



ORANGE COUNTY | NORTH CAROLINA

The Orange County Waste Reduction, Reuse and Recycling (3-R) Fee

The 3-R Fee finances our County's recycling and waste reduction programs. The 3-R Fee was implemented in 2004, and has been billed with each tax bill since implementation. Each improved property in Orange County receives a 3-R Fee for recycling services offered by the County. The list of questions below should help explain the 3-R Fee. Click on any question you are interested in. If you have further questions about the 3-R Fee, please call the Revenue Collection office at 919-245-2725 option 2 or email: revenue@orangecountync.gov.

If you have questions about public recycling efforts in Orange County, please call the Department of Solid Waste Management at 919-968-2788 or email: recycling@orangecountync.gov. Thank you.

1. [Introduction to the 3-R Fee and the cost of recycling in Orange County](#)
2. [Must I pay the 3-R Fee even if I don't recycle?](#)
3. [What services does the 3-R Fee pay for?](#)
4. [Why is the 3-R Fee necessary?](#)
5. [What is the fee for each sector?](#)
6. [How is the cost of the various 3-R Fees determined?](#)
7. [How does the County determine which 3-R Fees to assess to my property?](#)
8. [What if I cannot afford to pay the 3-R Fee?](#)
9. [What if I believe the fee is inaccurately assessed to my property and wish to appeal?](#)
10. [Is the 3-R Fee fair and equitable?](#)
11. [Who does not have to pay the fee?](#)
12. [How do I get a blue or orange recycling bin if I have been billed for curbside recycling but don't currently have a bin?](#)
13. [What if I live in an apartment complex or mobile home park \(MHP\) that does not now have recycling and want to get that started?](#)
14. [By what authority does Orange County charge the 3-R Fee?](#)

1. Introduction: The Cost of Recycling in Orange County

The Orange County Solid Waste Management Department is responsible for all public recycling efforts in Orange County, including those that serve the Towns of Carrboro, Chapel Hill, and Hillsborough plus the services for residents of unincorporated Orange County. The 3-R Fee (waste reduction, reuse and recycling fee) provides the vast majority of the funds used by Orange County to pay for the costs of these efforts, with the remaining funds coming from revenue from the sales of recyclable materials plus a subsidy from the Solid Waste enterprise fund with this money coming from landfill tip-fee revenue. The estimated annual budget for the Recycling Division for Fiscal Year 2010-2011 is shown below:

| Recycling Program Cost | Amount | Percent |
|--|-------------|---------|
| Direct recycling costs | \$3,532,502 | 83% |
| 40% of Solid Waste Admin. division attributed to recycling for program support, overhead, education and outreach | \$711,902 | 17% |
| Total cost | \$4,244,404 | |
| Recycling program revenue | | |
| 3-R fee | \$3,912,048 | 83% |

| | | |
|--|-------------|-----|
| Recycling material sales revenue and landfill tipping fees | \$829,996 | 17% |
| Total Revenue | \$4,742,044 | |

The 3-R Fee is a multi-part fee that is assessed annually and billed on the property tax bill. All improved properties in Orange County are subject to the Basic fee which pays for recycling services generally available to all, and then a separate collection service fee is assessed to all properties eligible to participate in the Multifamily recycling program (M fee), the Rural Curbside recycling program (R fee), or the Urban Curbside recycling program (U fee). For fiscal year 2010-2011 the Basic Fee is again set at a \$37 per unit per year, the Multifamily Fee is \$19 per unit per year, the Rural Curbside fee is \$38 per unit per year, and the Urban Curbside fee is \$52 per unit per year. A property with multiple units (whether those units are residential or commercial) will be assessed one fee for each unit. The owner of each property eligible for collection service will be assessed for the Basic fee plus the specific service fee (M, R, or U) regardless of whether the occupants choose to recycle or not.

2. Must I pay the fees if I don't recycle?

Yes, all owners of improved property in Orange County must pay the 3-R Fees that support the County's recycling, waste reduction and reuse programs. While participation in the County's recycling programs is voluntary, the fee is assessed to all eligible properties whether they use the services or not. Orange County encourages all residents and businesses to take full advantage of the various recycling and waste reduction services available to them.

3. What services does the fee pay for?

The 3-R Fee funds all public recycling efforts in Orange County except for those services for UNC Chapel Hill and for the two public school systems. The 3-R Fee has enabled the County to support and maintain its ambitious recycling and waste reduction efforts and has enable the County to expand its recycling programs to include the collection of corrugated cardboard by our curbside programs, f rigid plastics at our staffed convenience centers, and conversion to single stream recycling.

- Urban curbside weekly collection for 18,100 homes
- Rural curbside bi-weekly collection for 14,200 homes (approximately 65% of homes in the unincorporated area of the county)
- Multi-family recycling collection available to all apartment complexes containing over 16,000 apartments
- Household hazardous waste and commercial hazardous waste programs
- Electronics and fluorescent lamp recycling
- Recycling collection and maintenance services at five 24-hour recycling drop-off sites and all County Solid Waste Convenience Centers
- Recycling services for bars, restaurants, and other eligible businesses
- Recycling services for all government buildings in Orange County and its Towns
- Automotive waste recycling - motor oil, oil filters, antifreeze, batteries
- Full-time education and outreach
- Processing, transporting and marketing of recyclable materials
- Related indirect program-related administrative costs

4. Why is the 3-R Fee necessary?

The 3-R Fee was enacted in June 2004 by the Board of Orange County Commissioners to finance Orange County's recycling and waste reduction programs. The County began assessing the 3-R Fee with the 2004 tax bill. Each improved property in Orange County receives a 3-R Fee to pay for the recycling services offered by the County.

Prior to 2004, the Department of Solid Waste Management used landfill tipping fees to cover more than 90% of all of the solid waste enterprise fund expenses including the operational expenses of the Landfill and Recycling Divisions. The remaining revenue funding the department came from a combination of sale of recyclables and mulch, interest on reserve funds, state reimbursements for managing tires and white goods (large appliances including, washers, dryers, refrigerators, etc), and various state grants. Recycling revenues from marketing collected materials have never covered the cost of operating the recycling programs (see question 1), though the County's recycling efforts have preserved natural resources, reduced the toxicity of our waste stream by preventing the disposal of hazardous materials, helped reduce greenhouse gases, and have prevented the disposal of thousands of tons of materials in the Orange County Landfill.

In 2004 the County's solid waste enterprise fund had come to a point where it could no longer continue as a self-funding entity without an additional source of revenue other than landfill fees to cover the costs of waste reduction, reuse, and recycling efforts. To a significant degree this funding shortfall was due to our success in reducing the amount of waste disposed of in the landfill and thereby reducing the amount of landfill tip-fee revenue. To remedy that situation the Board of

County Commissioners adopted the 3-R Fee to finance public waste reduction and recycling programs and services in Orange County. The 3-R Fee is assessed to all owners of improved property in Orange County and is included on property tax bills.

Due to the continued success of our recycling programs, the amount of waste landfilled in Orange County has been reduced and hazardous materials are removed from our waste stream. These efforts along with other landfill space-saving measures have increased the life of our current landfill by fifteen years, from the originally projected closure date of 1997 to the current planned closure date of June 30, 2013. With the implementation of the 3-R Fee Orange County has been able to maintain its fiscal self-sufficiency in solid waste and achieve one of North Carolina's highest waste reduction rates. For Fiscal Year 2011 Orange County led state for the second year in a row with the highest per capita waste reduction rate of 56%. Orange County offers its citizens a broad range of recycling opportunities, and sustains a high level of environmental stewardship and the 3-R Fee is the primary funding source for these successful waste reduction efforts.

5. What is the fee for each sector?

Schedule of Fees 2012-2013

| Fee Type | Fee Description | Annual Fee |
|---|---|----------------|
| <p>B Basic Services Fee Charged to owners of all habitable units in Orange County and the portion of the Town of Chapel Hill in Durham County.</p> | <p>The Basic Fee covers costs of "universal" recycling and waste reduction services generally available to all residences and qualifying businesses throughout Orange County including drop-off recycling, waste audits, hazardous waste services, electronics recycling, automotive waste recycling, recycling drop-off sites, public education, and administration.</p> | \$37/unit/year |
| PLUS ONE OF THE FOLLOWING WHERE APPLICABLE | | |
| <p>M Multifamily Unit Recycling Service Fee Charged to owners of habitable apartment units, mobile home parks or other high density developments eligible for multifamily-style recycling service.</p> | <p>Fee covers the costs of the multifamily recycling collection program (including related indirect expenses). The multifamily recycling program collects recyclable materials in roll-carts from recycling sites established on the serviced property.</p> | \$19/unit/year |
| <p>R Rural Curbside Recycling Fee Charged to owners of all habitable units eligible for this every-other-week curbside recycling collection service.</p> | <p>Fee covers the costs of rural curbside recycling program (including related indirect expenses). The rural curbside recycling program collects recyclable materials in orange recycling bins every other week from eligible properties in unincorporated Orange County.</p> | \$38/unit/year |
| <p>U Urban Curbside Recycling Fee Charged to owners of all habitable units within Town limits eligible for this weekly curbside recycling collection service.</p> | <p>Fee covers the costs of urban curbside recycling program (including related indirect expenses). The urban curbside recycling program collects recyclable materials in blue recycling bins every week from eligible properties within the town limits of Carrboro, Chapel Hill, and Hillsborough</p> | \$52/unit/year |

6. How is the cost of the various 3-R Fees determined?

The dollar value of the various 3-R Fees is directly tied to the full cost of providing those services. As part of preparing the annual budget for the Recycling Division, the full cost of the various recycling programs is analyzed. The full cost of each service (Universal Services, Multifamily Collection, Rural Curbside Collection, and Urban Curbside Collection) is divided by the number of units *eligible* to receive the service, and this is the basis for determining the annual fee per unit. When the projected revenue from any one Fee category no longer covers the cost of service, then that fee could be increased accordingly. See question #1 above for background.

7. How does the County determine which 3-R Fees to assess to my property?

As noted in the schedule of fees table above, all improved properties in Orange County are subject to the 3-R Fee. Every improved property will be assessed the Basic Services Fee, and the Multifamily, Rural Curbside, and Urban Curbside Fees are assessed in addition to the Basic Services Fee if a residential property is eligible for recycling collection service.

In general, all single family residential units inside the town limits of Carrboro, Chapel Hill, or Hillsborough are eligible to receive Urban Curbside recycling services and are subject to the Urban Curbside Recycling Fee. A single-family, in-town residence pays \$52 per year for weekly curbside recycling plus the \$37 basic fee for universal services.

The County's Rural Curbside recycling program services approximately 65% of the unincorporated areas of Orange County. Rural residential units eligible for bi-weekly curbside service are subject to the Rural Curbside Recycling Fee. A single-family residence in the serviced area of unincorporated Orange County pays \$38 per year for their bi-weekly curbside recycling service plus the basic \$37 fee for universal services. Mobile homes in parks in rural areas may be subject to the rural curbside fee or the multifamily fee depending on whether service is available in the area and which service is technically the best fit for the property in question. The same is true for urban mobile home parks.

The owner of an apartment complex or other property eligible for multifamily type recycling service pays the multifamily recycling fee of \$19 per unit for cart-based recycling service available to their property plus the \$37 per unit basic services fee for universal services. If the Department of Solid Waste Management deems a particular high-density or multifamily-style property more effectively served by the single-family urban or rural curbside type service, each unit at that complex would pay for that type service instead of multifamily.

Owners of the parcel of land on which there are single-wide mobile homes or leaseholds on which there are double-wide homes or other habitable structures, will be assessed the 3-R Fee for the services that units on their property are eligible to receive. The total 3-R Fee will be determined by the number of structures or units located on that parcel of land.

The following will be assessed only the Basic Services Fee of \$37 per year:

- Single-family residences located in the portions of unincorporated Orange County that are not eligible to receive either rural curbside or multifamily recycling service. This includes properties on which there are single-wide mobile homes. The 3-R Fee will be assessed to the real property owner for each of the units on that property.
- Commercial/other non-residential/tax-exempt. At present these properties are subject only to the Basic (universal services) fee. This fee will be assessed based on the number of discrete businesses or other entities on the parcel. In the case of multi-tenant office buildings, the fee will be assessed based on the number of tenants ("front doors") counted in a field survey conducted by the Solid Waste Management Department. Shopping center owners will receive one fee for each tenant. All public buildings – schools, local governments, state government - except those owned and operated by UNC and served in their recycling program also pay the fee. If the Department of Solid Waste Management determines that a non-residential entity is eligible to receive Urban or Rural Curbside recycling collection, the owners of the property may be subject to this fee.

8. What if I cannot afford to pay the fee?

The Board of County Commissioners, in recognizing that there are citizens with limited income, has created a fund to assist those citizens. To qualify for assistance, the citizen must complete an application and provide financial documentation required. Maximum annual income level to qualify is \$27,100 per household in 2012, but the income limit increases in most years. Contact the Orange County Revenue Department at (919) 245-2725 press #2 or email revenue@orangecountync.gov if you wish to discuss the possibility of receiving assistance to pay the 3-R Fee. Visit the [Revenue Departments 3R Fee Assistance webpage](#) for the assistance form and other information.

9. What if I believe the fee is inaccurately assessed and wish to appeal?

The County has developed a formal appeals process for the fee. One must first complete an [appeals form](#). You may obtain an appeals form from this website and you can also request a form from the Revenue Collection Office 919-245-2725 option 2 or by mail:

Revenue Collection Office
Orange County
PO Box 8181 Hillsborough NC 27278
Attn: 3R Fee Appeal.

Follow the instructions on the form, sign and submit the form (paper original copy only) by mail to:
Orange County Solid Waste Management
PO Box 17177
Chapel Hill, NC 27516
Attn: Director

A review of the appeal will then be conducted by County Solid Waste staff utilizing information provided by County Land Records, the County Assessor's Office and Solid Waste Management. Appellants will receive written notification of the outcome of their appeal.

10. Is the 3-R Fee fair and equitable?

When contemplating how to fund recycling in Orange County, our leaders studied a variety of ways to generate revenue and they selected the present 3-R Fee structure because it allowed the County to create funding mechanism that was stable and predictable, allowed the County to target the Fee to the eligible users of the various programs, and also allowed for the value of the assessment to any one property to closely approximate the cost of service provided.

The Multifamily, Rural Curbside, and Urban Curbside 3-R Fees pay for the cost of those collection programs and the unit cost of the fee assessment is reasonable in relationship to the value of services provided. The 3-R Fee is equitable among the various classes of users because all units eligible for similar services are assessed the same fee. Further, the cost of residential recycling collection, whether rural or urban curbside service or multifamily service, is closely tied to the actual cost of providing that service. It costs the same amount per household to stop at each house, regardless of that house's size or that property's assessed tax value. No single financing mechanism is perfectly equitable, however when creating the 3-R Fee Orange County sought to create a reasonable and fair system to capture revenue to support public waste reduction and recycling efforts and to have the level of assessment closely approximate the value of services available.

11. Who does not have to pay the 3-R Fee?

In general all improved properties in Orange County are subject to the 3-R Fee. There are two exceptions: University of North Carolina properties that are served by the UNC Office of Waste Reduction and Recycling (a separate publicly funded recycling program servicing UNC-Chapel Hill Facilities); and those improved properties that do not have the capability to generate recyclable wastes (e.g. a paved parking lot that is listed as an improved property but that in and of itself does not generate recyclables).

Additionally, those property owners who qualify for the 3-R Fee payment assistance program (see FAQ # 8) may receive public assistance in paying the 3-R Fee.

12. How do I get a blue or orange recycling bin if I have been billed for curbside recycling but don't now have a bin?

Every household eligible for Urban or Rural Curbside recycling service is issued two recycling bins. The first two bins issued to each household are free and additional bins are sold for \$7.00 each. Recycling bins provided by the County remain property of the County, and we ask that as citizens move away they leave their bins at the house where they were issued. If your household does not have bins, or if the bins originally issued to your household have been damaged or stolen, the County will provide a replacement at no cost. Bins provided by Orange County Solid Waste must be picked-up at 1207 Eubanks Road as there is no delivery service.

There are two household recycling programs in Orange County, Rural Curbside and Urban Curbside. The Urban Curbside recycling program services all eligible residences within the corporate limits of Carrboro, Chapel Hill, or Hillsborough. The Rural Curbside recycling program services about 65% of all residences on rural recycling routes outside of town limits. To distinguish between the two programs, households on the urban curbside program are issued BLUE recycling bins, and households on the rural curbside program are issued ORANGE bins.

If you live within Town of Chapel Hill corporate limits and need a new bin or if you need to replace missing or stolen bins come to the Orange County Solid Waste Management Administrative Offices at 1207 Eubanks Road. Bins are available there from 8:00 am to 5:00 pm, Monday through Friday. If you live within Town of Carrboro, call the Carrboro Public Works Department at 919-918-7425 to request a replacement bin if your bin has been destroyed or stolen. Residents of new homes in Carrboro will automatically be supplied with two recycling bins when they purchase their roll out trashcan.

If you live within the Town of Hillsborough, call 919-732-2104 x222 or email via their webpage Public Works Department request form: <http://www.ci.hillsborough.nc.us/content/recycling-bins> a bin. Residents of new homes will receive a new recycling bin from the Town of Hillsborough when new roll out trashcans are issued.

If you live on one of the rural curbside recycling routes and need new or replacement ORANGE bins, Orange County Solid Waste Management Administrative Office in Chapel Hill located at 1207 Eubanks Road, and this office is open from 8:00 am to 5:00 pm, Monday through Friday (or other times by special arrangement).

To find out if you live in an area serviced by the rural curbside recycling program, please check our [list of serviced streets](#).

13. What if I live in an apartment complex, mobile home park (MHP), or other property that does not now have recycling service and I want to get recycling started?

Orange County expands recycling services to unserved properties as resources are available and when proper arrangements for service can be made. If you live at a multifamily property that does not currently have recycling service and you are a renter please request that your property owner or manager contact the Orange County Solid Waste Management Department at 919-968-2788 or [email us](#) to inquire about recycling service. If you are the owner or manager of an unserved property and are interested in recycling service, please contact us directly. Solid Waste staff will schedule a site visit and determine how and if the site can be added. If service can be established, collection receptacles will be provided and education, outreach and public collection service will commence.

14. By what authority does Orange County charge the 3-R Fee?

NCGS § 153A-102 (Commissioners to set fees) enables Counties to charge fees for services permitted or required by law. The Waste Reduction, Reuse and Recycling Fee (now known as the 3-R Fee) is used to finance reuse, recycling and waste reduction activities conducted by Orange County. This fee is not a solid waste fee. Thus it is applied to all properties whether those properties use County facilities for disposal or not. The services provided under the 3-R Fee do not depend on the use or availability of disposal facilities, only on reuse, recycling and waste reduction activities of the County in carrying out its responsibilities under the Orange County Solid Waste Management Plan, a Plan required by State law. Detailed information about the fee and the legal basis is available by reviewing the Board of Commissioners Agenda from April 13, 2004, available on line at [the County's website](#). Click on "Meeting Agendas" then navigate to the April 13 agenda item 9c. At pages 24-27 is a letter to Orange County staff from the County attorney addressing the County's authorization to charge a waste reduction, reuse and recycling fee.

Revised: 9/8/12