Council will have to judge the initial amount and any increases in the fee. The monthly fee amount needs further refinement to determine what funds are needed in combination with heavy trash savings to effectively implement an expanded curbside recycling program, restart the composting program and implement the other recommended changes.

Most SWD customers are also served by the City of Houston Combined Utility System, with most of them receiving both water and sewer service. The most cost-effective billing mechanism would be to add the charge to the water bill. The Public Works and Engineering Department estimates that the initial costs of setting up the billing system, re-programming the water customer service system with another line item, and adding the charge, is about \$150,000 (thereafter there would be no incremental cost for this billing).

For each solid waste services customer who does not currently receive a water bill, the incremental billing cost per month would be about \$0.45. These are estimated to be 10,000 to 20,000 locations. Quarterly billing may be more cost-effective for such a small fee. Once those customers are known, it will take about four months to implement the new

fee. Additional customer service representatives in the SWD would be needed, but it is difficult to estimate how many. The operators at 311 can be provided with the answers to frequently asked questions.

## **Conclusion**

Mr. Mayor, it has been a privilege for all the Task Force members to serve you and the City. The Task Force members have come to a better understanding of the varied situations and perspectives of our neighbors across the City and of the complexities of providing a multi-faceted City service with ever-increasing budget pressures and changing land development patterns. The Task Force membership has attempted to be logical, practical and consistent in arriving at recommendations.

While reasonable minds can differ on what should be done concerning both the out-of-ordinance and funding issues, the collective judgment of the Task Force members is that SWD should be put on a course of gradual change with the ultimate goal of providing services at levels similar to Houston's peer cities with the cost borne by those who receive the services. Abrupt discontinuation of service to current out-of-ordinance customers and immediate complete change from the longstanding practice of solid waste service funded by general revenues to a system of user fees could be counterproductive and could cause hardships to some Houstonians.

Hence, the Task Force membership endorses substantial change in residential solid waste practices *but* advises a course of incremental change to ensure consistent application of eligibility standards, improvement and cost reduction in the heavy trash situation, increased conservation to preserve landfill air space and adequate funding for responsible and efficient solid waste services. The challenge will be found in embarking on this path and being able to remain on it when other administrations take office. Perhaps the most effective means to accomplish the goal would be some form of codification of the pathway to full implementation.

Lastly, the Task Force and especially its Co-Chairs wish to extend grateful thanks to the involved members of the City's many departments who brought tireless devotion to supporting the Task Force, thereby making this report possible. Their dedicated service was indispensable.

Respectfully Submitted on Behalf of the Membership,

Lorne Bain, Chairman

City Controller Annise Parker, Co-Chair

## **Mayor's Task Force on Solid Waste**

### **Appendix A to Report to Mayor Bill White** **Brief Task Force Membership Biographies and Qualifications** **and Committee Assignments**

**Lorne Bain, Chairman,** was CEO of Sanifill, now part of Waste Management, and serves on the boards of several public corporations and non-profit organizations, including St. Luke's Episcopal Health System. Out-of-Ordinance Committee Chairman.

**City Controller Annise Parker, Co-Chair,** is the City Controller and formerly was an at-large City Council Member, Texas Commission on Environmental Quality Municipal Solid Waste Advisory Committee Member, small business owner and 18-year employee of Mosbacher Energy Company. General Fund Committee Chairman.

**Bill Barnett** is the former Managing Partner of Baker&Botts law firm, former Chair of the Board of Directors of Rice University and has served the community in many ways including overseeing the privatization of the Houston Zoo. General Fund Committee.

**Brent Eilerts** is an engineer with Chevron, recent law school graduate and loft resident originally denied City solid waste services. Out-of-Ordinance Committee.

**Marty Fein** has developed approximately 6500 multi-family units through his company in the last 17 years and prior to that had a long career with another well-respected local multi-family housing company. Out-of-Ordinance Committee.

**Sonny Garza** is in the media and marketing industry, is a Vice President of Garland Company & Associates, a company dedicated to renovating and re-developing historic homes in the inner city, and serves as a member of the City Planning Commission. Out-of-Ordinance Committee.

**Vivian Harris** is a long-time community activist, representative of the South Houston Concerned Citizens Coalition and involved in a pilot project for a comprehensive planning program for the City. General Fund Committee.

**Renee Logans** is CEO of the intellectual property consulting firm Access Data and a representative of the Greater Houston Partnership. Out-of-Ordinance Committee.

**Gasper Mir** is Executive General Manager of Strategic Partnerships for the Houston Independent School District, has extensive accounting and financial experience and serves on the boards of several public corporations and non-profit organizations. General Fund Committee.

**Ruby Mosely** is a long-time Acres Homes resident and has been a community volunteer and activist with broad experience in matters that have come before the City Council. General Fund Committee.

**Linda Stewart** is an owner of HHN Homes, a developer of single-family high-density homes in the City center and a representative of the Greater Houston Builders Association. General Fund Committee.

**Bubbha Thomas** is a musician, poet and educator and Vice President of the Ridgemont Homeowners Association and a resident of the section of Ridgemont that has not received City solid waste services because of street ownership issues. Out-of-Ordinance Committee.

**Shaukat Zakaria** is Vice President and Chief Financial Officer of ZakOil International. His responsibilities have included the research and assessment of real estate site locations with a special emphasis on targeting new business enterprises in blighted communities in Houston. He also serves on the City Planning Commission. Out-of-Ordinance Committee.

### **City Support Staff by Department Alphabetical Order**

#### **Finance & Administration Department**

Judy Gray Johnson, Director, Michelle Mitchell, Assistant Director, Regina Dickson, Division Manager, and Lisa Alexis, Division Manager

#### **Legal Department**

Don Cheatham, Chief, General Counsel Division, Gary Wood, Senior Assistant City Attorney, and Kuruvilla Oommen, Assistant City Attorney

#### **Office of the City Controller**

Janice Evans, Director of Communications, and Andrea Campos, Administrative Specialist

#### **Office of the Mayor**

Terence Fontaine, Deputy Chief of Staff for Operations, and Jenny Bailey, Deputy Director for Policy Planning

#### **Planning and Development Department**

Marlene Gafrick, Director, and Jennifer Ostlind, Administration Manager

#### **Solid Waste Department**

Buck Buchanan, Director, Ed Chen and Dan Gutierrez, Deputy Directors, and Marina Joseph, Public Information Officer

#### **Harris-Galveston Area Council Staff**

Jeff Taebel, Director, Community and Environmental Planning, Dr. Dimitry Messen, Forecasting Program Manager, and Cheryl Mergo, Solid Waste Program Manager

## Appendix B-1 to Solid Waste Task Force Report

It is recommended that the following Code changes be implemented to carry out the recommendations of the Task Force.

1. Amend Code, Chapter 42 as follows:

A. Amend Sec. 42-1. Definitions, to add the following:

*Director of solid waste* means the director of the department of solid waste management or his designee.

*Solid waste collection plan* means a plan that is filed with a single-family subdivision plat application for property located within the city that includes the following provisions to allow (i) the collection of solid waste without hindrance or obstruction of any adjacent public street, (ii) the frequency of solid waste collection as necessary to avoid a health hazard caused by the accumulation of solid waste, (iii) heavy trash removal, and (iv) one or more sites for the placement of trash cans to serve all units within the subdivision without infringing on any required open space or parking areas required by this chapter.

B. Amend Sec. 42-40, relating to plat submittal requirements, as follows:

Add a new subsection (d) to read:

Sec. 42-40. Basic subdivision plat submittal requirements.

(a) An application for the approval of a subdivision plat shall be filed with the department in the form prescribed by the director for the respective class of subdivision plat, and shall:

- (1) Be made on an application form provided by the department;
- (2) Provide all required materials, in the quantity and manner prescribed by the director, on paper, on a computer disc or on electronic media;

### Appendix B-1 to Solid Waste Task Force Report

- (3) Be accompanied by an affidavit of the owner, or the owner's authorized agent with duty to inquire, regarding all contiguous land under common ownership or control;
- (4) Meet the graphic and legal requirements of sections 42-41 through 42-45 of this Code, as applicable; and
- (5) Be accompanied by the applicable filing fee.

(b) An application for the approval of a subdivision plat that is a replat shall also be accompanied by a current title report and shall comply with the notice provisions of section 42-49 of this Code, where applicable.

(c) A class III plat shall be first submitted for review as a preliminary plat in accordance with the requirements below.

(d) The application to plat a single-family subdivision inside the city must be accompanied by a solid waste collection plan, as defined in this chapter, which plan shall be subject to the approval of the director of solid waste. The existence of the plan must be noted on the plat or identify the document filed with the plat containing the elements of the plan, as follows: A note shall be placed on the face of the plat indicating whether the development is eligible or ineligible for solid waste collection provided by the city, as applicable, utilizing one of the following forms.

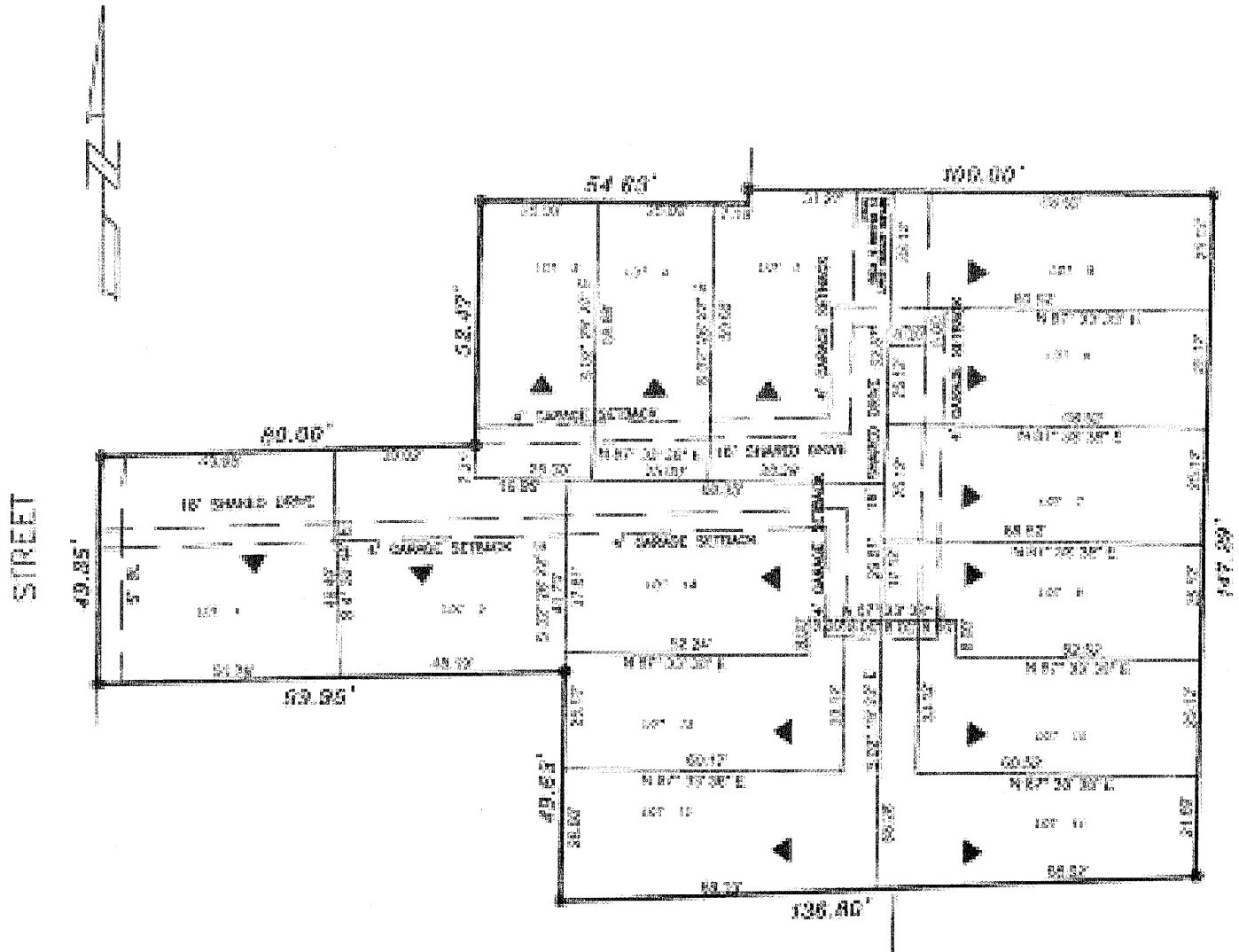
- (1) THE RESIDENTIAL UNITS OR LOTS ENCOMPASSED BY THIS PLAT ARE INELIGIBLE FOR SOLID WASTE COLLECTION SERVICES PROVIDED BY THE CITY AT THE TIME OF THE FILING OF THIS PLAT. THE OBLIGATION TO PROVIDE SOLID WASTE COLLECTION SERVICES SHALL BE THE SOLE RESPONSIBILITY OF THE OWNERS OF PROPERTY IN THE SUBDIVISION. NOTWITHSTANDING THE FOREGOING, THE CITY RESERVES THE RIGHT TO AMEND THE LEVEL OF SOLID WASTE COLLECTION SERVICES IT PROVIDES. or
- (2) THE RESIDENTIAL UNITS OR LOTS LOCATED IN THIS SUBDIVISION ARE ELIGIBLE FOR SOLID WASTE COLLECTION SERVICES BY THE CITY AT THE TIME OF THE FILING OF THIS PLAT. NOTWITHSTANDING THE FOREGOING, THE CITY RESERVES THE RIGHT TO AMEND THE LEVEL OF SOLID WASTE COLLECTION SERVICES IT PROVIDES.



# Appendix B-2 to Solid Waste Task Force Report

## Eligibility Criteria Examples





## 14 Units

- Frontage test - does not meet criteria  
49' frontage  
-16' driveway  
33'5' per can = 6 cans
- Maximum 20 units - meets criteria



# Appendix C

## Illustrations

## Out-of-Ordinance Example



## Out-of-Ordinance Example



# Difficult Operating Conditions for SWD Trucks





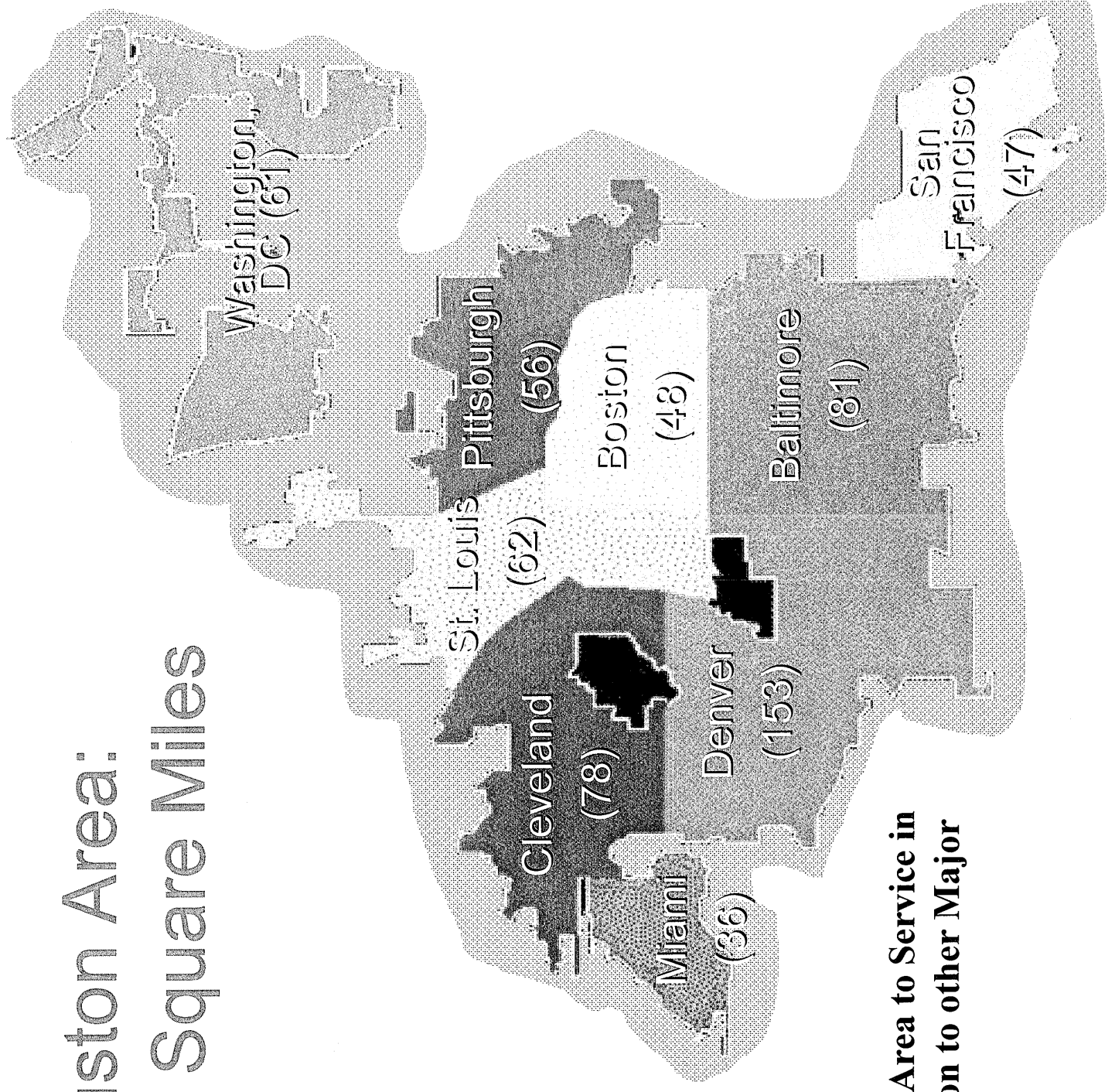
## Private Street Example



## Heavy Trash Problem



# Houston Area: 640 Square Miles



**Large Area to Service in  
Relation to other Major  
Cities**

# Appendix D

## CASE I - ILLUSTRATIONS BASED ON TASK FORCE RECOMMENDATIONS

### MAYOR'S TASK FORCE ON SOLID WASTE

WASTE REDUCTION FUND FY08	FY08	GENERAL FUND FY08	FY08
<b>COST:</b>			
Heavy Trash (1)	\$ 28,300,000	Garbage Collection	<u>\$ 38,210,000</u>
Abuse Enforcement (2)	\$ 1,100,000		
Depositories (3)	\$ 4,380,000		
Dead Animal	\$ 522,000		
Recycling (4)	\$ 4,374,000		
Yardwaste/Compost (5)	<u>\$ 12,260,000</u>		
<b>TOTAL COST</b>	<b>\$ 50,936,000</b>		
<b>LESS REVENUE:</b>			
Recycling Revenues (6)	\$ 975,000		
Composting Revenues	\$ 100,000		
Waste Reduction Fee (7)	\$ 19,169,000		
Enforcement Fines Revenues (8)	<u>\$ 1,600,000</u>		
<b>TOTAL REVENUES</b>	<b>\$ 21,844,000</b>		
<b>NET:</b>	<u><b>\$ (29,092,000)</b></u>		
<b>GENERAL FUND SUBSIDY</b>	<u><b>\$ 29,092,000</b></u>		
<b>NET INCOME/LOSS</b>			<u><u><b>\$0</b></u></u>

#### Phase In Costs:

- (1) Assumes No reduction in Heavy Trash costs in the 1st year
- (2) Increased Abuse Enforcement seven days a week - \$1,100,000 - 20 FTEs
- (3) Assumes reactivation of a fourth depository - \$500,000 operating expense per year
- (4) Assumes 50% increase in Curbside Recycling Services for an additional 81,000 units - \$1,464,000
- (5) Includes cost to Compost- \$3,000,000 (orig. yardwaste \$2.40 per unit - addtn to compost \$3.26 per unit)
- (6) Assumes 50% increase in Recycling Revenues of \$325,000
- (7) Assumes a \$3.50 Monthly Waste Reduction Fee
- (8) Assumes Enforcement Fines Revenues at a net value - \$1,600,000 (without court and administrative costs)

#### Notes:

- \* Street Light locations, quantity, and costs to be determined
- \* Estimated reduction in sponsorship payments to be considered
- \* One-time cost estimate to add Waste Reduction Fee to existing water bills - \$150,000
- \* SWD estimates a relatively small number of customers will be charged Waste Reduction Fees that do not receive a water bill; The additional ongoing annual costs for this billing is approximately \$5.40 per customer

# Appendix D

## CASE II - Illustration Two Years Out

### MAYOR'S TASK FORCE ON SOLID WASTE

WASTE REDUCTION FUND FY2010	FY2010	GENERAL FUND FY2010	FY2010
<b>COST:</b>			
Heavy Trash (1)	\$ 21,225,000	Garbage Collection	<u>\$ 38,210,000</u>
Abuse Enforcement (2)	\$ 1,100,000		
Depositories (3)	\$ 4,380,000		
Dead Animal	\$ 522,000		
Recycling (4)	\$ 4,374,000		
Yardwaste/Compost (5)	\$ 12,260,000		
<b>TOTAL COST</b>	<u>\$ 43,861,000</u>		
<b>LESS REVENUE:</b>			
Recycling Revenues (6)	\$ 975,000		
Composting Revenues	\$ 100,000		
Waste Reduction Fee (7)	\$ 19,169,000		
Enforcement Fines Revenues (8)	\$ 1,600,000		
<b>TOTAL REVENUES</b>	<u>\$ 21,844,000</u>		
<b>NET:</b>	<u>\$ (22,017,000)</u>		
<b>GENERAL FUND SUBSIDY</b>	<u>\$ 22,017,000</u>		
<b>NET INCOME/LOSS</b>			<u><u>\$0</u></u>

#### Phase In Costs:

- (1) Assumes 25% reduction in Heavy Trash costs - \$7,075,000 at end of year two
- (2) Increased Abuse Enforcement seven days a week - \$1,100,000 - 20 FTEs
- (3) Assumes reactivation of a fourth depository - \$500,000 operating expense per year
- (4) Assumes 50% increase in Curbside Recycling Services for an additional 81,000 units - \$1,464,000
- (5) Includes cost to Compost- \$3,000,000 (orig. yardwaste \$2.40 per unit - addtn to compost \$3.26 per unit)
- (6) Assumes 50% increase in Recycling Revenues of \$325,000
- (7) Assumes a \$3.50 Monthly Waste Reduction Fee
- (8) Assumes Enforcement Fines Revenues at a net value - \$1,600,000 (without court and administrative costs)

#### Notes:

- \* Street Light locations, quantity, and costs to be determined
- \* Estimated reduction in sponsorship payments to be considered
- \* SWD estimates a relatively small number of customers will be charged Waste Reduction Fees that do not receive a water bill; The additional ongoing annual costs for this billing is approximately \$5.40 per customer

# Appendix D

## CASE III - Illustration Three Years Out

### MAYOR'S TASK FORCE ON SOLID WASTE

WASTE REDUCTION FUND FY2011	FY2011	GENERAL FUND FY2011	FY2011
<b>COST:</b>			
Heavy Trash (1)	\$ 14,150,000	Garbage Collection	<u>\$ 38,210,000</u>
Abuse Enforcement (2)	\$ 1,100,000		
Depositories (3)	\$ 4,380,000		
Dead Animal	\$ 522,000		
Recycling (4)	\$ 4,374,000		
Yardwaste/Compost (5)	\$ 12,260,000		
<b>TOTAL COST</b>	<u>\$ 36,786,000</u>		
<b>LESS REVENUE:</b>			
Recycling Revenues (6)	\$ 975,000		
Composting Revenues	\$ 100,000		
Waste Reduction Fee (7)	\$ 19,169,000		
Enforcement Fines Revenues (8)	\$ 1,600,000		
<b>TOTAL REVENUES</b>	<u>\$ 21,844,000</u>		
<b>NET:</b>	<u>\$ (14,942,000)</u>		
<b>GENERAL FUND SUBSIDY</b>	<u>\$ 14,942,000</u>		
<b>NET INCOME/LOSS</b>			<u><u>\$0</u></u>

#### Phase In Costs:

- (1) Assumes 50% reduction in Heavy Trash costs - \$14,150,000 projected three years out
- (2) Increased Abuse Enforcement seven days a week - \$1,100,000 - 20 FTEs
- (3) Assumes reactivation of a fourth depository - \$500,000 operating expense per year
- (4) Assumes 50% increase in Curbside Recycling Services for an additional 81,000 units - \$1,464,000
- (5) Includes cost to Compost- \$3,000,000 (orig. yardwaste \$2.40 per unit - addtn to compost \$3.26 per unit)
- (6) Assumes 50% increase in Recycling Revenues of \$325,000
- (7) Assumes a \$3.50 Monthly Waste Reduction Fee
- (8) Assumes Enforcement Fines Revenues at a net value - \$1,600,000 (without court and administrative costs)

#### Notes:

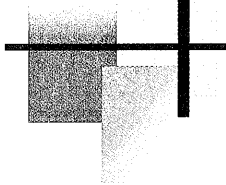
- \* Street Light locations, quantity, and costs to be determined
- \* Estimated reduction in sponsorship payments to be considered
- \* SWD estimates a relatively small number of customers will be charged Waste Reduction Fees that do not receive a water bill; The additional ongoing annual costs for this billing is approximately \$5.40 per customer

Appendix E: Texas Cities Chart (p. 1 of 3)	<b>Houston Current</b>	<b>Houston Proposed</b>	<b>Fort Worth</b>
<b>Population</b>	2,016,582	2,016,582	624,067
<b>Units Served</b>	456,000	456,000	185,771
<b>Finance Method</b>	General Fund	Environ. & Gen. Funds	Pay-As-You-Throw
<b>Current Tax Rate</b>	0.645	0.645	0.86
<b>Basic Service Frequency</b>	Once per week	Once per week	Once per week
<b>Container Method and Pricing</b>	Automated rolling containers	Automated rolling containers	\$12.75 for a 32-gallon size garbage cart; \$17.75 for 64-gallon size; \$22.75 for 96-gallon (tax then added; extra bags \$15 for 5; all fees added to water bill)
<b>Recycling</b>	Curbside recycling collection every other week for 162,000 residences from bins; three neighborhood depositories	Curbside recycling collection every other week for 162,000 residences from bins with gradual increase in number of residences; four neighborhood depositories	Curbside once per week; same day as garbage collection; all customers receive blue 64-gallon recycling cart for commingled paper, glass, plastics, and metals; two depositories
<b>Yard Clippings</b>	Collected weekly; clippings must be in bags; currently only minimal amounts composted	Work towards full composting; investigate various methods	Option of purchasing special 30-gallon paper bags that degrade with the clippings (available at Home Depot for \$2.50 for 5) or a \$75 96-gallon cart; no extra fee for weekly collection; two depositories; free mulch available at depositories; Compost Outpost educational facility
<b>Heavy Trash</b>	Once per month; up to 40 cubic yards or two department truck loads per unit per collection day	Eventual goal twice per year on call; transition longer in abused neighborhoods paired with additional enforcement	Ten cubic yards once per month included with any level of service; if more is left out or any is contaminated extra \$10 administrative fee and \$65 per five cubic yards excess; two depositories
<b>Private Street Collection</b>	Not per the Code; some units served even though not eligible	No collection from private streets; change in criteria for eligibility for service allows for collection from a public street of containers from some units without public street abutment	Yes, but the streets must conform to the City of Fort Worth's standards. City has had difficulty recently with damage to streets but has held developer/residents responsible for costs. City is considering liability waivers and will probably implement in the near future.
<b>Terminate Utility Service if Delinquent</b>	N/A	To be determined	Yes
<b>Additional Information</b>			Formerly \$13.75 flat fee for unlimited amounts of trash and recycling in bins. With the change to PAYT, recycling has risen from 6% to 20%. <b>PAYT fees raised \$1.30 for every can size in past year.</b>

Appendix E: Texas Cities Chart (p. 2 of 3)	<b>Austin</b>	<b>Dallas</b>
<b>Population</b>	690,252	1,213,825
<b>Units Served</b>	166,000	250,000
<b>Finance Method</b>	Pay-As-You-Throw	Flat Fee
<b>Current Tax Rate</b>	0.4126	0.7292
<b>Basic Service Frequency</b>	Once per week	Twice per week
<b>Container Method and Pricing</b>	\$11.75 for 30-gallon cart; \$14.50 for 60-gallon cart; \$17.25 for 90-gallon cart. \$2 sticker for bags for extra garbage; (tax and \$2.60 anti-litter fee added; water, electricity, and garbage service combined into monthly bill)	Flat sanitation fee of \$19.36 added monthly to water bill; garbage collected in 90-gallon carts
<b>Recycling</b>	Once per week; some collected on different day than garbage; customers receive recycling bins; City is piloting a single-stream, every-other week recycling system using 60-gallon carts for citywide implementation in 2008; 32.4% increase in recycling with the single-stream method	Once per week; curbside recycling is commingled in blue plastic bags or residents can register and receive 96-gallon recycling carts
<b>Yard Clippings</b>	Grass, leaves, and small branches collected weekly with recycling and must be in ordinary paper bags or reusable containers; large brush picked up on specially-scheduled brush collection days; city makes it all into "Dillo Dirt" to use and sell	Only collected during 30-day scalping season (mid-March to mid-April); customer may take to landfill or transfer stations rest of year, no fee; website indicates some may be composted; compost given away when available
<b>Heavy Trash</b>	Twice per year; schedule not published online to prevent illegal dumping but notices mailed in advance; do on call for a fee, \$55 for two items, then price increases	"Brush and Bulky" pick-up once per month; total amount limited to size of a small sofa; on call starting at \$75 (estimate given first)
<b>Private Street Collection</b>	Owners/residents of private streets have a choice. If they want the City's solid waste service, the owner(s) of the street must sign a liability waiver. If they refuse to sign, they must find a private contractor. (Apparently this is somewhat of a "tracking nightmare" for the City.)	It all depends on the residence itself. The City serves all single-family homes up to 4-family unit residences. If a street (or gated community) does not want the sanitation trucks on the street, the City arranges for a container/dumpster just outside the street that the residents can use.
<b>Terminate Utility Service if Delinquent</b>	Yes	Yes
<b>Additional Information</b>	Pay-As-You-Throw reduced Austin's garbage by 10%	



Appendix E: Texas Cities Chart (p. 3 of 3)	<b>San Antonio</b>	<b>El Paso</b>
<b>Population</b>	1,256,509	598,590
<b>Units Served</b>	308,000	156,000
<b>Finance Method</b>	Flat Fee	Flat Fee
<b>Current Tax Rate</b>	0.5785	0.6723
<b>Basic Service Frequency</b>	Twice per week for manual; once for automated	Once per week
<b>Container Method and Pricing</b>	\$15.99 fee (includes \$2.53 brush fee and \$1.30 environmental service fee) included on electric bill; customers use their own 32-gallon containers but are transitioning to 96-gallon automated service	\$16, including <b>new \$1 envir. fee</b> , a month fee plus tax; one 96-gallon container provided; \$10 (plus tax) for additional containers; fees included on water bill; <b>new commercial environmental fee is \$5</b>
<b>Recycling</b>	Once per week; customers use 18-gallon green recycling bins but <b>are transitioning to automated single-stream</b>	Paper, plastic, and metals can be dropped off at Citizen Collection Centers; <b>curbside commingled automated collection to begin April, 2007</b>
<b>Yard Clippings</b>	Customers urged to leave clippings on the grass; blade trade program; city brush recycling center where mulch is made and sold and customers can drop off leaves, yard clippings and brush for a fee; leaves and yard clippings are only collected for composting during oak leaf season, otherwise leaves and yard clippings collected curbside are taken to the landfill	On call; collected at curb and charged by size; \$32.48 minimum for up to 5 cubic yards rising to \$334.49 for 50 cubic yards; treated as heavy trash( <b>fee amounts raised this year</b> )
<b>Heavy Trash</b>	Brush and bulky items collected twice per year; if small and bundled, brush will be collected on regular garbage day in the manual areas and is taken to landfill; automated may put yard clippings in garbage can	On call; collected at curb and charged by item size; \$32.48 minimum for up to 5 cubic yards rising to \$334.49 for 50 cubic yards ( <b>fee amounts raised this year</b> )
<b>Private Street Collection</b>	Yes. Liability waiver required.	No. El Paso policy says the City does not serve private streets, but some private streets (that meet El Paso street standards) have been declared public domain and are then served.
<b>Terminate Utility Service if Delinquent</b>	Yes	Yes
<b>Additional Information</b>	<b>Fee raised \$2 this year</b>	



# Appendix F to Solid Waste Task Force Report

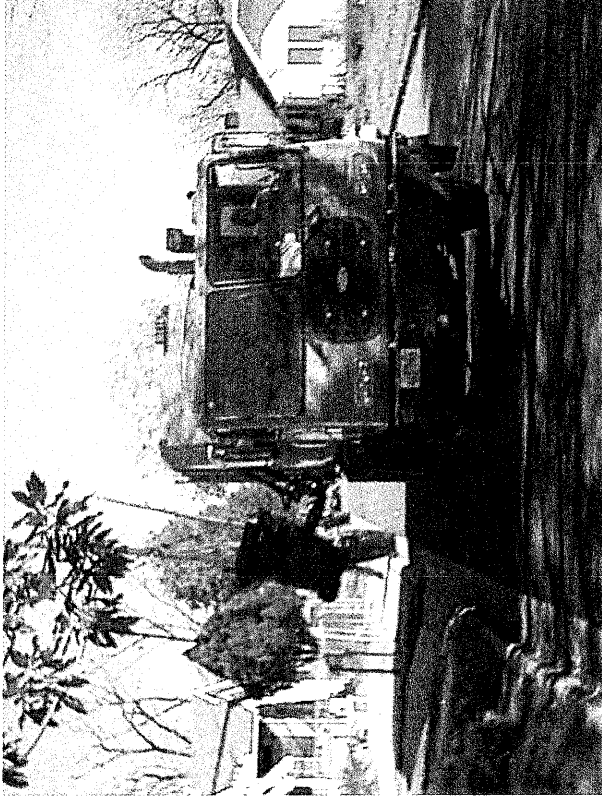
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## SWD Full Cost of Service Segments

# Department Cost of Services

- Residential Collections

- \$6.95 per unit
- \$38.21 M per year



# Department Cost of Services

- Heavy Trash Operations
  - \$5.15 per unit
  - \$28.30 M per year



# Department Cost of Services

- Neighborhood Depositories
  - \$0.71 per unit
  - \$3.88 M per year

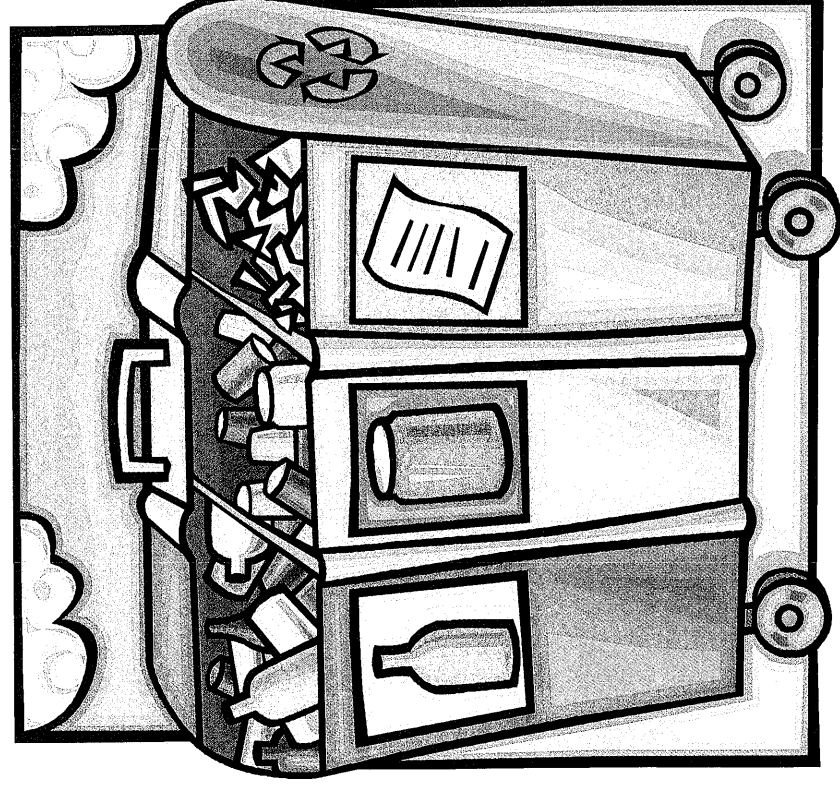


# Department Cost of Services

- Dead Animal Collection
  - \$0.10 per unit
  - \$522,000 per year



# Department Cost of Services



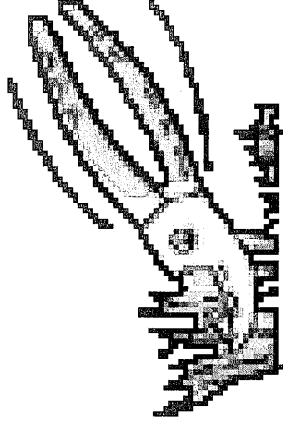
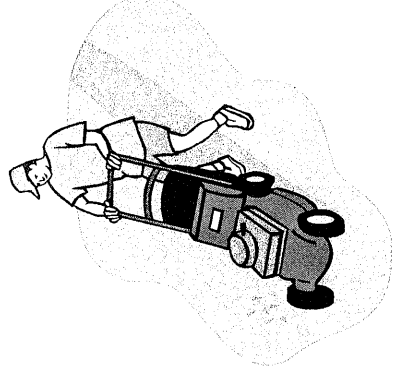
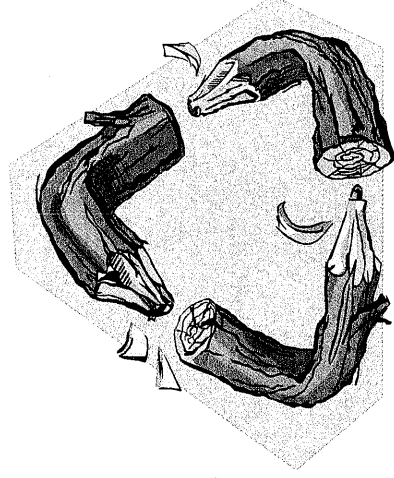
## ■ Recycling

- \$1.50 per unit
- \$2.91 M per year

# Department Cost of Services

## ■ Yardwaste Collection

- \$2.40 per unit
- \$9.26 M per year
- \$3M yr/Compost





## Department Cost of Services

- Abuse Enforcement
  - \$1.1 M per year
  - 10 FTEs weekly
  - 10 FTEs weekend
  - 20 FTEs in total
- 7 Days per week

