

*City of Alexandria, Virginia*

**MEMORANDUM**

DATE: MARCH 2, 2009

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO # 18: FEE INCREASE ASSOCIATED WITH LARGER RECYCLING BINS WITH LIDS

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This memo is in response to Councilman Krupicka's question, "How much would we need to raise refuse fees to enable the City to give residents larger recycling bins with lids?"

Currently, each residential customer is provided with one 18 gallon recycling bin funded by the residential refuse collection fee. The residential refuse collection fee is proposed to increase from \$301 to \$331 in FY 2010. Customers, at their choice, may acquire a second recycling bin from the City at a cost of \$6.

Staff researched the cost of providing a larger bin with a lid. The costs associated with larger bins with a lid are the following:

32/35-gallon toter (\$40 per container) 17,273 \* \$40=\$690,920

**This option may increase the residential refuse collection fee to \$371.**

64/65-gallon toter (\$45 per container) 17,273 \* \$45=\$777,285

**This option may increase the residential refuse collection fee to \$376.**

96-gallon toter (\$51 per container) 17,273 \* \$51=\$880,923

**This option may increase the residential refuse collection fee to \$382.**

It may be possible to negotiate larger bins into the residential recycling curbside pickup contract that will be rebid and reissued in FY 2010 without this large an increase. T&ES staff is reviewing the option of including larger bins within the recycling contract to be rebid, however, this will not occur before the fall of 2009. The contractor could include the costs of the bins in the contract but amortize the bin purchase costs over the life of the contract.

The table below shows the costs associated with the residential refuse collection fee.

<b>Residential Refuse Collection Fee</b>		
	Approved	Proposed
	FY 2009	FY 2010
Personnel Costs	\$1,660,129	\$1,670,575
Disposal Costs at the WTE Plant	\$2,102,194	\$2,143,927
Vehicles, Supplies & Materials	\$ 527,479	\$ 527,479
Residential Recycling Contract	\$ 571,949	\$ 693,449
Spring Clean-up	\$ 0	\$ 40,000
Leaf Collection	\$ 338,984	\$ 300,915
Indirect Costs (City administrative support)	\$ 0	\$ 341,233
<b>Total Expenditures</b>	<b>\$5,200,735</b>	<b>\$5,717,578</b>
Residences Served	17,273	17,273
Residential Refuse Fee	\$ 301	\$ 331

If you have any additional questions, please call Richard Baier at 703-838-4966.