PORT ORANGE CITY COUNCIL

SPECIAL MEETING

Council Chambers

Tuesday, August 24, 2021 @ 5:30 PM

SPECIAL MEETING AGENDA

Pursuant to Section 3.06 of the Charter of the City of Port Orange, the Mayor has called a **Special Meeting** of the City Council to be held for the following purposes:

OPENING

1. Silent Invocation
2. Pledge of Allegiance
3. Roll Call

DISCUSSION/ACTION ITEMS

4. FY 2021-2022 Budget Discussion
5. Revise Public Hearing Date/Time for Adopting Tentative Millage Rate and Budget
6. Solid Waste Rate Discussion

ADJOURNMENT

NOTICES – PURSUANT TO SECTION 286.0105 OF THE FLORIDA STATUTES, IF ANY PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE CITY COUNCIL WITH RESPECT TO ANY MATTER CONSIDERED AT THIS PUBLIC MEETING OR HEARING, SUCH PERSON WILL NEED A RECORD OF THE PROCEEDINGS, AND THAT, FOR SUCH PURPOSE, SUCH PERSON MAY NEED TO 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. THE CITY DOES NOT PREPARE OR PROVIDE SUCH A RECORD.

FOR SPECIAL ACCOMODATIONS, PLEASE NOTIFY THE CITY CLERK'S OFFICE (PHONE: 386-506-5563) AS FAR IN ADVANCE AS POSSIBLE, BUT PREFERABLY WITHIN 2 WORKING DAYS OF YOUR RECEIPT OF THIS NOTICE OR 5 DAYS PRIOR TO THE MEETING OR HEARING DATE.

HELP FOR THE HEARING IMPAIRED IS AVAILABLE THROUGH THE ASSISTIVE LISTENING SYSTEM RECEIVERS CAN BE OBTAINED FROM THE CITY CLERKS' OFFICE.

IN ACCORDANCE WITH THE AMERICANS WITH DISABILITIES ACT (ADA), IF YOU ARE A PERSON WITH A DISABILITY WHO NEEDS AN ACCOMMODATION IN ORDER TO PARTICIPATE IN THIS PROCEEDING, YOU ARE ENTITLED, AT NO COST TO YOU, THE PROVISION OF CERTAIN ASSISTANCE. PLEASE CONTACT THE CITY CLERK FOR THE CITY OF PORT ORANGE, 1000 CITY CENTER CIRCLE, PORT ORANGE, FLORIDA 32129, TELEPHONE NUMBER 386-506-5563, CITYCLERK@PORT-ORANGE.ORG, AS FAR IN ADVANCE AS POSSIBLE, BUT PREFERABLY WITHIN 2 WORKING DAYS OF YOUR RECEIPT OF THIS NOTICE OR 5 DAYS PRIOR TO THE MEETING OR HEARING DATE. IF YOU ARE HEARING OR VOICE IMPAIRED, CONTACT THE RELAY OPERATOR AT 7-1-1 or 1-800-955-8771.

UPON REQUEST BY A QUALIFIED INDIVIDUAL WITH A DISABILITY, THIS DOCUMENT WILL BE MADE AVAILABLE IN AN ALTERNATE FORMAT. IF YOU NEED TO REQUEST THIS DOCUMENT IN AN ALTERNATE FORMAT, PLEASE CONTACT THE CITY CLERK WHOSE CONTACT INFORMATION IS PROVIDED ABOVE.

ANY INVOCATION THAT IS OFFERED BEFORE THE OFFICIAL START OF THE CITY COUNCIL MEETING SHALL BE THE VOLUNTARY OFFERING OF A PRIVATE PERSON, TO AND FOR THE BENEFIT OF THE CITY COUNCIL. THE VIEWS OR BELIEFS EXPRESSED BY THE INVOCATION SPEAKER HAVE NOT BEEN PREVIOUSLY REVIEWED OR APPROVED BY THE CITY COUNCIL OR THE CITY STAFF, AND THE CITY IS NOT ALLOWED BY LAW TO ENDORSE THE RELIGIOUS BELIEFS OR VIEWS OF THIS, OR ANY OTHER SPEAKER. PERSONS IN ATTENDANCE AT THE CITY COUNCIL MEETING ARE INVITED TO STAND DURING THE OPENING INVOCATION AND PLEDGE OF ALLEGIANCE. HOWEVER, SUCH INVITATION SHALL NOT BE CONSTRUED AS A DEMAND, ORDER, OR ANY OTHER TYPE OF COMMAND. NO PERSON IN ATTENDANCE AT THE MEETING SHALL BE REQUIRED TO PARTICIPATE IN ANY OPENING INVOCATION THAT IS OFFERED. A PERSON MAY EXIT THE CITY COUNCIL CHAMBERS AND RETURN UPON COMPLETION OF THE OPENING INVOCATION IF A PERSON DOES NOT WISH TO PARTICIPATE IN OR WITNESS THE OPENING INVOCATION.

CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE **8/24/2021**

Consent item: No

SUBJECT: (4) FY 2021-2022 Budget Discussion

DEPARTMENT: Finance

GOAL: 5 - Fiscal Sustainability

RECOMMENDED MOTION: Discussion Item - No Motion Needed

SUMMARY: Staff will provide a general overview of all funds for the FY 2021-2022 Budget. This will include a summary of revenues and expenditures, to include personnel, operating, and capital costs.

The Council will hold two public hearings; the first public hearing is scheduled for September 8, 2021 and the second and final hearing to adopt the City Wide Budget is scheduled for September 22, 2021.

Project No.: N/A Funding Account No.: N/A

Presenter: Robin Hayes

ATTACHMENTS:

Robin Fenwick	Created/Initiated - 8/18/2021
Robin Hayes	Approved - 8/19/2021
Jamie Miller	Approved - 8/19/2021
Wayne Clark	Approved - 8/20/2021
Robin Fenwick	Final Approval - 8/20/2021

CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 8/24/2021

Consent item: No

SUBJECT: (5) Revise Public Hearing Date/Time for Adopting Tentative Millage Rate and Budget

DEPARTMENT: Finance

GOAL: 5 - Fiscal Sustainability

RECOMMENDED MOTION: Move to revise the public hearing start time from 5:30 p.m. to 6:30 p.m. to be consistent with the Truth in Millage (TRIM) notice distributed by the Volusia County Property Appraiser.

SUMMARY: The Truth in Millage (TRIM) notice distributed to citizens by the Volusia County Property Appraiser shows 6:30 p.m. as the start time for the first public hearing scheduled for Wednesday, September 8, 2021; however, the Council previously approved a motion to start at 5:30 p.m. To be consistent with the TRIM notice provided to citizens, staff is requesting you change the meeting start time to 6:30 p.m.

Project No.: N/A   Funding Account No.: N/A

Presenter: Robin Hayes

ATTACHMENTS:

Robin Fenwick	Created/Initiated - 8/18/2021
Robin Hayes	Approved - 8/19/2021
Wayne Clark	Approved - 8/20/2021
Robin Fenwick	Final Approval - 8/20/2021

CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE **8/24/2021**

Consent item: No

SUBJECT: (6) Solid Waste Rate Discussion

DEPARTMENT: Public Works

GOAL: 5 - Fiscal Sustainability

RECOMMENDED MOTION: Discussion Item - No Motion Needed

SUMMARY: The current solid waste rates were established in 2014. Rates have not increased since that time, but expenses have continued to rise. In February 2021, the City signed a new 5-year contract with Waste Pro for garbage collection. In April 2021, the City contracted Government Services Group Inc. to conduct a rate study. This presentation reviews the current rates and level of service, reviews the rate study conducted by Government Services Group, Inc., and presents staff's recommendation of proposed rates.

Project No.: N/A   Funding Account No.: N/A

Presenter: Lynn Stevens

ATTACHMENTS:

1.	solid waste presentation	solid waste presentation.pdf
2.	Final Port Orange Solid Waste Report 8-6-21	Final Port Orange Solid Waste Report 8-6-21.pdf

Robin Fenwick	Created/Initiated - 6/22/2021
Julia Wiggins	Approved - 8/19/2021
Lynn Stevens	Approved - 8/19/2021
Wayne Clark	Approved - 8/20/2021
Robin Fenwick	Final Approval - 8/20/2021

Solid Waste Rate Study

City Council Workshop
August 24, 2021

Lynn Stevens

Purpose / Agenda

- **Purpose:**
  - To Discuss Solid Waste Rates
- **Agenda:**
  - History
  - Current Operating Overview
  - Rate Study by GSG
  - Recommendations/Conclusions

History

- Current Rates established in 2014
  - Residential - $18.67
  - Commercial Hand Pick Up - $28.71
  - Commercial Dumpster Service - $6.67 cu yd
- Level of Service and Rates remain unchanged
  - 2x per week garbage
  - 1x per week unlimited yard waste
  - 1x per week recycling
  - Unlimited bulk pick up

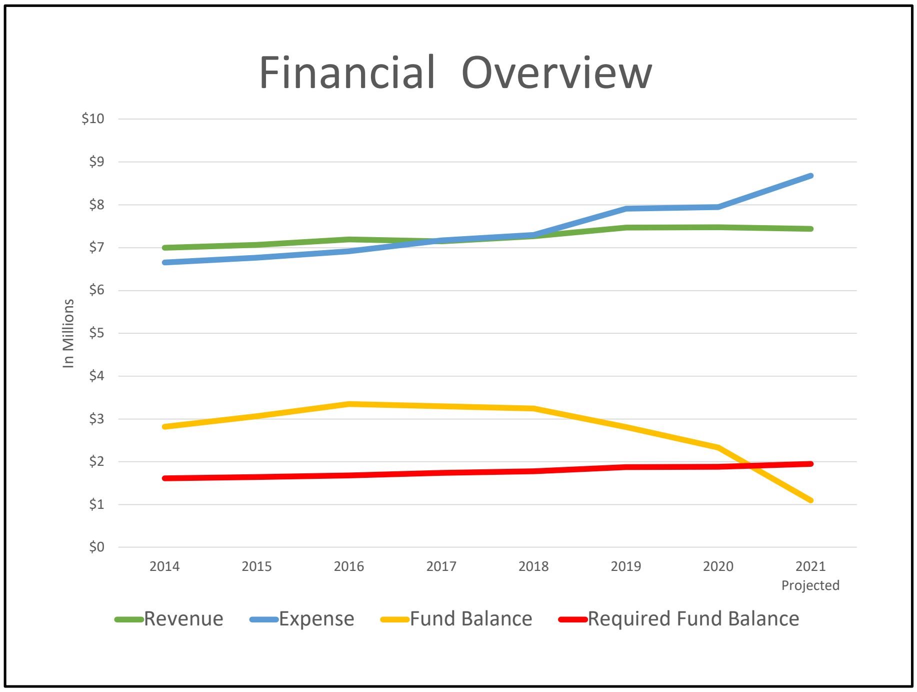
There has been no increase to customers since 2014, although expenses have increased

History

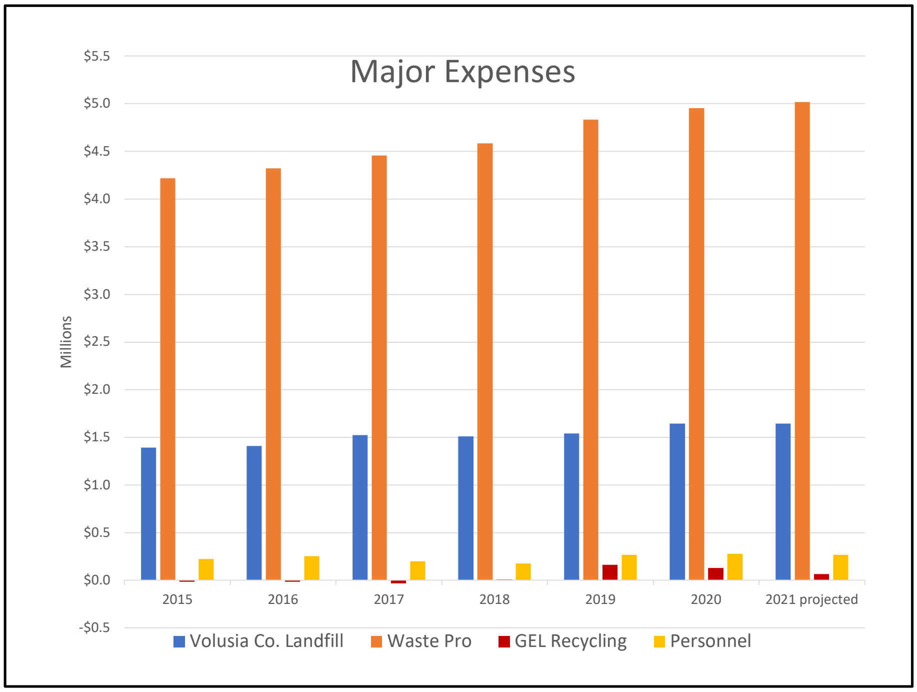
- Waste Pro awarded bid in 2011
  - 5 - year term
  - 1 – 5 year renewal option exercised in 2016
  - Included CPI and fuel adjustments
  - Contract expires September 2021
- 2021 New bid awarded to Waste Pro
  - Begins October 1, 2021

Even though Waste Pro contract included CPI and Fuel adjustment clause, vendor did not request increased until 2017

New contract maintains the same level of service

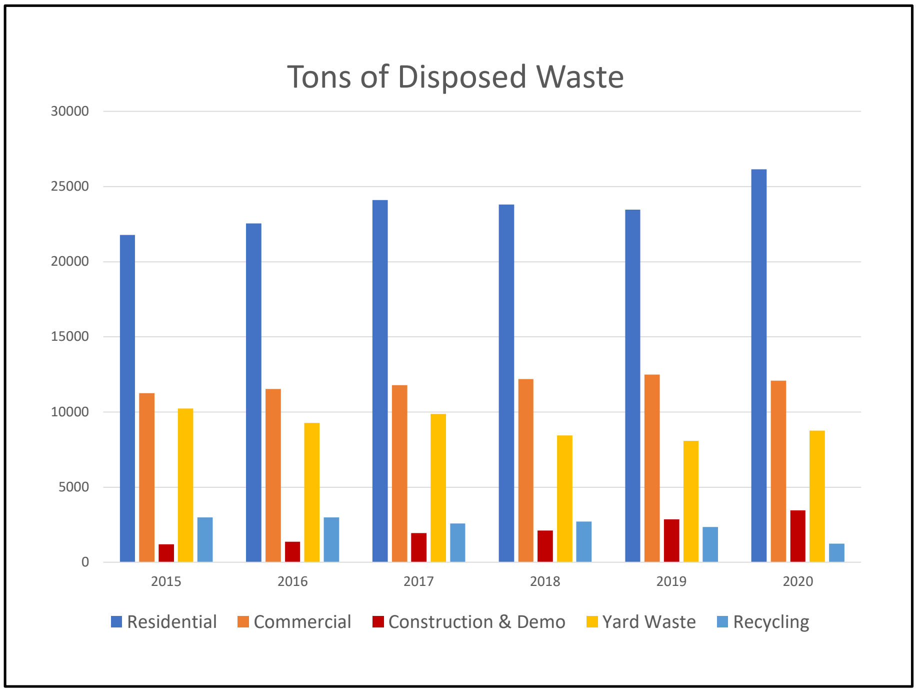


Revenues fairly flat, rates have not increased since 2014
Expenses have increased
Required fund balance per City policy for enterprise funds 25 – 30% of Expenses less transfers (PILOT), used 25%
GFOA range is 25-37%, we are on the low end of that recommendation



- Volusia County Landfill paid directly by City,
    - no change in fees
    - change in volume,
        - Residential tonnage in 2014 = 43.47 tons
        - in 2020 = 50.44 tons
    - volume includes residential yard waste
- CPI and Fuel charges per contract, but WastePro did not exercise these changes until 2017
    - 8.2% residential
    - 6.2% commercial
- GEL
    - Prior to 2018 received revenues
        - 2015 = $16,000
        - 2016 = $15,000
        - 2017 = $33,000
    - In 2018, market changed, no market for recyclables, lost revenue, became an expense
        - 2018 = $8300
        - 2019 = $164,000

        - 2020 = $129,000
        - First 10 months of FY21 = $82,000
    - In 2020, stopped glass recycling
- Personnel = 1 full time position, partially funds positions for customer service, finance, admin
- Other Operating Supplies = $10,000
    - Only area for reduction
    - Remaining operating budget are internal services such as IT, Fleet, Insurance, internal building maintenance, interdepartmental charges



Does not include storm debris collected under separate contract for hurricanes Matthew and Irma

In 2020 removed glass from recycling to control costs since glass was not being recycled

Current Operating Overview

- Other Expenses
  - 2019 Moved Street Sweeping from Solid Waste to Drainage
    - Reduced expense $200,000
  - Approximately $210,000 for PILOT
  - Approximately $600,000 for interdepartmental services

Interdepartmental is IT, HR, finance, billing, customer service, code, etc.
Finance Dept. is currently undergoing a citywide evaluation of all interdepartmental service expenses
Routine operating supplies, expenses, and vehicle maintenance = $10,000 per year
No fluff in operating, costs are mainly contracts for gel, waste pro, and landfill along with transfers

Current Operating Overview

- 2018/19 fund balance dropping
- Bids scheduled for new collection contract
- Contracted with Government Services Group Inc. for rate evaluation

Introduce Jeff Rackley, Government Services Group

Port Orange, Florida
Solid Waste Rate Study Update
August 2021
GSG
GOVERNMENT SERVICES GROUP, INC.
Nabors Giblin & Nickerson P.A.
ATTORNEYS AT LAW

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Topics of Discussion

- Current Solid Waste Rates
- Update of Solid Waste Budget
- Fiscal Year 2021-22 Solid Waste Rates
- Five-Year Average Solid Waste Rates

Current Solid Waste Rates

- Residential - $18.67 per dwelling unit per month
- Commercial - Based on container size, ranging from $28.71 - $1,616.45 per month
- Current Revenue – Approximately $7,400,000

Budget Factors

GSG
GOVERNMENT SERVICES GROUP, INC.

- Split - Residential (Based on Residential v. Commercial Tipping)
  75.45%
- Split - Non-Residential (Based on Residential v. Commercial Tipping)
  24.55%
- Year Over Year Increase
  7% for first two years of Personnel, 3% otherwise

Fiscal Year 2021-22 through Fiscal Year 2025-26 and Five-Year Average Residential Budget

GSG
GOVERNMENT SERVICES GROUP, INC.

	FY 21-22 Budget	FY 22-23 Budget	FY 23-24 Budget	FY 24-25 Budget	FY 25-26 Budget	Five-Year Avg. Budget
Expenditures	$6,331,881	$6,521,998	$6,718,323	$6,912,843	$7,113,199	$6,719,649
Revenues*	$15,089	$15,542	$16,008	$16,488	$16,983	$16,022
Additional Costs**	$332,463	$342,445	$352,753	$362,966	$373,485	$352,822
Total Costs	$6,649,254	$6,848,902	$7,055,068	$7,259,321	$7,469,701	$7,056,449

*Represents Interest earnings.
**Represents a contingency for under collections

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Fiscal Year 2021-22 through Fiscal Year 2025-26 and Five-Year Average Residential Rates

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GOVERNMENT SERVICES GROUP, INC.

	FY 21-22 Budget	FY 22-23 Budget	FY 23-24 Budget	FY 24-25 Budget	FY 25-26 Budget	Five-Year Avg. Budget
Total Costs	$6,649,254	$6,848,902	$7,055,068	$7,259,321	$7,469,701	$7,056,449
Total Dwelling Units	24,563	24,563	24,563	24,563	24,563	24,563
Annual Rate Per Dwelling Unit	$271	$279	$287	$295	$303	$287
Monthly Rate Per Dwelling Unit	$22.56	$23.24	$23.94	$24.63	$25.34	$23.94

Fiscal Year 2021-22 through Fiscal Year 2025-26 and Five-Year Average Non-Residential Budget

GSG
GOVERNMENT SERVICES GROUP, INC.

	FY 21-22 Budget	FY 22-23 Budget	FY 23-24 Budget	FY 24-25 Budget	FY 25-26 Budget	Five-Year Avg. Budget
Total Expenditures	$2,060,691	$2,124,115	$2,189,606	$2,254,557	$2,321,458	$2,190,085
Total Revenues	$12,693	$13,074	$13,466	$13,870	$14,286	$13,478
Total Additional Costs	$107,789	$111,107	$114,534	$117,931	$121,430	$114,558
Total Costs	$2,155,787	$2,222,148	$2,290,673	$2,358,618	$2,428,601	$2,291,166

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Non-Residential Rates

- Non-Residential rates are dependent on the container size and pick-up frequency.
- Five-Year Average of $8.41 per cubic yard
- Ranges from $36.42 - $2,039.30 per month

Generated Revenue from Updated Rates

GSG
GOVERNMENT SERVICES GROUP, INC.

	FY 21-22 Budget	FY 22-23 Budget	FY 23-24 Budget	FY 24-25 Budget	FY 25-26 Budget	Five-Year Avg. Budget
Residential Revenue	$6,649,254	$6,848,902	$7,055,068	$7,259,321	$7,469,701	$7,056,449
Non-Residential Revenue	$2,155,787	$2,222,148	$2,290,673	$2,358,618	$2,428,601	$2,291,166
Total Revenue from Solid Waste Fees	$8,805,041	$9,071,050	$9,345,741	$9,617,939	$9,898,302	$9,347,615
Total Net Expenses	$8,805,041	$9,071,050	$9,345,741	$9,617,939	$9,898,302	$9,347,615

Note: Estimated revenue generated by updated solid waste fees covers projected expenditures.

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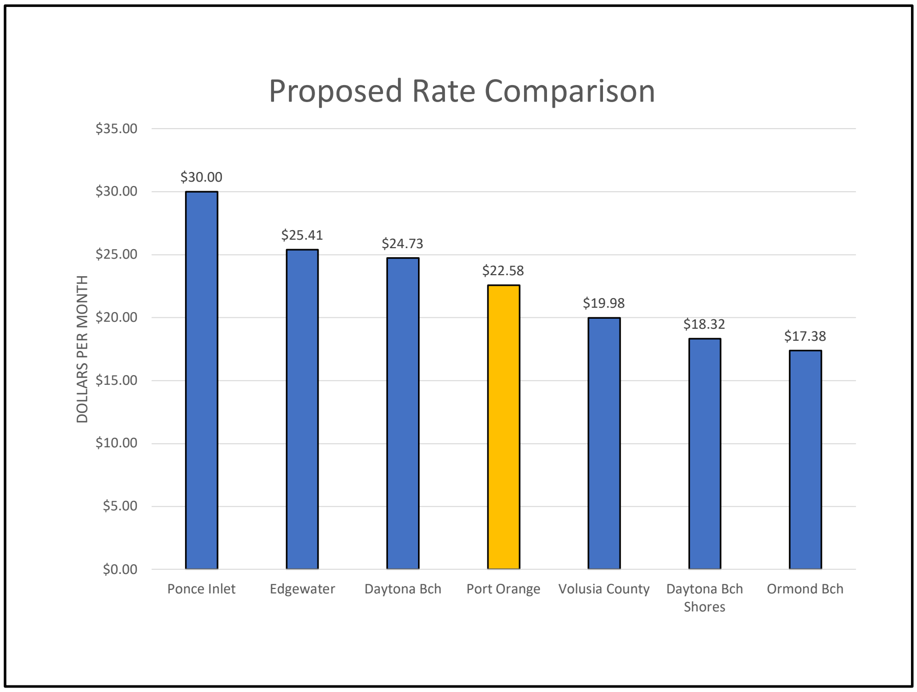
Recommendation/Conclusion

- City policy for Enterprise fund balance
  - 25 - 30% of operating less transfers
  - If below 25%, must have a plan to replenish
- Projected shortage @$700,000 if rate is not adjusted

Recommendation/Conclusion

- Recommend Rates effective November 1, 2021
  - Based on expenses, no capital component
  - Residential $22.56 per month
    - Maintains level of service
    - Eliminates Energy fee
    - Increase $3.91 per month
  - Commercial $7.91 per cubic yard
    - Increase $1.24 per cubic yard
- City has not raised rates since 2014

Effective date gives time for public education and coincides with new Waste pro contract.



Ormond owns the transfer station, Waste Pro operates it under their collection contract

Port Orange current rate is $18.67, between DB Shores and Volusia County

Recommendation/Conclusion

- Recommend resolution include automatic rate adjustment October 1 each year
  - CPI % = garbage and trash in US (city average), all urban consumers, not seasonally adjusted as published by Bureau of Labor Statistics
  - Or 5% whichever is LESS
  - Same language in Waste Pro contract
- Add language - if fund balance meets policy, then rate increase may be adjusted down

Questions

- Rates have not changed since 2014
- Expenses have increased
- Fund balance below policy and GFOA recommendation
- Effective date November 1
- Annual increases based on CPI or 5% whichever is less

City of Port Orange, Florida
Solid Waste Rate Study

AUGUST 2021

Presented By:
Government Services Group, Inc.
1500 Mahan Drive, Suite 250
Tallahassee, Florida 32308
(850) 681-3717
(850) 224-7206 Fax

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List of Tables

Introduction

The City of Port Orange (City) has retained Government Services Group, Inc. (GSG) to assist the City with updating the existing program to impose fees on residential and non-residential properties to fund the costs of solid waste collection and disposal services for Fiscal Year 2021-22 and future fiscal years.

GSG is a consulting firm that specializes in addressing and resolving local government finance and taxation issues by working with cities, counties, special districts, and state agencies to develop uniquely tailored funding and service delivery solutions for critical infrastructure and service needs.

This document is the City of Port Orange Solid Waste Rate Study, which is one of the project deliverables specified by the agreed-to Scope of Services.

BACKGROUND

In Fiscal Year 2020-21 the program funded approximately $7.40 million of the City's total solid waste costs. Table 1 shows current rates as implemented by the City for Fiscal Year 2020-21.

Table 1
City of Port Orange Solid Waste Rates (Fiscal Year 2020-21)

Container Size X Weekly Pickup Frequency	Monthly Rate
Residential	$18.67
1 x 1	$28.71
2 X 1	$57.73
2 X 2	$115.46
2 X 3	$173.20
2 X 4	$230.93
2 X 5	$288.66
2 X 6	$346.39
2 X 7	$404.12
4 X 1	$115.46
4 X 2	$230.93
4 X 3	$346.39
4 X 4	$461.86
4 X 5	$577.32
4 X 6	$692.78
4 X 7	$808.25
6 X 1	$173.20
6 X 2	$346.39
6 X 3	$519.59
6 X 4	$692.78
6 X 5	$865.98

Container Size X Weekly Pickup Frequency	Monthly Rate
6 X 6	$1,039.18
6 X 7	$1,212.37
8 X 1	$230.93
8 X 2	$461.86
8 X 3	$692.78
8 X 4	$923.71
8 X 5	$1,154.64
8 X 6	$1,385.57
8 X 7	$1,616.45

For Fiscal Year 2021-22, the City has decided to update the solid waste rate study to reflect changes in the customer account data, budget, contract costs and services provided.

Service Delivery Description and Cost Calculations

SERVICE DELIVERY DESCRIPTION

The City's solid waste services include both residential and non-residential collection and disposal. Residential service includes twice weekly curbside pickup and disposal through contract with Waste Pro services as well as once weekly recycling and yard waste pickup and disposal. Non-Residential service includes dumpster service pickup and disposal. The container size and pickup frequency for non-residential properties is dependent on the property use and/or services requested by the property owner or tenant.

COST CALCULATIONS

To determine the solid waste rates, GSG obtained the projected budget from the City of Port Orange for Fiscal Year 2021-22. This was utilized to form the basis of a five-year projected budget, as well as a five-year average budget. All costs incurred to implement and maintain the proposed rates have also been included.

The solid waste services cost calculations for Fiscal Years 2021-22 through 2025-26 are based on the following assumptions for the purpose of this Solid Waste Rate Study.

- A seven percent annual increase was applied to personnel costs for Fiscal Years 2022 and 2023 and a three percent annual increase was applied to all other expenditures and revenues.
- The line item "Under Collections @ 5%" under "Additional Costs" reflects a 95% collection of the solid waste rates to cover a reserve for under collections.

In order to allocate the City's solid waste budget between residential and non-residential, certain line items were allocated between residential and non-residential based on tonnage. This allocation factor is derived by creating a ratio between residential tonnage and commercial tonnage. The estimated residential tonnage for Calendar Year 2020 was 38,630.33. The estimated commercial tonnage for Calendar Year 2020 for the City was 12,572.12, for a total of 51,202.45. This yields a 76.7 percent residential tonnage factor and 23.3 percent non-residential tonnage factor.

These tonnage factors were applied to all revenue and expenditure line items to determine residential and non-residential portion of the solid waste budget based on information provided by the City.

Table 2 provides a calculation of the costs for the residential portion of the Fiscal Year 2021-22 budget based on an application of the above factors to the Fiscal Year 2020-21 projected budget as provided by the City. The calculation yields a total included cost of $6,649,254 for Fiscal Year 2021-22

Table 2
Residential Budget (Fiscal Year 2021-22)

	Fiscal Year 21-22 Total Budget	Fiscal Year 21-22 Residential Budget
Expenditures		
Garbage/Landfill Closeout		
Employee Assistance Program	$149	$112
Health and Dental Insurance	$28,772	$21,707
Life Insurance	$505	$381
Overtime	$1,000	$754
FICA Taxes	$14,923	$11,259
Car Allowance	$654	$493
Salaries and Wages	$196,924	$148,572
Retirement Contributions	$24,555	$18,526
Workmen's Comp	$364	$275
Audit Fee	$5,040	$3,802
Landfill Services	$1,823,021	$1,375,401
Other Contracted Services	$5,250,000	$3,960,928
Software Maintenance	$1,270	$958
Vehicle Maintenance/Repair	$2,250	$1,698
City Phones	$720	$543
Communication Services	$86	$65
Dues and Memberships	$250	$189
Employee Training	$1,200	$905
Gas, Diesel, Oil, and Grease	$2,000	$1,509
Internet Services	$504	$380
Office Supplies	$250	$189
Other Operating Supplies	$1,500	$1,132
Per Diem	$250	$189
Travel	$250	$189
Uniforms	$150	$113
Fleet Maintenance Charge	$265	$200
Fleet Financing	$2,238	$1,688
Internal Building Maintenance Charge	$11,067	$8,350
Internal IT Charge	$279,695	$211,019
Internal Insurance Charge	$10,908	$8,230
Miscellaneous Charge	$420,734	$317,428
Vehicle Insurance	$508	$383
Interfund Transfer	$210,569	$158,866
Reserves	$100,000	$113,169
Total Garbage/Landfill Closeout	**$8,392,571**	**$6,331,881**
Revenues		
Interest Earnings	$20,000	$15,089
Total Revenues	**$20,000**	**$15,089**
Additional Costs		
Under Collections @ 5%		$332,463
Total Additional Costs		**$332,463**
Total Residential Budget		**$6,649,254**

Table 3 provides a calculation of the costs for Non-Residential portion of the Fiscal Year 2021-22 budget based on an application of the above factors to the Fiscal Year 2020-21 projected budget as provided by the City. The calculation yields a total included cost of $2,155,787 for Fiscal Year 2021-22.

Table 3
Non-Residential Budget (Fiscal Year 2021-22)

	Fiscal Year 21-22 Projected Budget	Fiscal Year 21-22 Non-Residential Budget
Expenditures		
Garbage/Landfill Closeout		
Employee Assistance Program	$149	$37
Health and Dental Insurance	$28,772	$7,065
Life Insurance	$505	$124
Overtime	$1,000	$246
FICA Taxes	$14,923	$3,664
Car Allowance	$654	$161
Salaries and Wages	$196,924	$48,352
Retirement Contributions	$24,555	$6,029
Workmen's Comp	$364	$89
Audit Fee	$5,040	$1,238
Landfill Services	$1,823,021	$447,620
Other Contracted Services	$5,250,000	$1,289,072
Software Maintenance	$1,270	$312
Vehicle Maintenance/Repair	$2,250	$552
City Phones	$720	$177
Communication Services	$86	$21
Dues and Memberships	$250	$61
Employee Training	$1,200	$295
Gas, Diesel, Oil, and Grease	$2,000	$491
Internet Services	$504	$124
Office Supplies	$250	$61
Other Operating Supplies	$1,500	$368
Per Diem	$250	$61
Travel	$250	$61
Uniforms	$150	$37
Fleet Maintenance Charge	$265	$65
Fleet Financing	$2,238	$550
Internal Building Maintenance Charge	$11,067	$2,717
Internal IT Charge	$279,695	$68,676
Internal Insurance Charge	$10,908	$2,678
Miscellaneous Charge	$420,734	$103,306
Vehicle Insurance	$508	$125
Additional Operating	$210,569	$51,703
Reserves	$100,000	$24,554
Total Garbage/Landfill Closeout	**$8,392,571**	**$2,060,691**
Revenues		
Commercial Roll Off Revenue	$25,000	$7,783
Interest Earnings	$20,000	$4,911
Total Revenues	**$45,000**	**$12,693**
Additional Costs		
Under Collections@ 5%		$107,789
Total Additional Costs		**$107,789**
Total Non-Residential Budget		**$2,155,787**

Table 4 shows the residential Fiscal Year 2021-22 through Fiscal Year 2025-26 annual budget as well as the residential five-year average cost of solid waste services for Fiscal Year 2021-22 through Fiscal Year 2025-26.

Table 4
Residential Proforma Budget
(Fiscal Year 2021-22 through Fiscal Year 2025-26 and Five-Year Average)

	Fiscal Year 2021-22 Budget	Fiscal Year 2022-23 Budget	Fiscal Year 2023-24 Budget	Fiscal Year 2024-25 Budget	Fiscal Year 2025-26 Budget	Five-Year Average Budget
Expenditures						
Garbage/Landfill Closeout	$6,331,881	$6,521,998	$6,718,323	$6,912,843	$7,113,199	$6,719,649
Total Expenditures	**$6,331,881**	**$6,521,998**	**$6,718,323**	**$6,912,843**	**$7,113,199**	**$6,719,649**
Revenues	**$15,089**	**$15,542**	**$16,008**	**$16,488**	**$16,983**	**$16,022**
Additional Costs	**$332,463**	**$342,445**	**$352,753**	**$362,966**	**$373,485**	**$352,822**
Total Residential Budget	**$6,649,254**	**$6,848,902**	**$7,055,068**	**$7,259,321**	**$7,469,701**	**$7,056,449**

Table 5 shows the non-residential Fiscal Year 2021-22 through Fiscal Year 2025-26 annual budget as well as the non-residential five-year average cost of solid waste services for Fiscal Year 2021-22 through Fiscal Year 2025-26.

Table 5
Non-Residential Proforma Budget
(Fiscal Year 2021-22 through Fiscal Year 2025-26 and Five-Year Average)

	Fiscal Year 2021-22 Budget	Fiscal Year 2022-23 Budget	Fiscal Year 2023-24 Budget	Fiscal Year 2024-25 Budget	Fiscal Year 2025-26 Budget	Five-Year Average Budget
Expenditures						
Garbage/Landfill Closeout	$2,060,691	$2,124,115	$2,189,606	$2,254,557	$2,321,458	$2,190,085
Total Expenditures	**$2,060,691**	**$2,124,115**	**$2,189,606**	**$2,254,557**	**$2,321,458**	**$2,190,085**
Revenues	**$12,693**	**$13,074**	**$13,466**	**$13,870**	**$14,286**	**$13,478**
Additional Costs	**$107,789**	**$111,107**	**$114,534**	**$117,931**	**$121,430**	**$114,558**
Total Non-Residential Budget	**$2,155,787**	**$2,222,148**	**$2,290,673**	**$2,358,618**	**$2,428,601**	**$2,291,166**

Computation of Solid Waste Rates

SPECIAL BENEFIT ASSUMPTIONS

The following assumptions support a finding that the provision of solid waste services, providing disposal, by the City provides a special benefit to the charged parcels.

- The provision of comprehensive solid waste collection and disposal services, possesses a logical relationship to the use and enjoyment of improved residential property by: (i) properly and safely disposing of solid waste generated on improved property, (ii) enhancing improved property through the environmentally responsible use of and enjoyment of the property, and (iii) potentially increasing and preserving the value of property due to the proper disposal of waste within the City.
- The provision of comprehensive solid waste collection and disposal services, protects property values and the health and safety of the owners or occupants of all property resulting from the delivery and availability of such services.
- All improved residential and non-residential properties produce solid waste or are capable of generating solid waste that requires disposal.
- All improved residential properties produce approximately the same amount of solid waste per dwelling unit annually.

The following assumption supports the findings that the parcel apportionment applied in the apportionment methodology is fair and reasonable.

- Apportioning the costs for the provision of solid waste collection and disposal services attributable to the residential properties on a per dwelling unit basis is required to avoid cost inefficiency and unnecessary administration and is a fair and reasonable method of parcel apportionment based upon an average annual dwelling unit solid waste generation amount.
- Apportioning the costs for the provision of solid waste collection and disposal services attributable to the non-residential properties based on their estimated annual cubic yards of solid waste generation is required to avoid cost inefficiency and unnecessary administration and is a fair and reasonable method of parcel apportionment based upon the best estimates of actual solid waste generated.

APPORTIONMENT METHODOLOGY

The following section describes apportionment methodology used for the Solid Waste Rate Study, which provides lawful collection and disposal of solid waste.

All residential properties within the benefit area benefit from solid waste collection and disposal services based upon each parcel's classification as residential property and the number of dwelling units contained on such parcels. Accordingly, the costs of the provided solid waste services are proposed to be apportioned based on the number of dwelling units or their equivalent on each parcel of residential property. Each resultant dwelling unit or its equivalent within the benefit area is expected to benefit equally.

All improved non-residential properties within the benefit area benefit from the collection and disposal of the solid waste that they generate based on each parcel's classification as non-residential property. Accordingly, the costs of the provided solid waste services are proposed to be apportioned based on the estimated solid waste generated by each property and the associated administrative and overhead costs attributable to each parcel of non-residential property.

The total amount charged for any given residential parcel will be calculated by multiplying the number of dwelling units assigned to the parcel by the rate per dwelling unit to determine the total amount charged.

The total amount charged for any given non-residential parcel will be calculated by multiplying the solid waste generated, in estimated annual cubic yards (rounded up to the nearest whole number and assigned to the parcel based on container size and collection frequency) by the rate per estimated rounded annual cubic yard to determine the total amount charged. Per City direction, non-residential units receiving small hand pick-up services will be charged half the rate of the smallest dumpster container on a once-per-week basis.

The rates presented on a per unit basis are based on the total solid waste operating budget minus the revenue that will be generated from other miscellaneous fees and/or charges. The net budget is then allocated to the residential and non-residential categories by application of the percent of total annual tonnage for the corresponding categories. The resulting apportioned budgets are then divided by the number of units for that property type to calculate a rate per unit.

CUSTOMER DATA

The City provided GSG with information from the City's utility billing system to determine the total number of residential dwelling units. Table 6 shows the total number of dwelling units in the residential property use category, as used for rate calculation purposes.

Table 6
Residential Billing Units

Residential Property Use Category	Number of Dwelling Units
Residential	24,563

The City provided GSG with a listing of all non-residential properties that are receiving solid waste services that included the container size and collection frequency. The estimated annual cubic yards for all non-residential properties were rounded up to the nearest whole number and aggregated across all non-residential properties. Table 7 below shows the rounded estimated annual cubic yards.

Table 7
Non-Residential Billing Units

Residential Property Use Category	Estimated Annual Rounded Cubic Yards
Non-Residential	272,428

COMPUTATION OF SOLID WASTE RATES

Residential

Applying the apportionment methodology, solid waste rates were computed on a per dwelling unit basis based on the costs of providing residential solid waste services and the number of residential dwelling units. Table 8 illustrates the rates after application of the methodology based on 100 percent funding of the total costs for Fiscal Year 2021-22 through Fiscal Year 2025-26 as well as the five-year average.

Table 8
City of Port Orange Residential Solid Waste Rates
(Fiscal Year 2021-22 through Fiscal Year 2025-26 and Five-Year Average)

	Fiscal Year 2021-22	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Five-Year Average
Total Residential Budget	**$6,595,514**	**$6,791,166**	**$6,992,688**	**$7,200,255**	**$7,414,049**	**$6,998,735**
Residential Dwelling Units	24,563	24,563	24,563	24,563	24,563	24,563
Annual Rate Per Dwelling Unit	$271	$279	$287	$296	$304	$287
Monthly Rate Per Dwelling Unit	**$22.56**	**$23.24**	**$23.94**	**$24.63**	**$25.34**	**$23.94**

Non-Residential

Applying the apportionment methodology, solid waste rates were computed on a per estimated annual cubic yard basis based on the costs of providing non-residential solid waste services and the number of non-residential billing units. Table 9 illustrates the cost per cubic yard after application of the methodology based on 100 percent funding of the total costs for Fiscal Year 2021-22 through Fiscal Year 2025-26 as well as the five-year average.

Table 9
City of Port Orange Non-Residential Solid Waste Cost Per Cubic Yard
(Fiscal Year 2021-22 through Fiscal Year 2025-26 and Five-Year Average)

	Fiscal Year 2021-22	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Five-Year Average
Total Non-Residential Budget	**$2,138,297**	**$2,203,747**	**$2,268,696**	**$2,335,594**	**$2,404,498**	**$2,270,166**
Estimated Annual Cubic Yards	272,428	272,428	272,428	272,428	272,428	272,428
Cost Per Estimated Annual Cubic Yard	$7.91	$8.16	$8.41	$8.66	$8.91	$8.41

The cost per estimated annual cubic ton from table 9 was multiplied by the container size and weekly pickup frequency to get the weekly cubic yards and then multiplied by 4.33 to get the monthly rate per container as shown below in Table 10.

Table 10
City of Port Orange Non-Residential Solid Waste Monthly Rates
(Fiscal Year 2021-22 through Fiscal Year 2025-26 and Five-Year Average)

	Fiscal Year 2021-22	Fiscal Year 2022-23	Fiscal Year 2023-24	Fiscal Year 2024-25	Fiscal Year 2025-26	Five-Year Average
Container Size X Weekly Pickup Frequency	**Monthly Rate**	**Monthly Rate**	**Monthly Rate**	**Monthly Rate**	**Monthly Rate**	**Monthly Rate**
1 x 1	$34.26	$35.32	$36.41	$37.49	$38.60	$36.42
2 X 1	$68.53	$70.64	$72.82	$74.98	$77.20	$72.83
2 X 2	$137.06	$141.28	$145.63	$149.95	$154.40	$145.66
2 X 3	$205.59	$211.91	$218.45	$224.93	$231.60	$218.50
2 X 4	$274.11	$282.55	$291.27	$299.91	$308.80	$291.33
2 X 5	$342.64	$353.19	$364.08	$374.88	$386.00	$364.16
2 X 6	$411.17	$423.83	$436.90	$449.86	$463.21	$436.99
2 X 7	$479.70	$494.47	$509.71	$524.83	$540.41	$509.82
4 X 1	$137.06	$141.28	$145.63	$149.95	$154.40	$145.66
4 X 2	$274.11	$282.55	$291.27	$299.91	$308.80	$291.33
4 X 3	$411.17	$423.83	$436.90	$449.86	$463.21	$436.99
4 X 4	$584.23	$565.11	$582.53	$599.81	$617.61	$582.66
4 X 5	$685.29	$706.38	$728.16	$749.76	$772.01	$728.32
4 X 6	$822.34	$847.66	$873.80	$899.72	$926.41	$873.98
4 X 7	$959.40	$988.93	$1,019.43	$1,049.67	$1,080.81	$1,019.65
6 X 1	$205.59	$211.91	$218.45	$224.93	$231.60	$218.50
6 X 2	$411.17	$423.83	$436.90	$449.86	$463.21	$436.99
6 X 3	$616.76	$635.74	$655.35	$674.79	$694.81	$655.49
6 X 4	$822.34	$847.66	$873.80	$899.72	$926.41	$873.98
6 X 5	$1,027.93	$1,059.57	$1,092.25	$1,124.64	$1,158.01	$1,092.48
6 X 6	$1,233.52	$1,271.49	$1,310.70	$1,349.57	$1,389.62	$1,310.98
6 X 7	$1,439.10	$1,483.40	$1,529.14	$1,574.50	$1,621.22	$1,529.47
8 X 1	$274.11	$282.55	$291.27	$299.91	$308.80	$291.33
8 X 2	$548.23	$565.11	$582.53	$599.81	$617.61	$582.66
8 X 3	$822.34	$847.66	$873.80	$899.72	$926.41	$873.98
8 X 4	$1,096.46	$1,130.21	$1,165.06	$1,199.62	$1,235.21	$1,165.31
8 X 5	$1,370.57	$1,412.76	$1,456.33	$1,499.53	$1,544.02	$1,456.64
8 X 6	$1,644.69	$1,695.32	$1,747.59	$1,799.43	$1,852.82	$1,747.97
8 X 7	$1,918.80	$1,977.87	$2,038.86	$2,099.34	$2,161.63	$2,039.30