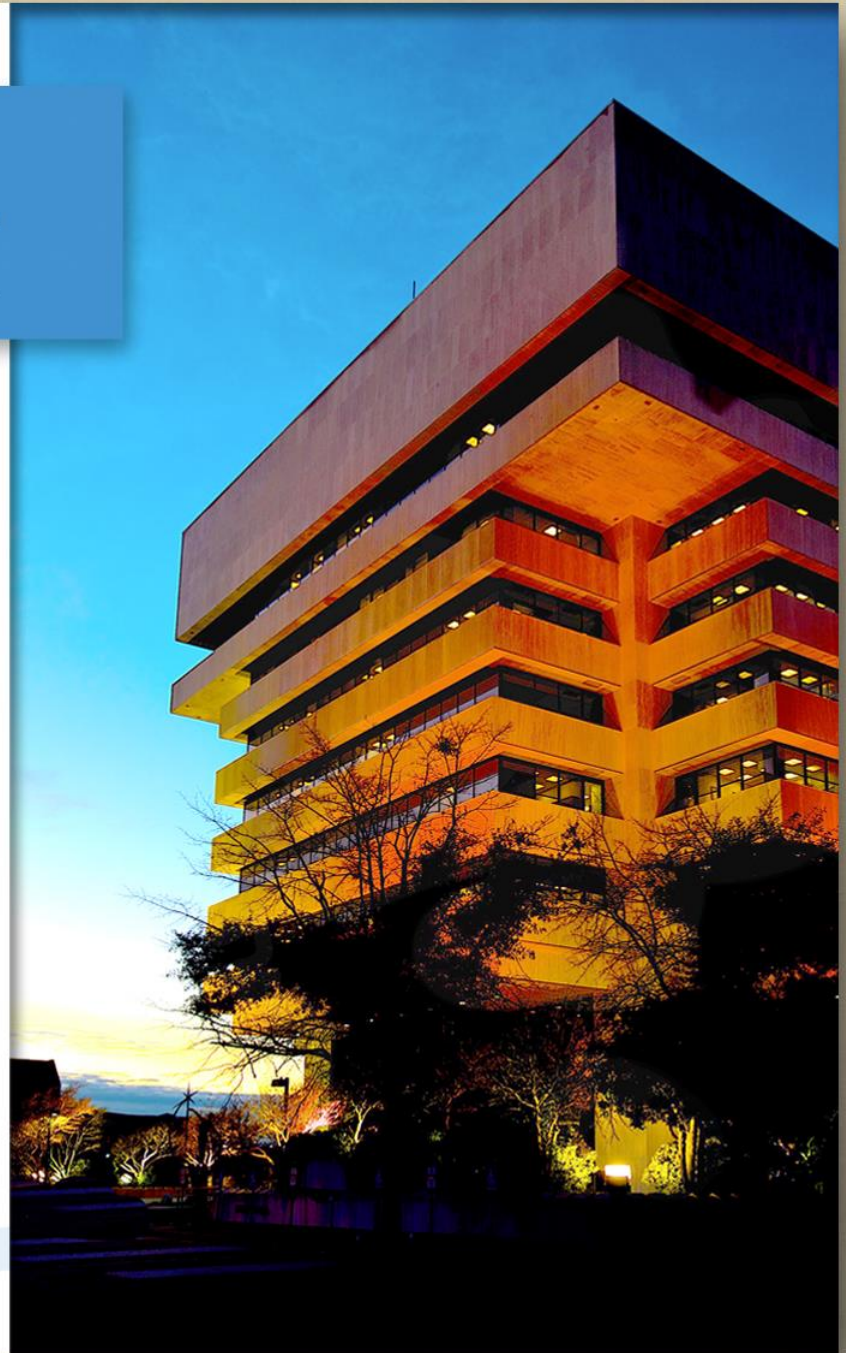


HAMPTON VA

Solid Waste Rates

February 22, 2017



Guiding Principles

- Solid waste operations should be financially self supporting (user fee should support the operation)
- Solid waste fees should be kept as low as possible by continuing to operate in an efficient manner

Solid Waste Services

- 38,000 tons of refuse each year
- Special collection service for our disabled customers



Solid Waste Services

- 8,000 tons of recycling material each year
- Metal and Tire recycling
- Yard waste recycling/compos for leafy debris



Solid Waste Services

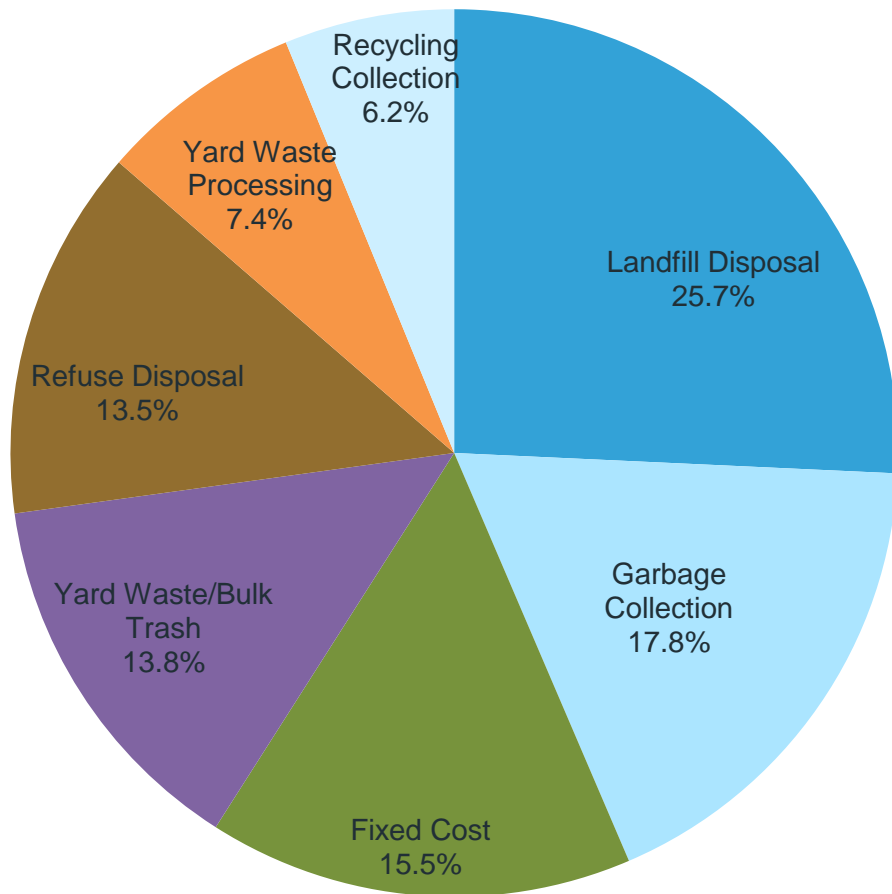
50,000 tons of Bulk
Trash each year
15,000 tons of Yard
waste



Bulk collections:
Safe and Clean
Storm Response
Snow Removal



Operations and Maintenance Budget

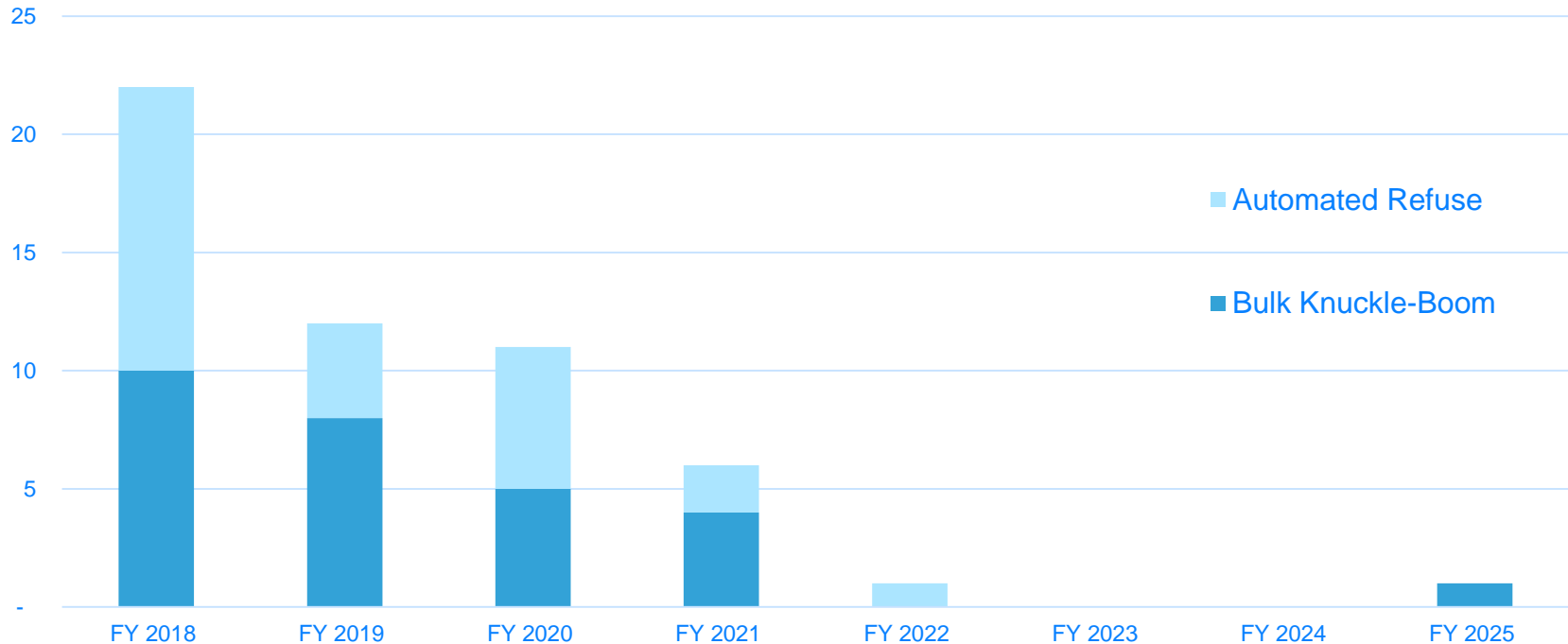


**FY 2017 Total:
\$11.8 million**

Financial Status with Current Rates

(\$, millions)	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Total Operating Costs¹	\$12.2	\$12.5	\$12.9	\$13.3	\$13.7	\$14.1
Total Capital Costs^{1,2}	\$1.5	\$1.5	\$1.6	\$1.6	\$1.7	\$1.7
Total Revenue Requirement	\$13.7	\$14.1	\$14.5	\$14.9	\$15.4	\$15.8
Less Non-User Fee Revenue ³	\$(1.4)	\$(1.4)	\$(1.4)	\$(1.4)	\$(1.4)	\$(1.4)
Net Revenue Requirement	\$12.3	\$12.7	\$13.1	\$13.5	\$14.0	\$14.4
Net Revenue with Current Fees	\$12.1	\$12.1	\$12.1	\$12.1	\$12.1	\$12.1
Resulting Shortfall	\$(0.2)	\$(0.6)	\$(1.0)	\$(1.5)	\$(1.9)	\$(2.4)

Projected Equipment Replacement



Number of Vehicles Exceeding 8 Year Useful Life
(53 Total : 28 Bulk Vehicles & 25 Automated Refuse)

Equipment Replacement Scenarios

	Current	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Weekly Fee (All Scenarios)							
Scenario A: 4 Vehicles	\$5.88	\$5.90	\$5.90	\$6.15	\$6.15	\$6.65	\$6.65
Scenario B: 6 Vehicles	\$5.88	\$6.10	\$6.10	\$6.45	\$6.45	\$6.95	\$6.95
Scenario C: 8 Vehicles	\$5.88	\$6.30	\$6.30	\$6.75	\$6.75	\$7.20	\$7.20
Recommended (Scenario B: 6 Vehicles)							
Weekly Fee	\$5.88	\$6.10	\$6.10	\$6.45	\$6.45	\$6.95	\$6.95
Ending Cash Balance (\$, millions)	\$2.8	\$3.1	\$2.9	\$3.0	\$2.7	\$3.0	\$2.9

FY 2018 Proposed Rates to Maintain Service

	Current	FY 2018	Change
Weekly Fee	\$5.88	\$6.10	\$0.22
Bimonthly Bill	\$50.96	\$52.87	\$1.91
Yearly cost	\$305.76	\$317.20	\$11.44

Looking forward

6-Year Projection Period

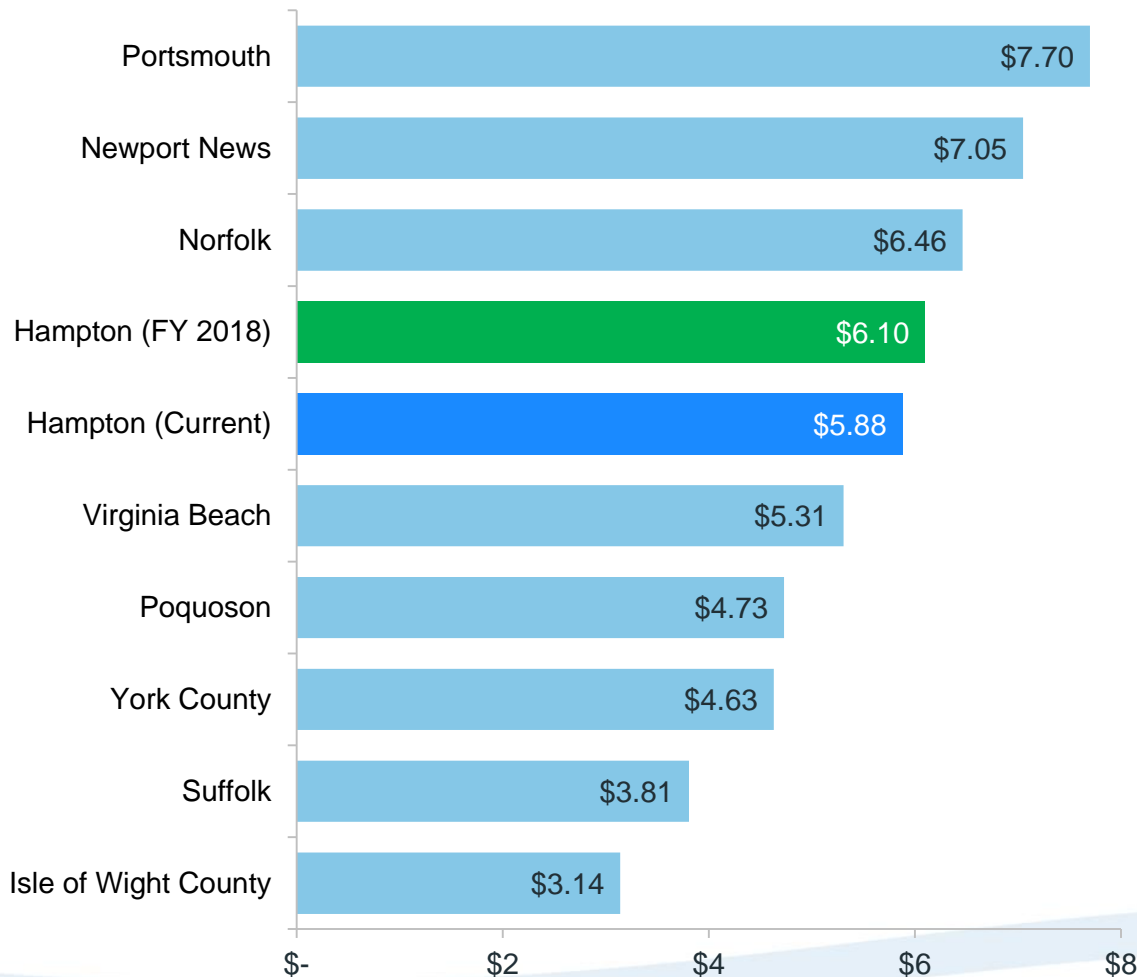
Recommended:

	Current	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Weekly Fee	\$5.88	\$6.10	\$6.10	\$6.45	\$6.45	\$6.95	\$6.95
Bimonthly Bill	\$50.96	\$52.87	\$52.87	\$55.90	\$55.90	\$60.23	\$60.23
<i>Weekly Increase</i>	-	\$0.22	-	\$0.35	-	\$0.50	-

Compared with Prior Fee Presentation (Feb 2015):

	FY 2017	FY 2018	FY 2019	FY 2020			
Weekly Fee	\$5.88	\$6.13	\$6.13	\$6.38			
Bimonthly Bill	\$50.96	\$53.12	\$53.12	\$55.29			
<i>Weekly Increase</i>	-	\$0.25	-	\$0.25			

Regional Solidwaste Comparison



No curbside recycling

Bulk collection biweekly

10 bulk collections per year

Includes all services

Includes all services

No tire collections made

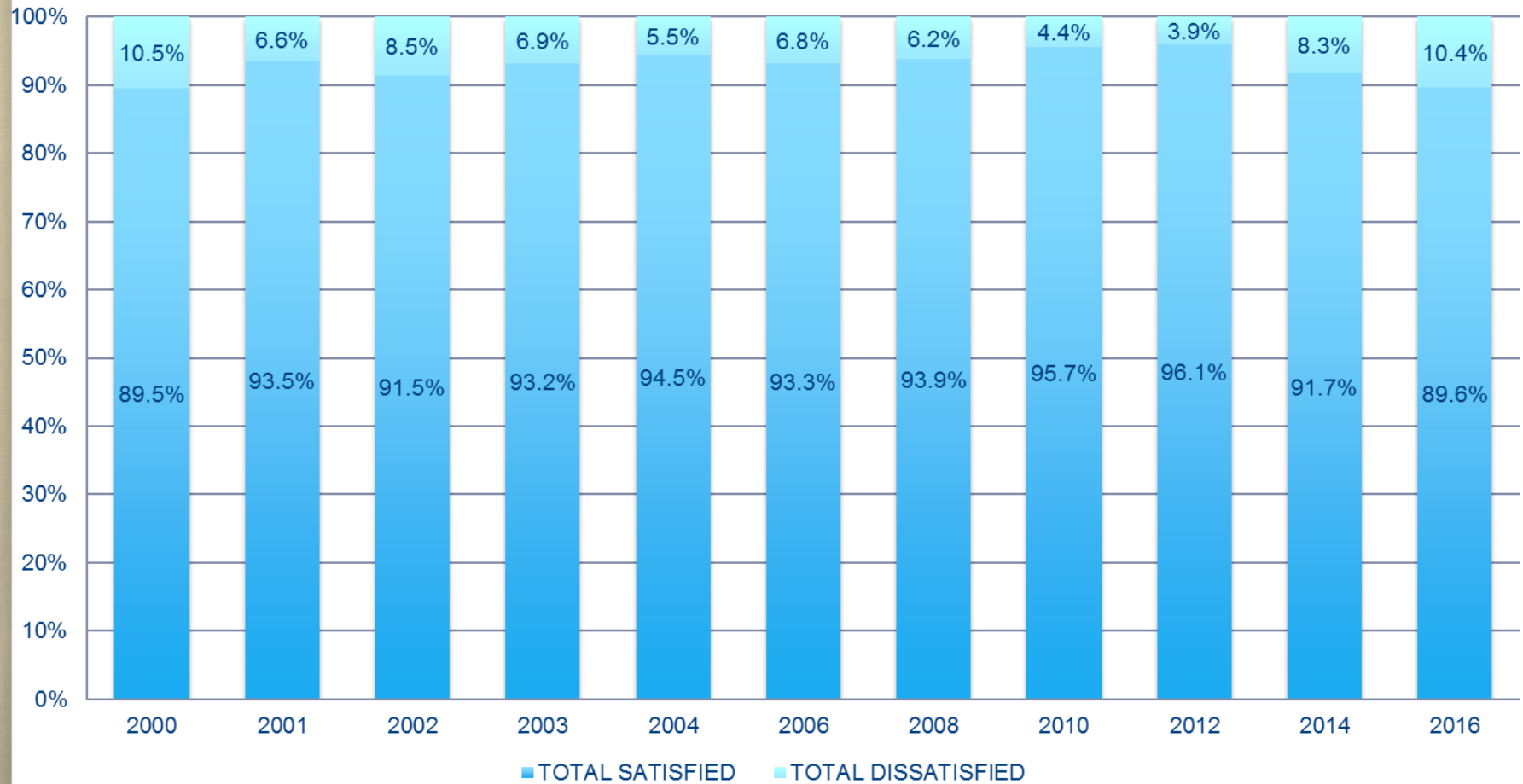
Also uses general fund tax dollars;
charge for bulk/tire collection

4 bulk collections/year; no yard waste
collected

12 bulk collections/year; also uses
general fund tax dollars

Minimal services

Satisfaction with Trash & Recycling



Recommendations

- Adopt the recommended solid waste rate of \$6.10/week for FY 2018
(Investment in Equipment)
- Review solid waste rates on an annual basis and approve necessary rate adjustments

Solid Waste Service

Questions?

