

Memorandum

To: Bonnie Hammersley, County Manager

From: Gayle Wilson, Orange County Solid Waste Director

Subject: Information Report - Rural Recycling Service Area Expansion

Date: September 15, 2015

As a result of review, collaboration and multiple discussions on recycling funding options with the Solid Waste Advisory Group (SWAG), the towns of Carrboro, Chapel Hill and Hillsborough in spring 2015 authorized Orange County to impose and administer a single, county-wide fee funding mechanism for solid waste and recycling services. A primary function of this new funding mechanism was a planned three-year expansion of curbside recycling service to the remaining unincorporated portion of the county, or approximately 7,000 residences, not currently serviced by the rural curbside recycling trucks. Currently, the County provides rural curbside recycling service to approximately 14,900 residences.

The proposed plan for this expansion was to commence service of curbside recycling for approximately 3,500 residences by late spring 2016 and to commence service for the remaining population by spring 2018. A preliminary assessment of the un-served area indicated that at least two additional trucks and drivers would be needed to expand the service county-wide. By implementing the unserved area in two phases staff was attempting to reduce the total impact of the expansion on the Solid Waste Programs Fee in one year, and to gain experience along the new routes and resolve any collection, routing or other unforeseen problems.

The original expansion plan included the purchase of one new automated recycling collection truck and the hiring of a new driver in FY 15/16. An additional driver to hire and another collection truck was expected to be funded in FY 17/18 to service the remaining portion of the county residences.

Currently the County has contracted with a consulting firm to conduct a recycling route optimization study to determine the efficiency and effectiveness of current collection routes and to develop collection routing for the remaining unincorporated portion of the county not currently being serviced. With preliminary collection routing developed as a result of estimated participation, setout rates, tonnage and other routing and collection parameters, the additional driver to hire and collection truck expected to be funded in FY 17/18 will not be required. The study concluded that the Solid Waste Department could route and commence collection of the entire unincorporated portion of the county (7,000 residences) in a single phase. Unless the BOCC expresses reservations with this revised implementation plan staff will proceed to fully implement the remaining rural curbside recycling with bins/roll carts expansion by August of 2016 rather than by May 2018.

Details to this revised service expansion plan include notifying all 7,000 residences of this new service option. While the initial deployment of approximately 8,200 rural roll carts to the current rural curbside service area went very smoothly, all these residences had access to the current collection program and were utilizing the service in 18-gallon bins for many years. As such, not as much education and outreach to these customers was required regarding basic recycling practices. Consequently, as the 7,000 new residences have never received curbside service from the County before, a more intense education and outreach plan will need to be developed to ensure residents are properly notified and understand the new service available to them. This may include more advertising, community outreach to rural civic and religious organizations and other conventional or non-conventional modes of communication.

Another important detail includes the purchase and delivery of roll carts and bins to the new service area. Proposed in the FY 15/16 Solid Waste Capital Budget was the financing of 1,750 roll carts at \$54/each which were planned to be delivered by in-house crews and temporary labor. Also, due to the popularity of the roll carts in the current rural curbside recycling service area, an additional 600 carts have been ordered and delivered since the initial deployment of carts in February 2015. As a result of this unexpected higher demand for a roll cart, the 1,750 carts planned for financing in this fiscal year for the new service area may be a low estimate, and ordering 2,000 roll carts may be more prudent. In addition, as this estimate only included servicing approximately 3,500 residences, ordering a total of approximately 4,000 roll carts and adding a six dollar delivery charge (to be delivered by the contractor) would be more operationally feasible and efficient. In house crews and temporary labor could continue the planned delivery of 18-gallon bins to those residences who request to recycling in this manner.

Below is a projected cost estimate from the FY 15/16 budgeted amount to fund and implement this new expansion plan and the original phase II implementation savings estimate. Total estimated cost savings versus original preliminary estimates (including newly estimated additional 500 roll carts) = \$341,761 (not including recurring savings of fuel/maintenance/etc. from not acquiring second truck).

	FY 15/16 BUDGETED IMPLEMENTATION – PHASE I	FY 15/16 REVISED IMPLEMENTATION EXPENDITURES	FY 17/18 ORIGINAL IMPLEMENTATION - PHASE II	SAVINGS FROM REVISED IMPLEMENTATION PLAN
Collector Operator	\$22,785	\$7,600	\$24,175	(\$39,360)
Curbside Recycling Truck	\$310,090	\$304,189	\$327,000	(\$332,901)
1,750 Roll Carts (\$54/ea) -	\$94,500		\$108,000	
4,000 Roll Carts (\$58.50/ea) -		\$234,000		\$31,500
18-gal bins (Sufficient Stock)	NA			
2,000 extra 18-gal bins (\$7/ea)		\$14,000	\$15,000	(\$1,000)
Education and Outreach	\$23,350	\$45,350	\$22,000	0
TOTAL	\$450,725	\$605,139	\$496,175	(\$341,761)

Revised Implementation Timeline:

- January 2016 – send out first direct mailing to request roll cart/bins & notify of upcoming service availability.
- February 2016 – send out second mailing to request roll cart/bins & notify of upcoming service availability.
- April/May 2016 – BOCC approves purchase of rural roll carts and authorizes debt financing.
- May/June 2016 – Send new route schedules to all unincorporated residences.
- July 2016 – distribute carts/bins to all unincorporated residences who have requested a container (may take up to 30 days to deliver all containers).
- August 2016 – commence curbside recycling collection of all residences in roll carts/bins in the unincorporated portion of the county.

Note: Original two-phase implementation plan was to have final phase collections begin May 2018. The new implementation plan advances full implementation by approximately 21 months.