

Staunton City Council Meeting March 24, 2022

FY2023 Environmental Fund Rate
Increase

FY2023 Environmental Fund Rate Increase

- During the FY20 Budget process the CFO provided a plan to move forward which will enable the City to continue its services as well as to prepare for future CIP requirements at the Augusta County Regional Landfill as well as within the City of Staunton itself.
- The Plan included the following rate path:

NO GHP SITE/KEEP CURBSIDE COLLECTION	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
FUND BALANCE TO BALANCE BUDGET	\$ 100,000	\$ 350,000	\$ 100,000	\$ -	\$ 100,000	
RESIDENTIAL RATE/MONTH	\$ 16.50	\$ 18.98	\$ 20.87	\$ 24.00	\$ 26.40	\$ 26.40
RATE INCREASE		15%	10%	15%	10%	0%
ANNUAL INCREASE/HOUSEHOLD		\$ 29.76	\$ 22.68	\$ 37.56	\$ 28.80	\$ -

FY2023 Environmental Fund Rate Increase - Continued

The cost drivers for this increase is primarily the scheduled Landfill Phase 5 development:

- FY23 - Phase 5 construction = \$4,000,000
- FY23 – Site Improvements / Wetland Mitigation = \$60,000
- Staunton's share will be \$819,308

Additional projects at the August Regional Landfill include:

- Relocation of the Scale House = \$770,000
- Construction of a new office = \$875,000

FY2023 Environmental Fund Rate Increase - Continued

Ongoing heavy equipment replacement cycles include:

- Compactors - \$800,000
- Dozers - \$1,000,000
- Haul Truck - \$550,000
- Truck Loader - \$580,000
- Excavator - \$150,000
- Tarp Cover System - \$60,000

FY2023 Environmental Fund Rate Increase – 5 Year CIP Plan

Augusta Regional Landfill 5 Year CIP Plan

Project Description	FY2022	FY2023	FY2024	FY2025	FY2026	FY2027	Comment
Clean Sedimentation Basin	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	Removal of sediment in Basin # 2 is required by stormwater regulations as well as controlling disturbed area in the future Phase 5 development.
Wetland Stream Mitigation	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ -	\$ -	As required by operations permit.
Misc Capital Replacements	\$ 50,000	\$ 50,000	\$ 50,000		\$ 50,000	\$ 50,000	
Compactor	\$ -	\$ -	\$ -	\$ -	\$ 800,000	\$ -	Current machine has over 8,500 hours and is approaching the end of it's useful life.
Tarp Cover System	\$ -	\$ -	\$ -	\$ 60,000	\$ -	\$ -	Regulatory compliance to reduce run off on active fill sites.
Phase 5 New Cell Construction	\$ 300,000	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -	With the current cell projected to reach capacity in the near future.
Relocation of Scale House	\$ -	\$ -	\$ 70,500	\$ 705,000	\$ -	\$ -	Current scale does not allow for proper recording of weight and is causing traffic backup creating safety concerns.
Office Construction	\$ -	\$ -	\$ 79,500	\$ 795,000	\$ -	\$ -	Current trailer is in excess of 25 years old and is in complete disrepair.
Dozer (Push Asset/ Grading)	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ 550,000	Dozer is to replace the track loader as a push asset at the active fill area.
Track Hoe	\$ 375,000	\$ -	\$ 550,000	\$ -	\$ -	\$ -	Replace 2010 CAT 336DL machine.
Mini Excavator	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -	Used to capture leachate seeps and other small projects at the site.
Truck Loader	\$ -	\$ -	\$ -	\$ 580,000	\$ -	\$ -	Utilized for digging, loading dirt and, scrap metal and tires at the site.
Vehicle Replacement	\$ 25,000	\$ -	\$ 30,000	\$ -	\$ -	\$ 45,000	This is a place holder, could potentially push into FY26 or FY27.

Total \$ 1,360,000 \$ 4,060,000 \$ 940,000 \$ 2,150,000 \$ 850,000 \$ 645,000

Staunton Percentage 20.41% 20.18% 20.18% 20.18% 20.18% 20.18%

Staunton CIP Obligation \$ 277,576 \$ 819,308 \$ 189,692 \$ 433,870 \$ 171,530 \$ 130,161

FY2023 Environmental Fund Rate Increase

CIP heavy equipment requirements within the City's environmental department are also playing a role as the City needs to replace numerous pieces of heavy equipment. Local CIP requirements include the following:

- FY2023 - Replacement of a 10 year street sweeper truck - \$250,000
- FY2024 – Replacement of hauler - \$180,000
- FY2025 - Replacement of a 10 year street sweeper truck - \$265,000
- FY2026 – Replacement of hauler - \$195,000

FY2023 Environmental Fund Rate Increase

- Raising the rates will increase environmental fund collections by \$387,749 and will allow scheduled CIP projects to be funded and the continuation of current service.
- Bi-monthly customer's billing will increase by \$3.13 per month or \$37.56 per year.

FY2023 Environmental Fund Rate Increase - Options

The FY2023 rate increase could be forestalled by one year, however, the enterprise fund balance would be nearly exhausted and the general fund could potentially be required to support the fund by the end of the fiscal year. To delay the increase will mean subsequent year rates will be disproportionately impacted in order to compensate for the deferred expenses.

- FY2024 rates, already projected to increase by 15% is projected to be a 20% increase.
- FY2025 rates, already projected to increase by 5% is projected to be a 10% increase.
- FY2026 rates, already projected to increase by 0% is projected to be a 5% increase.