

# Cost of Service and Rate Analysis

## Columbus Consolidated Government

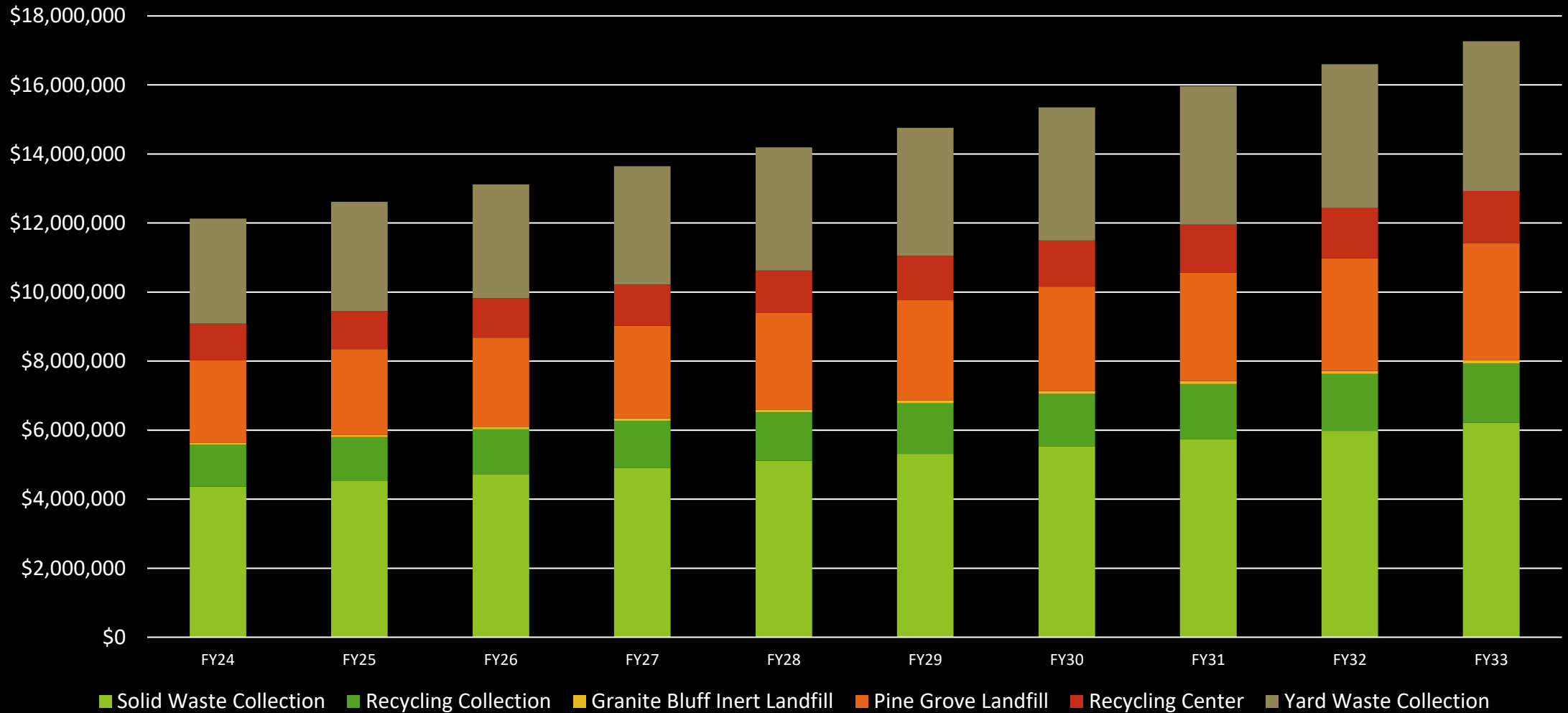
August 8, 2023



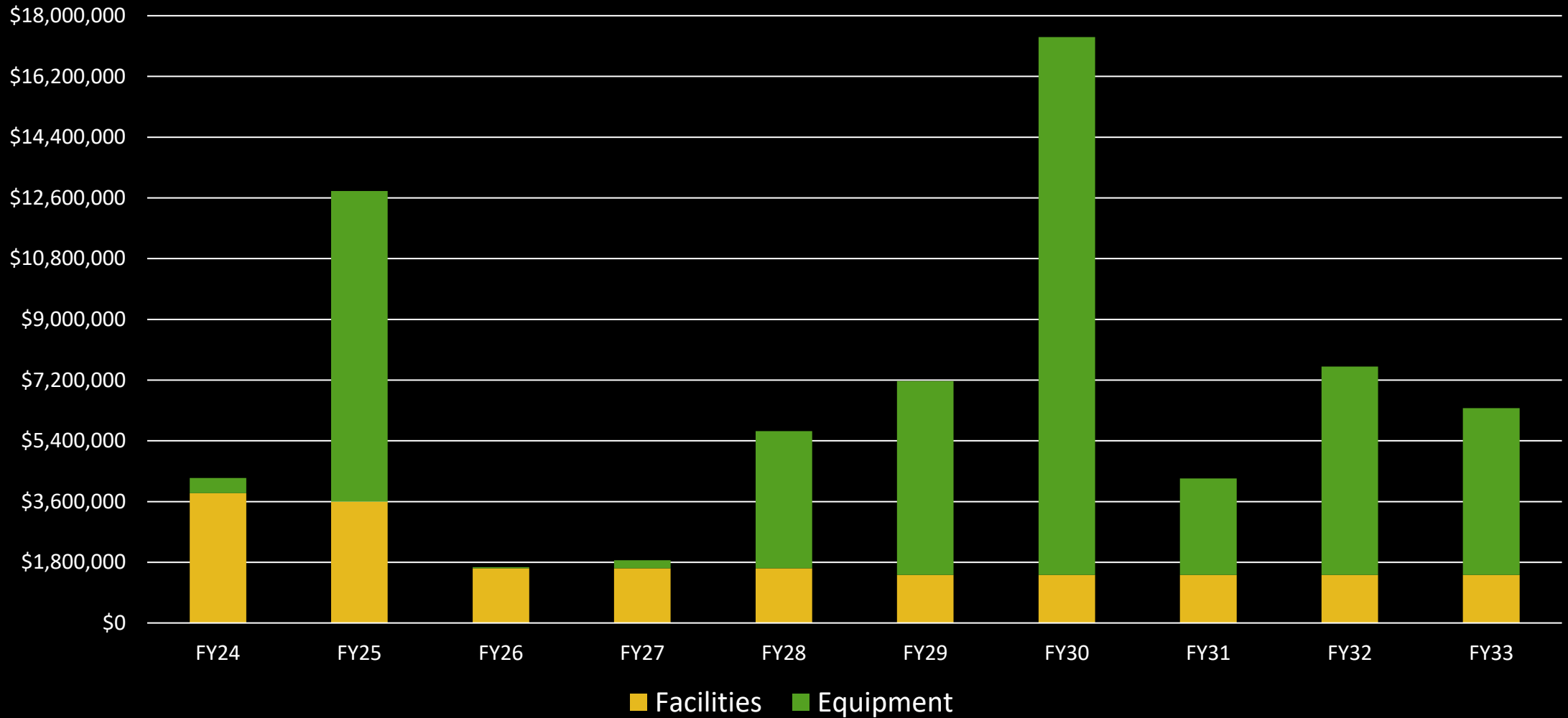
# Calculate Revenue Required from Fees to Cover ...

- Operating costs
- Annual payments on outstanding leases
- Capital costs for equipment
- Set aside for future costs for facility development, closure, and post-closure care

# Operating Costs



# Capital Costs



# Set Aside for Facilities

	Unit	Estimated Cost (FY24\$)	Funds Available	Still Needed	Start Collecting	End Collecting	Set Aside Per Year
Phase V/VI Development	3560	\$19,481,283	\$0	\$19,481,283	2024	2044	\$927,680
Closure I-IV	3560	\$11,266,050	\$2,800,000	\$8,466,050	2024	2077	\$156,779
Closure V-VI	3560	\$8,851,897		\$8,851,897	2024	2077	\$163,924
Post-Closure Care I-VI	3560	\$9,577,360		\$9,577,360	2024	2078	\$174,134
Convenience Ctr at Pine Grove	3560	\$952,570		\$952,570	2024	2025	\$476,285
Close Pine Grove Borrow Pit	3560	\$50,000		\$50,000	2024	2024	\$50,000
Borrow Pit (Parcel 16)	3560	\$200,000		\$200,000	2024	2024	\$200,000
Replace Scalehouse	3560	\$1,000,000		\$1,000,000	2024	2028	\$200,000
Compost Pad	3560	\$3,000,000		\$3,000,000	2024	2025	\$1,500,000

# Capital Expenses for Equipment

	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
3510	\$4,000	\$2,811,120	\$0	\$77,616	\$620,025	\$474,495	\$9,646,853	\$85,536	\$2,889,049	\$556,515
3520	\$444,000	\$1,058,202	\$0	\$4,499	\$0	\$79,082	\$3,301,238	\$478,344	\$886,151	\$5,693
3540	\$0	\$847,600	\$0	\$0	\$584,929	\$0	\$0	\$0	\$0	\$1,067,484
3560	\$0	\$3,011,840	\$33,530	\$84,365	\$2,328,603	\$4,039,288	\$341,636	\$203,969	\$651,439	\$3,316,317
3570	\$0	\$260,000	\$0	\$0	\$76,041	\$0	\$0	\$5,264	\$239,500	\$0
3580	\$0	\$1,216,800	\$0	\$73,116	\$456,245	\$1,545,159	\$2,255,444	\$2,089,055	\$1,512,269	\$0
<b>Total</b>	<b>\$448,000</b>	<b>\$9,205,562</b>	<b>\$33,530</b>	<b>\$239,596</b>	<b>\$4,065,843</b>	<b>\$6,138,024</b>	<b>\$15,545,170</b>	<b>\$2,862,167</b>	<b>\$6,178,408</b>	<b>\$4,946,009</b>

# Revenue Required from Fees

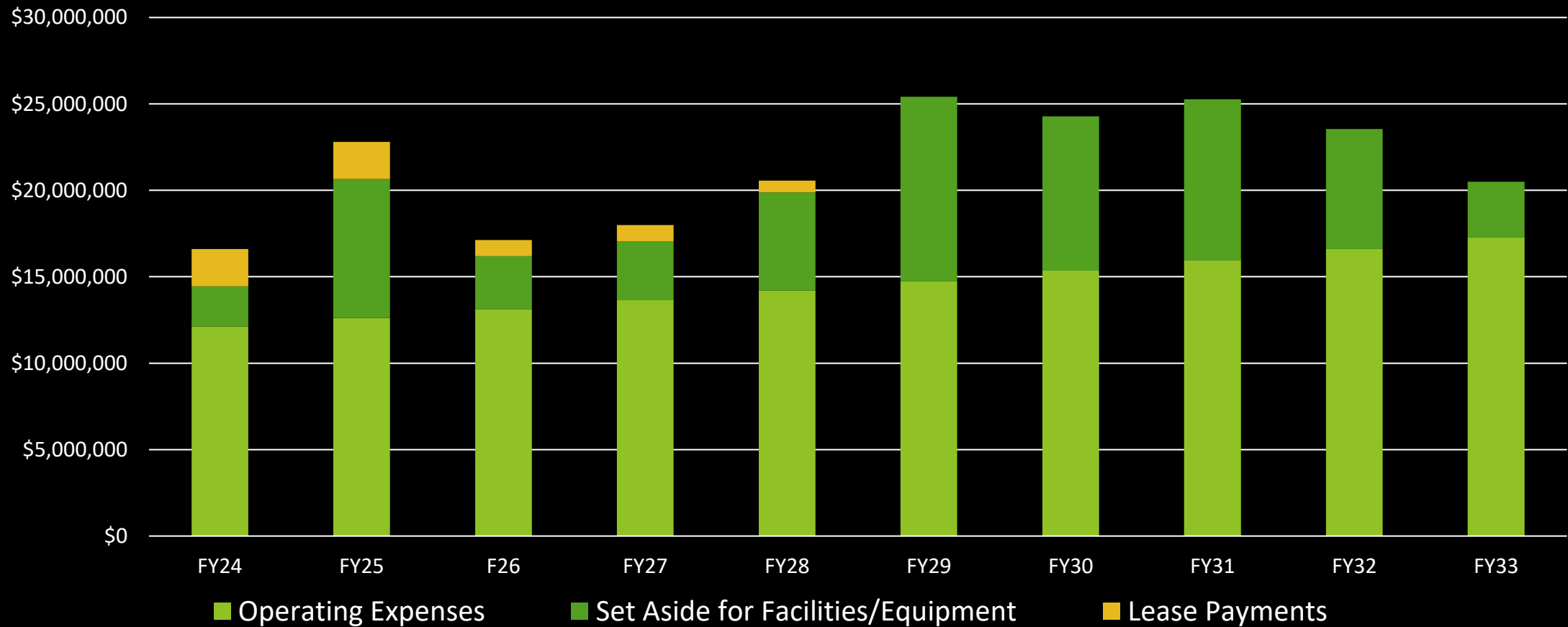


# To distribute capital costs, assume ...

- Compost pad and convenience center anticipated for FY25, totaling nearly \$4 million, are not funded with fees calculated here
- Delay purchase of some more expensive landfill equipment scheduled in 2025
- Replace refuse trucks (purchased with ARP funds in 2023) over three years (2029, 2030, and 2031) instead of replacing all in 2030
- Replacing half of recycling trucks (purchased with ARP funds in 2023) in 2031 instead of 2030



# Revenue Required from Fees After Adjustments to Facility and Equipment Costs



# Revenue Requirement Allocated Among CCG Customers Based on Use of Services/Facilities

## Collection Customers

- Residential
- Commercial Curbside
- Uptown Business District
- CCG Departments
- Apartments and schools receiving recycling collection only

## Facility Customers

- Pine Grove Landfill (non-DPW)
  - Private Haulers
  - Citizens
  - Columbus Water Works
  - CCG Departments
- Granite Bluff Landfill (non-DPW)
  - Private Haulers
  - Citizens
  - Columbus Water Works
  - CCG Departments
- RMPF Customers (other than CCG)

# Revenue Required from Residential Customers

	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
<b>MSW Collection</b>	\$5,805,276	\$8,812,174	\$4,949,583	\$5,215,025	\$5,689,639	\$8,825,281	\$8,692,601	\$9,120,854	\$8,813,122	\$6,728,696
<b>Recyclable Collection</b>	\$1,641,877	\$2,301,576	\$1,297,570	\$1,353,954	\$1,403,452	\$1,538,352	\$3,205,378	\$3,719,566	\$2,524,399	\$1,713,184
<b>Granite Bluff</b>	\$47,956	\$843,961	\$53,063	\$55,770	\$606,182	\$61,515	\$64,560	\$67,728	\$71,022	\$1,073,799
<b>Pine Grove</b>	\$3,339,233	\$3,386,940	\$4,299,120	\$4,499,709	\$5,054,887	\$5,708,959	\$3,235,318	\$3,223,673	\$3,169,571	\$3,382,697
<b>Recycling Center</b>	\$314,821	\$440,438	\$350,682	\$369,696	\$421,067	\$410,035	\$431,423	\$455,854	\$576,318	\$500,858
<b>Yard Waste Collection</b>	\$3,036,842	\$4,370,906	\$3,284,648	\$3,488,897	\$4,007,342	\$5,234,596	\$6,090,215	\$6,078,105	\$5,663,165	\$4,322,373
<b>TOTAL</b>	<b>\$14,186,004</b>	<b>\$20,155,995</b>	<b>\$14,234,667</b>	<b>\$14,983,052</b>	<b>\$17,182,570</b>	<b>\$21,778,739</b>	<b>\$21,719,496</b>	<b>\$22,665,779</b>	<b>\$20,817,598</b>	<b>\$17,721,608</b>

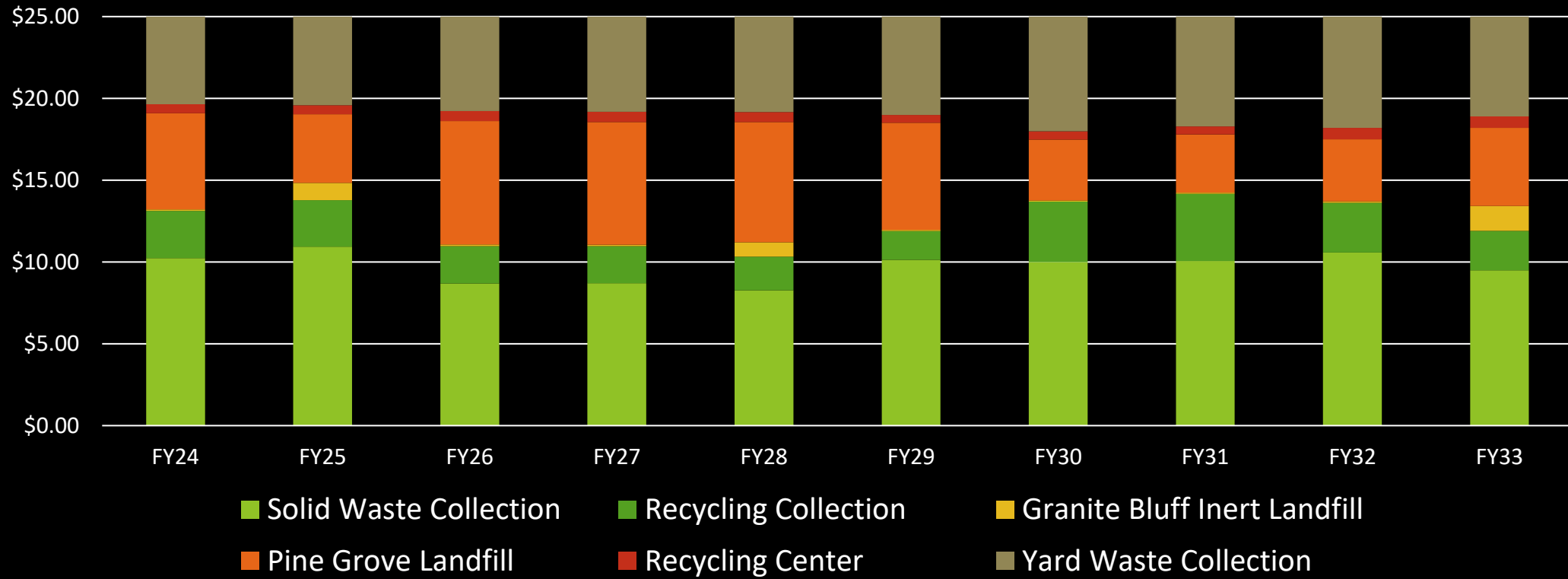
# Calculated Fees to Cover Revenue Requirement



# A note about fees

- Fees are calculated to cover revenue requirement for each customer type based on estimated use of service or facility
  - Not necessarily recommendations
- Assumes any excess revenue deposited into reserved solid waste and recycling fund
  - Any underruns withdrawn from Fund
  - Interest not calculated
- Assumes no change in number of customers or tons over ten years

# Residential Fees of \$25/month IF residents are charged for extra carts (\$20/month MSW and \$15/month for yard waste)



If no extra cart fee, \$25 in FY24 and \$28.10 for remainder of planning period.

# Fees for Other Collection Customers

- Commercial Curbside fees remain the same
  - Current fees of \$240 on right of way and \$320 off right of way cover their share of revenue requirement
- Per bag sticker fees for Uptown Business District will need to increase from \$2 to \$6.70 over next two years then hold steady
  - Assuming number of bags sold remains historically low
- Apartments and schools receiving free recycling would need to pay average monthly fee of \$14 to cover revenue required for this service

# Pine Grove Tip Fee for Non-DPW Customers (Private Haulers, Self-Haulers, CWW, Other CCG Depts)

	Current	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
MSW/C&D	\$42.50	\$61.60	\$64.70	\$78.30	\$86.10	\$93.00	\$107.00	\$107.00	\$107.00	\$107.00	\$107.00
Special Handling	\$60.00	\$87.00	\$91.40	\$110.60	\$121.70	\$131.40	\$151.10	\$151.10	\$151.10	\$151.10	\$151.10



# Granite Bluff Tip Fees

- Tip fees would need to increase to \$170 per ton (by 400%) in FY25 to cover capital costs IF CWW and other departments continue to pay no tip fee
  - Since customers delivering 33% of the tonnage are covering all the revenue required
- Tip fees could remain at \$34 per ton for private haulers and self-hauling citizens for next ten years if CWW and other departments pay \$20 per ton

# Recycling Center

- Tip fee for non-DPW deliveries would need to increase from \$52 to \$101.19 per ton over next two years to meet revenue required



# Summary of Fees to Cover Revenue Requirement

	Current	FY24	FY29	FY33
Residential Curbside Customers (per month)	\$18.00	\$25.00	\$25.00	\$25.00
Extra MSW Cart (per month)	\$0.00	\$20.00	\$20.00	\$20.00
Commercial Curbside Customers of Right of Way (per month)	\$240.00	\$240.00	\$240.00	\$240.00
Uptown Business District Customers (per sticker)	\$2.00	\$4.70	\$6.70	\$6.70
Apartment and Schools Receiving Recycling Only (per month)	\$0	\$14.00	\$14.00	\$16.90
Non-DPW Customers at Pine Grove (per ton)	\$42.50	\$61.60	\$107.00	\$107.00
Private Haulers and Citizens Delivering to Granite Bluff (per ton)	\$34.00	\$34.00	\$34.00	\$34.00
CWW and Other CCG Depts Delivering to Granite Bluff (per ton)	\$0.00	\$20.00	\$20.00	\$20.00
RMPF non-CCG customers (per ton)	\$72.80	\$101.19	\$101.19	\$101.19

# Revenue Analysis

	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33
Revenue Generated from Fees	\$20,611,804	\$20,823,283	\$21,150,543	\$21,338,505	\$21,504,417	\$21,841,118	\$21,841,118	\$21,841,689	\$21,842,301	\$21,842,301
Revenue Required from Fees	\$16,169,897	\$22,374,466	\$16,695,012	\$17,562,246	\$20,124,241	\$24,979,039	\$23,851,419	\$24,830,966	\$23,120,588	\$20,065,319
Difference	\$4,441,907	-\$1,551,182	\$4,455,531	\$3,776,258	\$1,380,176	-\$3,137,921	-\$2,010,301	-\$2,989,277	-\$1,278,287	\$1,776,982
Fund Balance	\$4,441,907	\$2,890,725	\$7,346,256	\$11,122,514	\$12,502,691	\$9,364,769	\$7,354,468	\$4,365,191	\$3,086,905	\$4,863,887



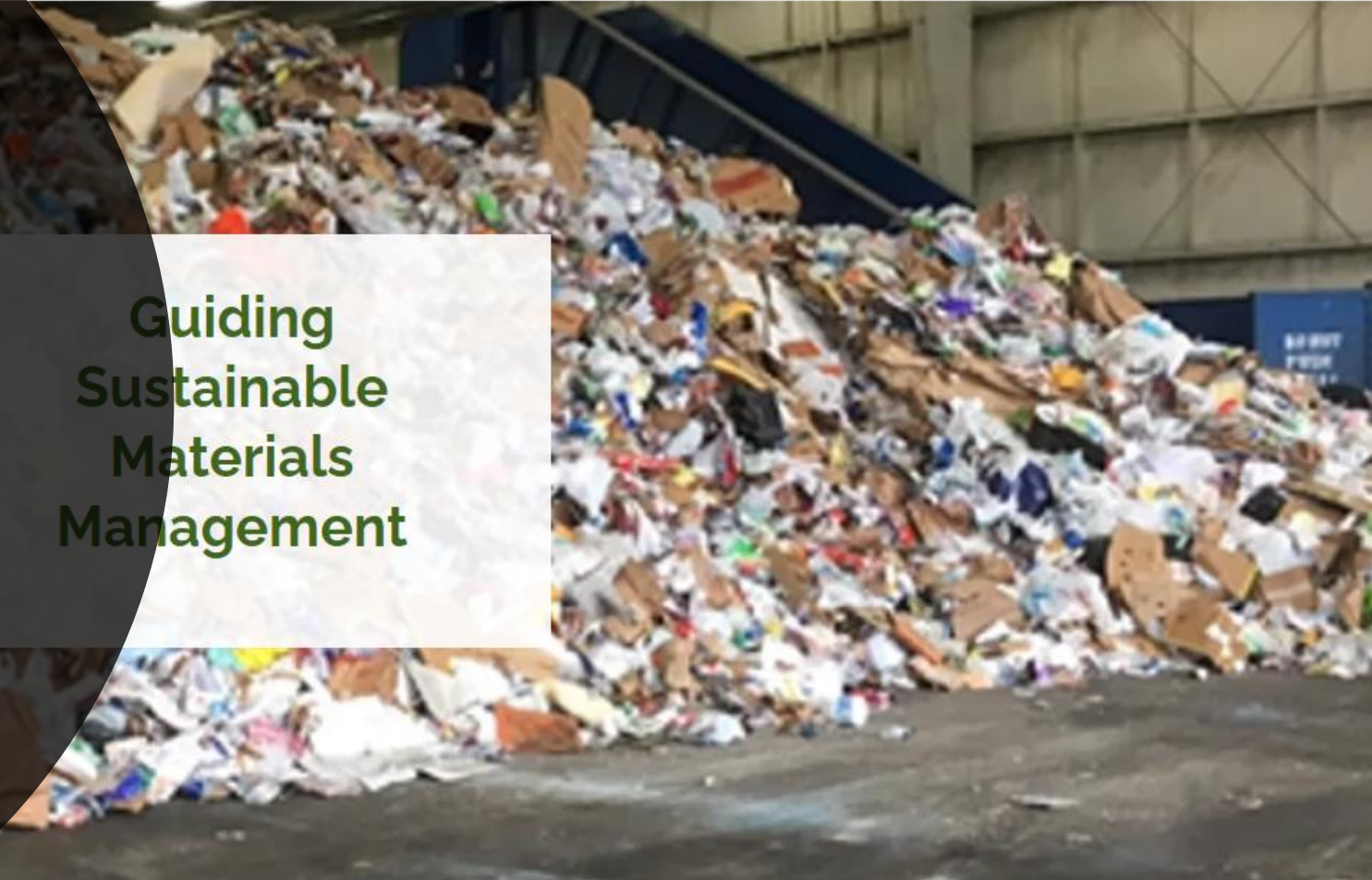
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# Questions?

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**Guiding  
Sustainable  
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# Calculate Revenue Required for ISW services and facilities

- Solid waste collection (Unit 3510)
  - Weekly curbside for residents
  - Weekly curbside for businesses
  - Collection in Uptown Business District 6x per week
- Recyclable collection (Unit 3520)
  - Weekly curbside for residents
  - Weekly curbside for businesses
  - Recycling only for apartments/schools
- Granite Bluff (Unit 3540)
- Pine Grove (Unit 3560)
- Recycling Center (Unit 3570)
- Yard waste collection (Unit 3580)
  - Weekly curbside for residents
  - Weekly curbside for businesses