



Taxation, Revenue and Utilization of Expenditures (TRUE) Commission

LEGISLATIVE SUBCOMMITTEE

March 3, 2011

**Subcommittee Member
Diane Brown**



Taxation, Revenue and Utilization of Expenditures
(TRUE) Commission

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Purpose of Study:

Ordinance 2011-050 was introduced January 25th proposing Public Works Department authorize a \$13 replacement fee for replacement of Recycle Bins for residential customers.

Background:

The City supported recycling program has been in effect for about 10 years. During that time, participation has been on the decline. The Public Works Department is requesting authorization to charge for all new and replacement bins. The currently proposed fee of \$13 would recoup the cost of the bin, processing and delivery. The ordinance is worded to allow adjustments to the fee as prices change.

Action:

On February 8th I attended a meeting in Councilman Jack Webb's office with Terry Grady, Dave Danforth and Ed Obrera from Waste Pro, Fred Forbes Solid Waste Division Chief, and Sherri Hall from the Mayor's staff. The meeting discussed general garbage collection issues and the proposed recycle bin replacement fee. During the meeting the following was shared:

1. Of the three collection haulers (Southern, Wasteland and Waste Pro) the number of damage complaints and collection issues is noticeably higher for Waste Pro.

2. Complaints are taken seriously and the Waste Pro management tries to identify and take action against careless and/or abusive drivers and handlers.
3. Complaints and requests for replacement bins are logged into the City's CARE system. Internal service metrics require items be closed within 3 days.
4. Requests for replacement bins require the caller to complete an affidavit signifying the bin is damaged beyond use and the bin has been damaged by the hauler. Many citizens take issue completing an affidavit for a replacement recycle bin.
5. Once the affidavit is complete, there is a 3-day internal requirement to close the service request. Replacement bins are delivered to the homeowner by area Supervisors. The personalized delivery is part of the \$13 fee.
6. During the meeting I suggested the Waste Pro representatives consider a marketing campaign approach to re-educate the community and promote the recycling program. This approach could explain the cost of recycling, the value of the recycling program to extending the life of the landfill, and offer alternatives to City provided blue bins.
 - o *I have reached out to the Davis College of Business at Jacksonville University Marketing Department and to the University of North Florida Department of Communication for interest in undertaking this as a class project.*
7. Another suggestion was to partner with local stores, similar to the JEA CFL light bulb collection bins, to offer recycle bins to homeowners for the replacement cost. Require homeowners to turn in the damaged bin and sign for a new bin.

Follow-up questions were submitted to Mr. Forbes and his responses are as follows:

1. Please provide the number of **replacement bins** provided during 2010. A February 11 Times Union article (Jacksonville.com) indicates the City would spend about \$60,000 less by not providing the bins. Based on the price quoted of \$13 per bin, this comes to 4,615 bins, or 10,344 bins if using only the \$5.80 cost of the bin. During the February 8 meeting in Councilman Webb's office, I believe it was said that since the start of the fiscal year, which I am presuming is October 1, there had be 17 bins replaced; if the year was starting January 1, this would calculate to only about 200 bins per year. During the meeting, there was also a distinction made between the numbers of bins replaced by each of the recycling haulers -- the number I heard were 17 for Waste Pro, and 4-5 for each Advanced Disposal and Southland. Please clarify the number of replaced bins.
 - o Number of replacement bins provided during 2010 (Oct 1, 2009 – Sept. 30, 2010)
 - o Approximately 40 replacement bins were provided to customers whose bins were damaged/destroyed due to careless handling by haulers. The costs of bins were deducted from haulers' payment when customers submitted proof of damage (affidavit) by haulers.
 - o On the other hand, approximately 1,500 bins were provided to new Jacksonville residents and new recycle program participants. This only covers the period February through September 2010 due to delivery of recycle bins (other than replacement for damaged bins shown above) being discontinued by previous Division Chief in July 2009.

- \$60,000 annual cost - This amount was based on the average annual number of bins (10,000) delivered to every request called-in to the city prior to July 2009. The purchase cost of recycle bins during the time averaged around \$5.80-\$6.00.
 - Replacement bins, by hauler (Oct 2010-Jan 2011): ADS – 5; SWS – 3; WP – 17
2. Will the **fee apply to new home construction and/or new home owners**?
- The new fee will apply to everybody, including new homes and/or new program participants.
3. The approximate **recycling participation rate** for the City?
- Recycling participation rate for the city is approximately 25-28%.
4. Projections on the volume of recycling material towards **extending the life of the landfill**.
- Curbside recycling tons being diverted from the landfill are approximately 30,000 annually. The current annual tons being landfilled are approximately 750,000. At that rate (750,000/30,000) we estimate that every 25 years of curbside collection of recyclables saves a year of landfill space.

Additional research:

- Similar style replacement recycling bins were found at local hard ware and general merchandise stores for around \$15.

Recommendations to City Council:

- Suggest Public Works work with one of the local universities to promote the Recycling Program. Explain the benefits of recycling and explain the alternatives to charging a replacement fee.
- Pursue a partnership with home improvement stores, similar to the JEA CFL light bulb collection bins, to offer recycle bins to homeowners for the replacement cost. Require homeowners to turn in the damaged bin and sign for a new bin.
- Pursue selling advertising on the bins to defer replacement costs.
- Defer instituting Ordinance 2011-50 charging \$13 replacement fee until some of these cost offsetting options can be pursued.