

2015
SUMMARY
ANNUAL OPERATING BUDGET
& FIVE YEAR CAPITAL PLAN



ADOPTED
OCTOBER 8, 2014
ONONDAGA COUNTY RESOURCE RECOVERY AGENCY
BOARD OF DIRECTORS

Budget Results

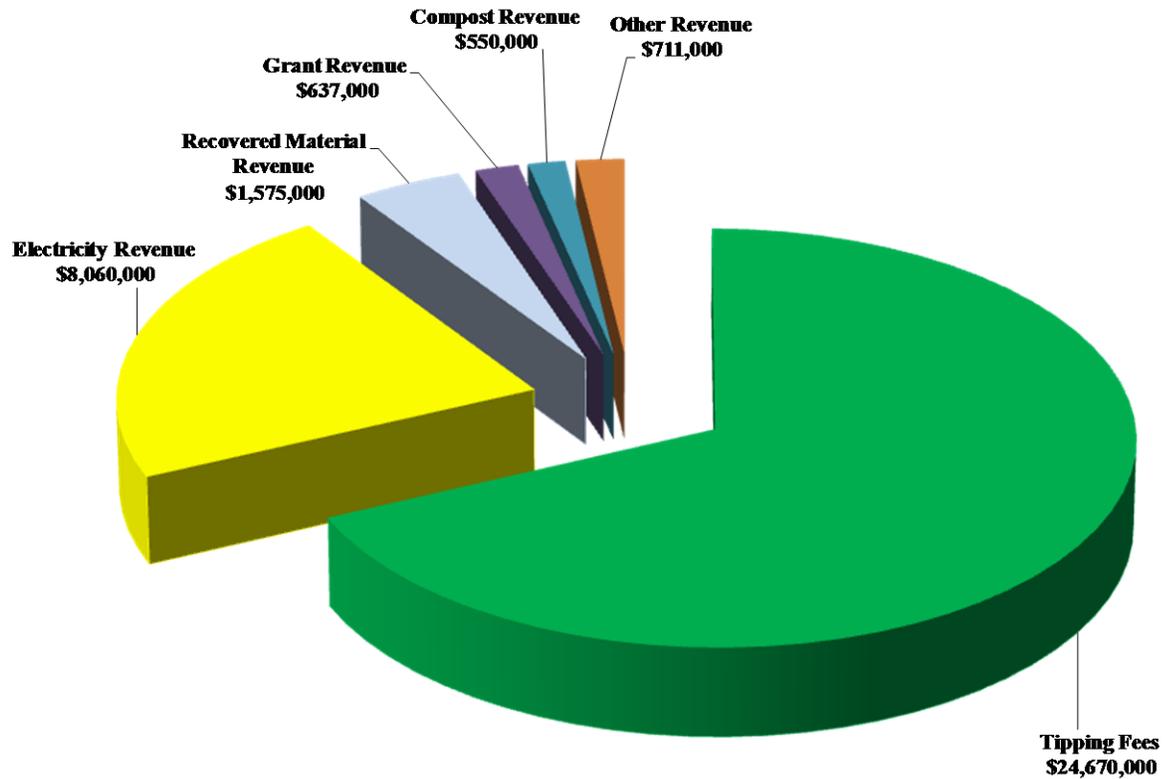
Revenues	2013 Actuals	2014 Projections	2015 Budget
Tipping Fees (includes Flat Rates)	\$22,215,459	\$22,175,000	\$24,670,000
Electricity Revenue	7,339,005	8,300,000	8,060,000
Recovered Material Revenue	1,467,173	1,550,000	1,575,000
Grant Revenue	1,095,441	1,332,000	637,000
Compost Revenue	270,511	420,000	550,000
Other Revenue	479,669	431,000	711,000
Total Operating Revenues	\$32,867,258	\$34,208,000	\$36,203,000

Expenses			
Personal Services	\$5,488,025	\$5,592,300	\$6,153,500
Contractual Services:			
Landfill Contracts	1,591,080	1,459,000	1,497,000
Other Contractual Services	46,558	63,000	61,500
Materials and Supplies	865,732	787,000	794,000
Professional Fees	186,679	284,500	258,000
Recycling	192,052	222,500	267,500
Composting	158,496	215,500	224,200
Hazardous Waste Disposal	55,804	50,000	100,000
Repairs and Maintenance	326,384	353,200	402,000
Utilities	138,627	158,100	154,400
Insurance	363,280	397,700	413,500
Operating Leases	95,664	99,000	102,000
Taxes & Other Payments to Host Communities	362,050	357,700	375,000
Other Expenses	468,330	654,300	764,400
Waste-to-Energy Operations Cost	23,088,724	23,434,100	22,776,000
Total Operating Expenses	\$33,427,485	\$34,127,900	\$34,243,000

Note: 2015 Operating Surplus (After Capital Expenses) - \$945,000

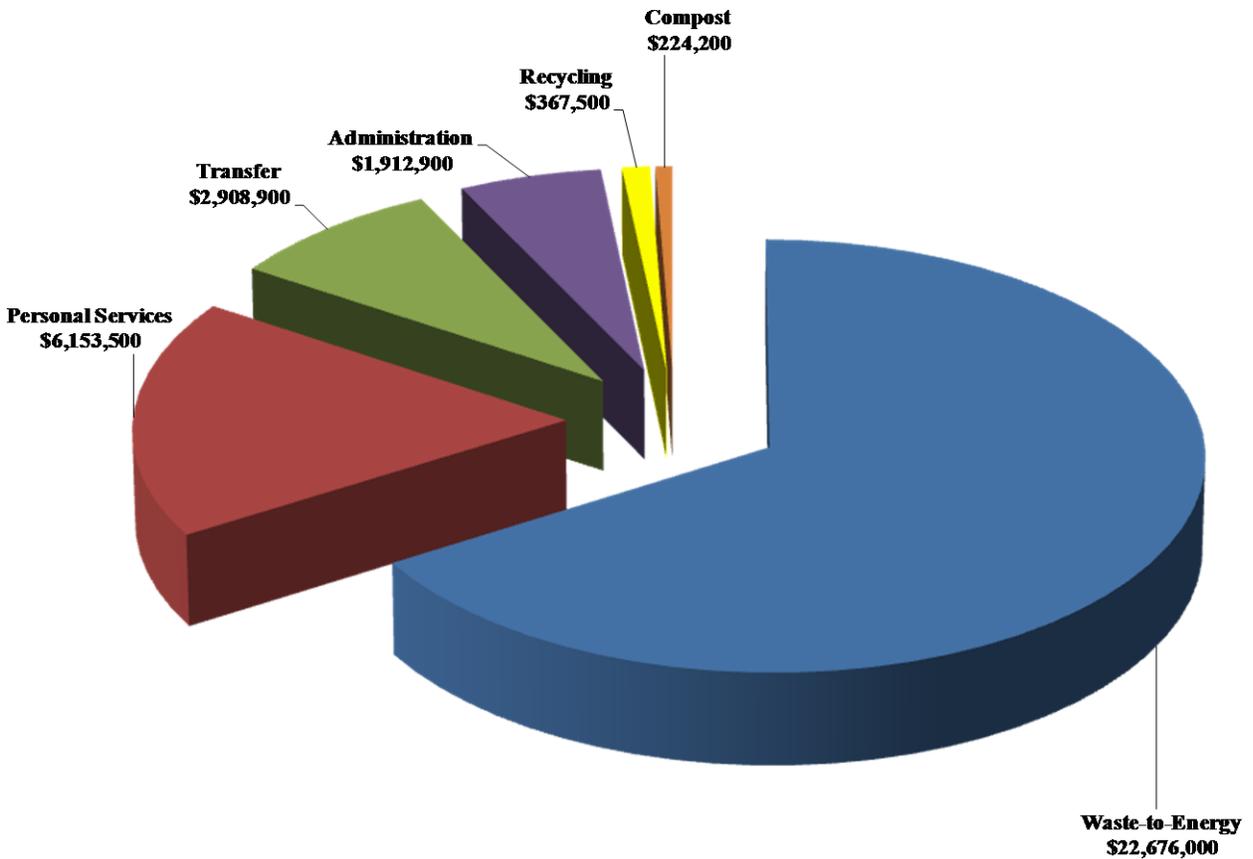
2015 Revenues Breakdown

Revenues	Budget \$	% of Budget
Tipping Fees (includes Flat Rates)	\$24,670,000	68.1%
Electricity Revenue	8,060,000	22.3%
Recovered Material Revenue	1,575,000	4.4%
Grant Revenue	637,000	1.8%
Compost Revenue	550,000	1.5%
Other Revenue	711,000	2.0%
Total Operating Revenues	\$36,203,000	100%



2015 Expenses Breakdown

Expenses	Budget \$	% of Budget
Waste-to-Energy Operations Costs	\$22,676,000	66.2%
Personal Services	6,153,500	18.0%
Transfer Operations Costs	2,908,900	8.5%
Administration Costs	1,912,900	5.6%
Recycling Costs	367,500	1.1%
Composts Costs	224,200	0.7%
Total Operating Expenses	\$34,243,000	100%



Capital Financing for the Five-Year Capital Plan

The Five-Year Capital Plan included in the 2015 Budget represents the routine replacement of capital assets for Agency operations. They are listed by year between 2015 and 2019 indicative of the earliest anticipated replacement. The Agency routinely utilizes its capital assets beyond the stated useful asset life through rigorous preventive maintenance plans combined with proper usage of the equipment/facility within accepted tolerances.

The Agency can utilize several financing methods for the purchasing of capital assets, including leasing, borrowing, cash and State grants of up to 50% of many capital acquisitions. The Agency has never directly budgeted for depreciation, but has instead utilized operating surpluses and reserves, when necessary, to cover the annual net cost of asset replacement. While the Agency receives no direct tax revenue, it sets its tip fees in a manner sufficient to meet both its contractual obligations and capital needs.



Transfer Operations Capital Plan Narrative 2015 – 2018



The Capital Plan is a projection for phased replacement of aging assets and maintenance of the physical plants. This is designed to maximize safety, efficiency of operations and resale value of current equipment and vehicles. This plan was developed assuming

the continuation of current operations through 2018. The items in greatest need of replacement are scheduled for 2015.

The Komatsu WA-450 deck loader has also been in service since 2006 and has accumulated nearly 16,000 hours of service. This is an integral piece of equipment for the Ley Creek operation. Although it has served us very well and has been a very reliable machine, as it continues to age, it will require very expensive maintenance including the inevitable rebuilding or replacement of the engine and transmission. These two procedures alone could exceed the auction/resale value of this machine. Therefore it is best to replace this machine before these repairs become necessary.

The skid steer loaders are on a fairly strict replacement schedule as they accumulate many hours of rough service rapidly. These machines are available on State Contract at extremely good prices and our maintenance program allows us to enjoy maximum auction value as witnessed by the recent auction of an old Bobcat with 8,700 hours of service for \$7,901. The three machines at Ley Creek were purchased one year apart in keeping with our replacement schedule. The oldest machine, which is now in back-up status for the two machines in constant use, will be auctioned when the new asset is purchased and the oldest remaining machine will then move to back-up status, and so on. The large loader (WA500) used for loading trailers has been in service since 2007 and should be replaced before expensive repairs become necessary. It has accumulated nearly 12,000 hours of service. The tractors are becoming nearly unsupportable for parts due to their age and do not meet current emissions standards.

The remainder of the plan is a projection and as always is subject to modification or postponement based on operational necessity or availability of funding.

Ley Creek Transfer Station Refurbishment: The permit for the Ley Creek Transfer Station will expire in March 2024. The Agency anticipates that the transfer station will need a complete refurbishment or replacement by that date.

-End-

Transfer Operations Capital Requirements

<u>Capital Item</u>	Asset Life (Years)	2015	2016	2017	2018	2019
Replace Ash Transport Fleet	5	2,000,000				
Replace Deck Loader (LC)	5	320,000				
Replace Service Trucks (2)	5	100,000				
Replace Open-top Transfer Trailers (18 – Purchase 9/yr)	5	540,000	550,000			
Replace Tractors (8)	5	240,000	720,000			
Replace Landfill Compactors (2 – Purchase 1/yr)	5	850,000	900,000			
Replace Skid Steer Loader (3 – Purchase 1/yr)	3	36,000	38,000	40,000		
Replace Large Wheel Loader	5		475,000			
Replace Outside Packer (RCR)	10		525,000			
Replace Roll-off Truck	5		200,000			
Pave RCR Customer Service Area	10			150,000		
LC Transfer Stations Repairs, Refurbishment or Replacement	10				2,000,000	2,000,000
Annual Capital Request Totals		\$4,006,000	\$3,408,000	\$190,000	\$2,000,000	\$2,000,000

Recycling & Compost Operations Capital Plan Narrative

2015 – 2019



The proposed 5-year capital plan supports the continued efficient operation of OCRRA’s recently redeveloped Amboy Compost Site, an award-winning, 13-acre food scrap composting facility that provides environmentally-sound organics management services for the community, while generating revenues aimed at meeting or exceeding operating costs.

By 2018, over 9,600 tons of institutional and commercial food waste will be processed annually; material that would otherwise have been disposed of as municipal solid waste (trash). The project will generate 36,000+ cubic yards of compost annually for subsequent sale to residents, landscapers, and soil producers, as well as for various green infrastructure projects (i.e. soil stabilization, “green roofs,” etc.).

OCRRA’s composting program is a cost-effective model that was designed for replication by other municipalities across New York State, and is consistent with New York State’s “Beyond Waste” Solid Waste Management Plan. In January of 2013, OCRRA received a Part 360 Permit from the New York State Department of Environmental Conservation for the construction and operation of the expanded Amboy Composting Facility and the various site improvements and environmental controls needed to manage the projected quantities of food waste and other incoming organic materials. Construction was completed in November 2013.



Numerous restaurants, hospitals, universities grocery stores, and other food scrap generators throughout Onondaga County are now utilizing the new Amboy Compost Facility. In addition to selling “bulk” material, the Agency is also collaborating with a network of local home and garden, and hardware stores to sell a premium quality bagged compost product (one cubic foot/bag).

Environmental Benefits: In addition to reducing the size of the waste stream requiring disposal, the composting process essentially “closes the loop” on organics management, meaning that food scraps are transformed into nutrient rich compost for use to grow new food. The resulting compost material also has a wide variety of environmental benefits, including:

- Reductions in trash and waste
- Healthier, more fertile soil with better moisture absorption and retention properties
- More vigorous plants

- Better nutrient cycling
- Effective erosion control and storm water management

The compost generated at the facility can be utilized for residential lawn and garden improvement or on large commercial construction projects to:

- Improve soil quality
- Reduce soil erosion
- Control and treat storm water runoff
- Serve as a soil amendment for “Low Impact Development” projects aimed at promoting long-term, sustainable storm water management.

From a corporate and institutional perspective, OCRRA’s food waste composting program enables food waste generators to clearly demonstrate their commitment to achieving their sustainability goals. For example, Destiny USA and Syracuse University features their use of the OCRRA compost system on their websites:

www.destinyusa.com/index.php?page=green

greenuniversecity.syr.edu/University%20Food%20Services.htm

Financial benefits of the composting program include:

- Cost savings for waste generators (versus the cost of trash disposal): Large supermarkets can save between \$5,000 and \$10,000 per store by utilizing a composting program. The fee for OCRRA’s food waste compost service is **\$35.00 per ton, less than half** the cost of municipal solid waste disposal (\$84.00 per ton). The savings are driven by diversion of heavy / wet organic materials from the general trash, reducing the weight and number of trash container pickups.
- Revenue potential for OCRRA: The project has revenue potential of between \$450,000 and \$950,000 annually. Fifty percent (50%) of the capital investments (including engineering design, equipment, and site improvements) are being reimbursed through the Environmental Protection Fund (EPF) that is administered by the New York State Department of Environmental Conservation (NYSDEC).

Additional Program Benefits: Additional program benefits include:

- The compost program is a cornerstone of OCRRA’s ongoing efforts to achieve its **Vision**, and fulfill its **Mission** on behalf of the community:
 - **OCRRA’s Vision:** Maintain a *world-class* waste management system that benefits our community and environment.
 - **OCRRA’s Mission:** Through innovative strategies such as waste reduction, recycling, *composting*, disposal, and education, we *make our community a more healthy and sustainable place to live*.
- Large scale food waste composting enables OCRRA to **fulfill its NYDEC facility permit requirements** by helping to maintain a 40% mandated recycling rate of “processibles” (material that would otherwise be managed through the Waste to Energy (WTE) facility).

- Food waste composting is consistent with New York State’s “Beyond Waste” sustainability plan, which establishes composting as an environmentally preferred method for organics management (vs. landfilling or waste to energy).
- OCRRA is well positioned to meet the growing organics management needs of the community as statewide regulatory bans on food waste disposal are now being considered for major generators (i.e. more than 100 tons/year). The State’s solid waste management plan, “Beyond Waste,” already references such organics disposal bans; the Plan’s Programmatic, Regulatory, and Legislative Recommendations include:

Amend state law to list categories of food scraps and residuals as a designated recyclable, and phase in restrictions on the disposal of organics where sufficient infrastructure is readily available to recycle these materials.

Several nearby states, including Connecticut, Massachusetts and Vermont, have already instituted such organics disposal bans, or are now also contemplating such action.



Recycling & Compost Operations Capital Requirements

All Items Are Eligible for At least 50% Grant Funding

<u>Capital Item</u>	Asset Life (Years)	2015	2016	2017	2018	2019
Roll-off Truck	7-10	125,000				
Roll-off Containers	7-10	15,000				
Waste Oil Heater	10+	10,000				
Leachate Water Tank/Connection	20	10,000				
Jamesville Loader*	10	200,000				
Horizontal Grinder*	7-10		700,000			
Digital/Remote Compost Management & Data System	10+		70,000			
Tractor/Prime Mover*	7-10		100,000			
Open-top Transfer Trailers	7-10		60,000			
Hurricane Plastics Separator	7-10			245,000		
Stationary Electric Mixer*	7-10			150,000		
Compost Stacking Conveyor	10			35,000		
Compost Storage Building	20			75,000		
Annual Capital Request Totals		\$360,000	\$930,000	\$505,000	\$0	\$0

**Denotes Critical Replacements*

2015

Transfer Stations & Waste-to-Energy Facility Fee Schedule

Municipal Solid Waste (MSW) Fees @ Ley Creek & Waste-to-Energy Facility	Price
MSW/ton (Contracted Haulers in Good Standing*)	\$80.00
MSW/ton (Small Business Users & Contracted Haulers Not in Good Standing)	\$84.00
Municipal Solid Waste per ton (Haulers & Small Business Users <u>w/Out Contracts</u>)	\$99.00
Construction & Demolition Debris (C&D) Fees @ Ley creek Only	
Construction debris per ton (for <u>Contracted</u> Haulers)	\$41.00
C&D/ton (Haulers w/out Contracts and <i>All Small Business Users</i>)	\$45.00
Roofing Material/ton	\$36.00
Clean Wood/ton	\$35.00
Flat Rate Fees @ Ley Creek & Rock Cut Road	
Cars	\$12.00
Pick-up Trucks (Unmodified)	\$25.00
Single-Axle Trailers (Unmodified)	\$25.00
Residential MSW Use Fees	
Bag stickers (lots of 10)**	\$20.00
Other Fees	
Television/Monitors	\$20.00
Refrigerants (per unit – charged @ MSW rate per ton PLUS unit fee)	\$15.00
Microwaves (per unit)	\$5.00
Tires (up to 20" in diameter)	\$5.00
Tires (over 20" diameter)	\$8.00
Surcharge (per usage – No Tarp on open vehicles)	\$15.00
Surcharge (per usage – Business Non-compliance – No Permit w/OCRRA)	\$20.00
Application Fees	
Hauler Permit Agreements - Annual	\$50.00
Small Business Users Registration – 1 Year	\$50.00
Small Business Users Registration – 2 Year	\$75.00
Recyclables	
• The drop-off of recyclables at OCRRA's transfer stations is at no charge	
* Includes \$4.00/ton Hauler prepayment to be credited back to Haulers in Good Standing, current on account	
** 5% discount for Municipal purchases of 200 stickers or more	

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Jamesville Compost Site Fee Schedule

<u>Deliveries</u>	Price
Residential Decals	\$20.00
Combination Passes (Yardwaste & Foodwaste)	\$35.00
Replacement Residential Decals	\$5.00
6/10 Wheel Dump (per Load)	\$35.00
Pick Up Truck or Dump trailer (per Load)	\$15.00
Municipal Yard Waste (per Load)	\$20.00
Trucks, 40 cy plus (per Load)	\$50.00
<u>Sales – Compost</u>	
Bulk Compost 1/2" Screened (100 cu. Yd. or less)	\$17.50
Bulk Compost 1/2" Screened (101 cu. Yd. - 500 cu. Yd.)	\$15.00
Bulk Compost 1/2" Screened (501 cu. Yd. or more)	\$11.00
Bagged "Premium" Compost (40 lb bag @ \$5/ea)	\$5.00
Bagged "Premium" Compost (40 lb bags @ 5 for \$20)	\$4.00
Bagged "Premium" Compost @ 40/50 Bags (1 Pallet - \$3.75/40 lb bag)	\$3.75
<u>Sales - Wood Mulch</u>	
Bulk Wood Mulch - Single Ground	\$4.00
Bulk Wood Mulch (100 cu. Yd. or less)	\$12.50
Bulk Wood Mulch (101 cu. Yd. - 500 cu. Yd.)	\$10.00
Bulk Wood Mulch (501 cu. Yd. or more)	\$8.00
Bulk "Premium" Wood Mulch (100 cu. Yd. or less)	\$17.50
Bulk "Premium" Wood Mulch (101 cu. Yd. - 500 cu. Yd.)	\$15.00
Bulk "Premium" Wood Mulch (501 cu. Yd. or more)	\$11.00

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Amboy Compost Site Fee Schedule

<u>Deliveries</u>	Price
Residential Decals	\$20.00
Replacement Residential Decals	\$5.00
Combination Passes (Yardwaste & Foodwaste)	\$35.00
Stumps and Oversized Wood (per Ton)	\$35.00
6/10 Wheel Dump (per Load)	\$35.00
Pick Up Truck or Dump trailer (per Load)	\$15.00
Municipal Yard Waste (per Load)	\$20.00
Trucks, 40 cy plus (per Load)	\$50.00
Clean Wood/Pallets (per Ton)	\$25.00
<u>Sales – Compost</u>	
Bulk Compost 1/2" Screened (100 cu. Yd. or less)	\$17.50
Bulk Compost 1/2" Screened (101 cu. Yd. - 500 cu. Yd.)	\$15.00
Bulk Compost 1/2" Screened (501 cu. Yd. or more)	\$11.00
Bagged "Premium" Compost (40 lb bag @ \$5/ea)	\$5.00
Bagged "Premium" Compost (40 lb bags @ 5 for \$20)	\$4.00
Bagged "Premium" Compost @ 40/50 Bags (1 Pallet - \$3.75 per 40 lb bag)	\$3.75
Bagged "Premium" Compost (200 Bags or More @ \$3.50 per 40 lb bag)	\$3.50
Bagged "Premium" Compost (1,000 Bags or More @ \$3.25 per 40 lb bag)	\$3.25
Bagged Compost –Delivery Fee (per load)	\$35.00
Bulk "Premium" - 1/4" Screened Compost (100 cu. Yd. or less)	\$25.00
Bulk "Premium" - 1/4" Screened Compost (101 cu. Yd. - 500 cu. Yd.)	\$20.00
Bulk "Premium" - 1/4" Screened Compost (501 cu. Yd. or more)	\$15.00
Super Sack “Premium Compost” (each)	\$50.00
Super Sack “Premium Compost” - with sack return credit (each)	\$45.00
<u>Sales - Wood Mulch</u>	
Bulk Wood Mulch (100 cu. Yd. or less)	\$12.50
Bulk Wood Mulch (101 cu. Yd. - 500 cu. Yd.)	\$10.00
Bulk Wood Mulch (501 cu. Yd. or more)	\$8.00

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Amboy Food Waste Program Fee Schedule

<u>Food Waste Deliveries @ Amboy Only</u>	
Food Waste Contracted Suppliers (per Ton)	\$35.00
Food Waste Suppliers w/Out Contracts (per Ton)	\$45.00
Food Waste Totes (per 60-90 gal Tote)	\$3.00
Processed Food Waste (per Ton)	\$20.00
Contaminated Food Handling Surcharge (per Unit)	\$25.00

2014 National Recycling Award

Outstanding Community or
Government Program

For A Program Showing Innovation, Progress,
and Success as a Model for Other Public
Programs

Presented to

Onondaga County Resource
Recovery Agency (OCRRA)



Mark Uichtenstein

Mark Uichtenstein, National Recycling Coalition
September 17, 2014