




Interoffice Memorandum

07-24-18A10:31 RCVD
07-24-28A10:31 ARNV

July 20, 2018

TO: Katie Smith, Manager Deputy Clerk Comptroller Clerk's Office

THRU: Cheryl Gillespie, Agenda Development

FROM: Raymond E. Hanson, P. E., Director, Utilities Department 

Contact: David Gregory, Manager
Solid Waste Division

RE: Request for Public Hearing - September 6, 2018;
To adopt rate resolution and to consider exemptions from full solid waste
collection service.

Applicant:	N/A
Location:	District: All
Estimated time required for public hearing:	2 minutes
Hearing controversial?	No; could have a few comments from public on appeals and mandatory program
Advertising requirements:	Publish once in the legal classified section of the Orlando Sentinel
Advertising timeframes:	Place ad 20 days prior to September 6, 2018, not more than 30 days prior.
Applicant/Abutters to be notified:	N/A
Hearing required by Fla. Statute # or code:	F.S. 197.3632
Spanish Contact Person:	Para más información, por favor llame al Departamento de Servicios Públicos del Condado de Orange y pida hablar con un representante en español. El número de teléfono es 407-836-6601.

LEGISLATIVE FILE # 18-1023

*September 6, 2018
@ 5:01pm*



Interoffice Memorandum

Request for Public Hearing - September 6, 2018 BCC Budget Hearing
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Materials being submitted as backup for public hearing request:

1. Notice of Public Hearing/Sample
2. Mandatory Refuse Rate Resolution
3. Copy of Tentative Rate Approval by BCC, June 5, 2018
4. Mandatory Collection Appeals Service Year 2019 (will be distributed by the Department one (1) week prior to the public hearing).

SPECIAL INSTRUCTIONS TO CLERK (IF ANY):

1. Please contact Marchelle Allen at 407-836-6673 to have the legal notice proofed and approved prior to publication.
2. Please return three (3) executed copies of the resolution to Luci Rowe, Utilities Department.
3. In the notice of public hearing, the contact information should be as follows:
Orange County Utilities Solid Waste Division
407-836-6601
E-mail: Solid.Waste@ocfl.net

c: Ajit Lalchandani, P.E., County Administrator
Christopher R. Testerman, AICP, Assistant County Administrator
Eric Gassman, Assistant County Administrator
Todd P. Swingle, P.E., Deputy Director, Utilities Department
Teresa Remudo-Fries, P.E., Deputy Director, Utilities Department
Lila I. McHenry, Senior Assistant County Attorney, County Attorney's Office
David Gregory, Manager, Solid Waste Division, Utilities Department
Glenn Kramer, Manager, Fiscal & Administrative Support Division, Utilities Department
Marchelle Allen, Section Manager, Solid Waste Division, Utilities Department

ORANGE COUNTY NOTICE OF PUBLIC HEARING

The Orange County Board of County Commissioners will conduct a public hearing on **September 6, 2018, at 5:01 p.m.**, or as soon thereafter as possible, in the County Commission Chambers, First Floor, County Administration Center, 201 South Rosalind Avenue, Orlando, Florida. You are invited to attend and be heard regarding a proposed resolution as follows:

Consideration: RESOLUTION OF THE ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS ESTABLISHING THE CALENDAR YEAR 2019 SPECIAL ASSESSMENT AT \$230.00 FOR RESIDENTIAL FULL SOLID WASTE AND RECYCLING COLLECTION, WITHIN UNINCORPORATED ORANGE COUNTY, PURSUANT TO CHAPTER 32 OF THE ORANGE COUNTY CODE. THE SPECIAL ASSESSMENT SHALL APPEAR ON THE PROPERTY TAX BILL AND SHALL BE COLLECTED IN THE SAME MANNER AS AD VALOREM TAXES, AS AUTHORIZED BY STATE LAW.

You may examine the notice and the proposed resolution at the office of the Comptroller Clerk of the Board of County Commissioners, 201 South Rosalind Avenue, Fourth Floor; Orlando, Florida; between 8 a.m. and 5 p.m., Monday through Friday.

IF YOU HAVE ANY QUESTIONS REGARDING THIS NOTICE OF PUBLIC HEARING, CONTACT THE ORANGE COUNTY UTILITIES SOLID WASTE DIVISION, 407-836-6601, E-mail: Solid.Waste@ocfl.net

Para más información, por favor llame al Departamento de Servicios Públicos del Condado de Orange y pida hablar con un representante en español. El número de teléfono es 407-836-6601.

If you wish to appeal any decision made by the Board of County Commissioners at this meeting you will need a record of the proceedings. You should ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

If you require special accommodations under the Americans with Disabilities Act of 1990, please call 407-836-5631 no later than two business days prior to the hearing for assistance. Si usted requiere ayuda especial bajo la ley de Americanos con Incapacidades de 1990, por favor llame al 407-836-3111.

Martha O. Haynie, County Comptroller
As Clerk of the Board of County Commissioners
Orange County, Florida

Publish: August 12, 2018; The Orlando Sentinel Public Record
Certify: Mandatory Refuse Rate Resolution and exemptions from full solid waste and recycling collection service

ks

c: All Board Members' Offices [email]
County Attorney's Office, BCC [Vermotta Jackson email]
Raymond E. Hanson, Director, Utilities Department, BCC [email]
David Gregory, Solid Waste Division, BCC [email]
Mike Seif, Orange TV, BCC [email]
Deputy Clerk
Chris Schmidt, Development Services Analyst, BCC [email]

RESOLUTION

of the
ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS
regarding
**ESTABLISHING THE CALENDAR YEAR 2019 SPECIAL
ASSESSMENT AT \$230.00 FOR RESIDENTIAL FULL SOLID
WASTE AND RECYCLING COLLECTION, PURSUANT TO
CHAPTER 32 OF THE ORANGE COUNTY CODE**

Resolution No. _____

WHEREAS, Section 32-160(j)(1), Orange County Code, addresses full solid waste and recycling collection service (full service) and requires that all persons owning property entitled to full service shall be obligated to pay a charge established by the Board for such full service; and

WHEREAS, Section 32-160(j)(1), Orange County Code, requires that the assessments necessary to fund the program shall be established by resolution of the Board of County Commissioners after public hearing with public notice in the same manner as for County ordinances; and

WHEREAS, a copy of this resolution has been published in accordance with state law, prior to this September 6, 2018 hearing; and

WHEREAS, the Board of County Commissioners on June 5, 2018 tentatively set the amount for the residential mandatory solid waste and recycling collection service special assessment for calendar year 2019 at \$230.00.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY
COMMISSIONERS OF ORANGE COUNTY:

Section 1. The calendar year 2019 Special Assessment for the mandatory residential full service program is hereby established at \$230.00 (the Special Assessment). The Special Assessment is necessary to fund the cost of providing solid waste collection and recycling service to approximately 220,861 residences in 2019 at an annual estimated cost of \$50,798.030.

34 Section 2. The Special Assessment shall continue to be imposed upon any parcel of land
within unincorporated Orange County on which is located: a mobile home park not exceeding
36 four (4) dwelling units, mobile home subdivisions, single-family residences, and multi-family
residences not exceeding four (4) dwelling units under one common roof. Each dwelling unit in
38 a multi-family residence shall constitute a separate benefit unit.

Section 3. The Special Assessment shall continue through calendar year 2019 in all
40 respects as described in Orange County Resolution 85-SW-06, as amended, and Chapter 32 of
the Orange County Code, as amended, providing for the procedure by which solid waste and
42 recycling shall be collected and disposed of in Orange County. The Special Assessment shall
appear on the property tax bill and shall be collected in the same manner as ad valorem taxes, as
44 authorized by state law.

Section 4. The annual rate of compensation paid to the contract haulers for solid waste
46 collection and recycling services provided in calendar year 2019 is set as follows:

48 ZONE 1	\$141.20 PER RESIDENTIAL UNIT
ZONE 2	\$174.66 PER RESIDENTIAL UNIT
ZONE 3	\$152.07 PER RESIDENTIAL UNIT
50 ZONE 4	\$123.34 PER RESIDENTIAL UNIT
ZONE 5	\$125.52 PER RESIDENTIAL UNIT

Section 5. This resolution shall take effect immediately.

ADOPTED this _____ day of _____, 2018.

ORANGE COUNTY, FLORIDA
By: Board of County Commissioners

By: _____
Teresa Jacobs
County Mayor

ATTEST: Phil Diamond, CPA, County Comptroller
As Clerk of the Board of County Commissioners

By: _____
Deputy Clerk



Interoffice Memorandum

May 21, 2018

TO: Mayor Teresa Jacobs
and Board of County Commissioners

FROM: Raymond E. Hanson, P. E., Director
Utilities Department

A handwritten signature in black ink, appearing to be "R. Hanson", written over the name of the sender.

**SUBJECT: BCC AGENDA ITEM – Discussion Agenda
June 5, 2018 BCC Meeting
Tentative Mandatory Refuse Collection Program MSBU Rate
Contact Person: David Gregory, Manager
Solid Waste Division
407-254-9622**

Orange County has contracted with waste hauling companies to provide residential solid waste and recyclable materials collection service through the Mandatory Refuse and Recycling Program (Program). Section 32-183 of the Orange County Code requires that the Board set the annual compensation rate to the contract waste hauling companies for collection of solid waste and recyclable material by July 15th of each year. Additionally, in order to include the Municipal Services Benefit Unit (MSBU) assessment for the Program on the Notice of Proposed Taxes, the Board also needs to set the MSBU rate per household. This memo outlines the Program cost components, the hauler compensation, and the MSBU rate recommendation for Program Year 2019. The final approval of the MSBU rate will occur during the first budget public hearing in September.

The Mandatory Refuse and Recycling Program MSBU rate has six main components: Hauler Compensation, Disposal Costs, Program Administration Costs, Recycling Improvement Costs, Cart Costs, and a Rate Stabilization/Reserves Component.

Hauler Compensation Component

In accordance with Section 11, Special Terms and Conditions of the Residential Solid Waste and Recyclable Collection Services Term Contract, the contractors shall receive an annual adjustment in the compensation per household based on changes in the Consumer Price Index and Producer Price Index as explained in Attachment D of the collection contract. The compensation to the contract haulers for calendar year 2019 will be as follows:

Zone 1	\$141.20	per Residential Unit
Zone 2	\$174.66	per Residential Unit
Zone 3	\$152.07	per Residential Unit
Zone 4	\$123.34	per Residential Unit
Zone 5	\$125.52	per Residential Unit

The system average for the 2019 hauler compensation component which includes the annual increase is \$144.07 per household and is recommended by staff. This is a \$2.35 or 1.7 percent overall increase from the 2018 hauler collection component.



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Disposal Component

The disposal component of the MSBU represents the cost for disposing of the residential solid waste material. Based on the system average of projected disposal quantities of 1.14 tons per household for Class I refuse and 0.25 tons per household for yard waste, the annual disposal component for calendar year 2019 is projected at \$47.12 per household for 2019. This represents a \$0.51 or 1.1 percent increase from the 2018 disposal component.

Program Administration Component

The program administration component represents the cost per household for operation and administration of the Mandatory Refuse and Recycling Program. For 2019, program administration costs are \$15.51 per household, an increase of \$0.55 or 3.7 percent from the 2018 cost component.

Recycling Improvement Component

The recycling improvement component is a new factor in the MSBU rate calculation for 2019. Increased contamination in the residential recycling stream combined with challenges in the world-wide market for recyclable commodities have led processors to place stricter limits on contamination in the materials they will accept. To help our residential customers improve the recyclable materials they place at the curb, the Solid Waste Division will be undertaking a Recycling Improvement Program. The program will include enhanced education and direct curbside feedback to residents about their setout recyclables. Additionally, the recycling improvement component includes increased costs associated with higher processing costs and the hauling of reject materials. As a result of these increased costs, the new recycling improvement component is calculated at \$5.94 per household for 2019.

Cart Component

The cart component cost represents the cost per household per year for the purchase of new and replacement carts over the term of the contract. For 2019, the cart component calculates to \$9.19 per household, which is an increase of \$0.36 or 4.0 percent from the 2018 component. This cost increase is due to a 4 percent cost escalation provided for in the Producer Price Index methodology established in the cart contract.

Rate Stabilization/Reserves

The rate stabilization/reserves component provides funding for reserves that need to be replenished after the initial \$20 million cart purchase in 2015. Over the next several years reserve funds will be rebuilt to provide funding to address future budgetary needs. For 2019, the Rate Stabilization component is \$8.17 per household, an increase of \$0.29 or 3.7 percent from the 2018 amount.



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MSBU Rate Recommendation

The total cost of the program without the rates stabilization/reserves component for 2019 is \$221.82 per household. Staff recommends setting the MSBU for 2019 at \$230 per household to ensure the program's financial viability while providing funding to replenish reserves that funded the \$20 million cost of the new roll carts.

A summary of rate components are shown in the table below.

2019 Tentative Mandatory Refuse Collection Program MSBU Rate Components

Component	Current 2018	Proposed 2019	Variance
Collection	\$141.72	\$144.07	\$2.35
Disposal	\$46.61	\$47.12	\$0.51
Administration	\$14.96	\$15.51	\$0.55
Recycling Improvement	\$0.00	\$5.94	\$5.94
Carts	\$8.83	\$9.19	\$0.36
Rate Stabilization	\$7.88	\$8.17	\$0.29
MSBU Rate per Household	\$220.00	\$230.00	\$10.00

Action Requested:

Approval to establish the haulers compensation rates as listed, set the MSBU rate at \$230 for Program Year 2019, and authorization to include the Tentative Mandatory Refuse Collection Rate of \$230 on the 2018 Notice of Proposed Taxes.

All Districts.