Environmental Fund Update

Cody Whittenburg, Code Compliance Assistant Director

June 7, 2022
Today’s Presentation Will Cover

• Comparison of the Environmental, Solid Waste, and Stormwater Utility funds

• Environmental Fund goals and objectives

• Policy considerations to determine the best way to sustain and expand litter, illegal dumping, and other environmental-related programs and expenditures

• Next Steps
Comparison of Funds

**SOLID WASTE**

**ORIGINAL**
FUND ALL SOLID WASTE MANAGEMENT OPERATIONS FOR GARBAGE COLLECTION AND WASTE DISPOSAL PERFORMED BY THE CITY

**CURRENT**
ORIGINAL INTENT + RECYCLING + BULK COLLECTION + ECC + 4 DROP-OFF CENTERS + MULCHING + LITTER ABATEMENT + ILLEGAL DUMP + HOMELESS CLEANUP + STREET SWEEPING + PEDESTRIAN TRASH

**Established 1982**

**ENVIRONMENTAL**

**ORIGINAL**
FUND DISPOSAL OF ENVIRONMENTAL WASTES AND ENVIRONMENTAL PROGRAMS/ SERVICES THAT ARE REQUIRED BY STATE OR FEDERAL MANDATES

**CURRENT**
CONSISTENT WITH ORIGINAL INTENT – COVERING OPERATIONAL COSTS FOR ENVIRONMENTAL REGULATORY COMPLIANCE AND PROJECTS ASSOCIATED WITH POLLUTION CONTROL & ENVIRONMENTAL CLEANUP.

**Established 1995**

**STORMWATER UTILITY**

**ORIGINAL**
MAINTAIN DRAINAGE SYSTEM, MITIGATE FLOOD AND EROSION HAZARDS, WARN OF FLOOD AND EROSION HAZARDS, & REVIEW PRIVATE DEVELOPMENT FOR COMPLIANCE WITH DRAINAGE STANDARDS

**CURRENT**
CONSISTENT WITH ORIGINAL INTENT – COVERING OPERATIONAL COSTS FOR DRAINAGE SYSTEM MAINTENANCE, FLOOD PROTECTION, EROSION HAZARD CONTROL & DRAINAGE STANDARDS COMPLIANCE.

**Established 2006**
Comparison of Funds

**ENVIRONMENTAL**
- 1995 ORIGINAL RATES
- NO CHANGES IN 27 YEARS

**SOLID WASTE**
- 1982 ORIGINAL RATES
- 15 RATE CHANGES IN 37 YEARS
- 1984 +$0.60
- 1986 +$0.35
- 1989 + $0.50
- 1990 + $2.00
- 1992 + $1.15
- 1994 + $0.50
- 1997 + $0.70
- 1998 + $0.50
- 1999 + $0.25
- 2001 + $0.75
- 2002 + $1.25
- 2003 – VARIABLE RATES
- 2004 +$3.45
- 2006 +$1.30
- 2014 -$0.25

**STORMWATER UTILITY**
- 2007 ORIGINAL RATES
- 5 RATE CHANGES IN 15 YEARS
- 2008 +$0.30
- 2009 +$0.55
- 2010 +$1.00
- 2012 +$0.65
- 2020 +$0.35

2022
# Environmental Fund - Current Rates & Revenues

<table>
<thead>
<tr>
<th>Fee Type</th>
<th>Approx. # of Accounts as of April 2022</th>
<th>Current Monthly Fee</th>
<th>Current Annual Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Single Family</td>
<td>254,119</td>
<td>$ 0.50</td>
<td>$ 1,530,000</td>
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<tr>
<td>Residential Complex per unit</td>
<td>82,675</td>
<td>$ 0.50</td>
<td>$ 500,000</td>
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<tr>
<td>Commercial</td>
<td>17,261</td>
<td>$ 10.00</td>
<td>$ 2,075,000</td>
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<tr>
<td>Industrial</td>
<td>2,084</td>
<td>$ 35.00</td>
<td>$ 880,000</td>
</tr>
<tr>
<td>Non-profit/Municipal</td>
<td>1,630</td>
<td>$ 0.75</td>
<td>$ 15,000</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>357,769</strong></td>
<td></td>
<td><strong>$ 5,000,000</strong></td>
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</tbody>
</table>
Solid Waste Revenues & Core Functions

Current revenues cover:
- Residential collections: garbage, recycling, yard, bulk
- Recycling Processing – this is a core function of the recycling program
- Bulk collection – this is core function
- Four (4) Drop off Centers + Environmental Collection Center
- 15 Code Officers – 100% Collection/Set-Out Enforcement
- Call Center
- Administration

Current revenues do not cover:
- Illegal dumping
- Mulching
- Litter abatement
- Illegal dumping
- Street sweeping
- Pedestrian trash
- Communications
- Keep Fort Worth Beautiful
- Material Management Planning Team
- Comprehensive Solid Waste Management Plan
Environmental Fund - Goals

• Solvent, sustainable
• Sufficient resources for compliance
• Existing and future environmental capital projects
• Service alignment
• Equitable and proportional
• Reserve (savings)
<table>
<thead>
<tr>
<th>Water Quality</th>
<th>Air Quality</th>
<th>Brownfields &amp; Land Quality</th>
<th>Hazardous Materials</th>
<th>Litter &amp; Illegal Dumping</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency 24-Hour Spill Response</td>
<td>Emergency 24-Hour Release Response</td>
<td>Brownfields Redevelopment</td>
<td>Asbestos Abatement</td>
<td>Litter Planning &amp; Coordination</td>
</tr>
<tr>
<td>Private-Sector Water Compliance Inspections</td>
<td>Private-Sector Air Compliance Inspections</td>
<td>Clean-Ups &amp; Mitigation Projects</td>
<td>Mold Abatement</td>
<td>School Green Teams</td>
</tr>
<tr>
<td>Industrial Sites</td>
<td>Gas Stations</td>
<td>Substandard Structure Demolition</td>
<td>Lead-Based Paint Abatement</td>
<td>Green Business Partners</td>
</tr>
<tr>
<td>Commercial Sites</td>
<td>Petroleum Storage Tanks</td>
<td>Hazardous Materials Management</td>
<td>Substandard Structure Demolition</td>
<td>Volunteer-led Cleanups</td>
</tr>
<tr>
<td>Construction Sites</td>
<td>Used Car Lots</td>
<td>Petroleum Storage Tank</td>
<td>Blowing Dust</td>
<td>Floatables &amp; Aquatic Trash Control</td>
</tr>
<tr>
<td>Grading Permit / Land Disturbance Compliance</td>
<td>Industrial Sources</td>
<td>Hazardous Materials Management</td>
<td>Ground-Level Ozone Reduction Efforts</td>
<td>Litter Summit</td>
</tr>
<tr>
<td>Municipal Facility Inspections</td>
<td>Concrete Batch Plants</td>
<td>Environmental Use/License Agreements</td>
<td>Technical Guidance &amp; Complaint Investigations</td>
<td>Cowtown Clean-up and Neighborhood Litter Stomp</td>
</tr>
<tr>
<td>Stream Habitat and Water Quality Assessments</td>
<td>Rock Crusher Operations</td>
<td>Phase I / Phase II Site Assessments</td>
<td>BioWatch Monitoring</td>
<td>Keep Fort Worth Beautiful Coordination</td>
</tr>
<tr>
<td>Stormwater Quality Monitoring</td>
<td>Blowing Dust</td>
<td>Soil &amp; Groundwater Technical Guidance / Complaints</td>
<td>Ambient Air Monitoring</td>
<td>Technical Guidance / Complaints</td>
</tr>
<tr>
<td>Illicit Discharge Detection</td>
<td>Ground-Level Ozone Reduction Efforts</td>
<td>Enforcement</td>
<td>Municipal Internal Air Compliance</td>
<td>Enforcement</td>
</tr>
<tr>
<td>Commercial Cosmetic Cleaner Program</td>
<td>Technical Guidance &amp; Complaint Investigations</td>
<td>Enforcement</td>
<td>Enforcement</td>
<td>Litter Enforcement</td>
</tr>
<tr>
<td>Surface Water Quality Technical Guidance &amp; Complaint Investigations</td>
<td>BioWatch Monitoring</td>
<td>Enforcement</td>
<td>Enforcement</td>
<td>Illegal Dump Enforcement (Class A, B, C &amp; Felony)</td>
</tr>
<tr>
<td>Enforcement</td>
<td></td>
<td></td>
<td></td>
<td>Street sweeping &amp; Litter Abatement</td>
</tr>
</tbody>
</table>

Note: Litter & Illegal Dumping Programs funded by Solid Waste Fund.
Environmental Fund - Challenges

• **Program-Fund Alignment** – Additional Environmental Protection Fund revenue allows for litter and illegal dumping programs to transfer from the Solid Waste Fund.

• **Service Demand** – Existing resources are not able to meet increased service demands.

• **Costs of Environmental Projects** – Revenue is not sufficient to cover all costs of proposed environmental capital projects with a sustainable PayGo fund.

• **Future Environmental Project Planning** – Revenue is not sufficient to develop/implement long-term planning and hazard mitigation.
Three (3) Priority Environmental Fund Program Elements = $22,580,000
## Environmental Fund Program Elements

<table>
<thead>
<tr>
<th>Program Element</th>
<th>Description</th>
<th>Est. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority 1: Transfer litter and illegal dumping from Solid Waste Fund to another funding source.</td>
<td>Litter Abatement</td>
<td>$1,639,167</td>
</tr>
<tr>
<td></td>
<td>Illegal Dump</td>
<td>$1,454,744</td>
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<tr>
<td></td>
<td>Street Sweeping</td>
<td>$235,912</td>
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<td></td>
<td>Environmental Investigation Unit</td>
<td>$574,336</td>
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<td></td>
<td>Keep Fort Worth Beautiful</td>
<td>$476,538</td>
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<tr>
<td>Total</td>
<td></td>
<td><strong>$4,380,697</strong></td>
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<tr>
<td>Priority 2: Significantly increase litter and illegal dumping control services.</td>
<td>Additional Litter/Illegal Dump Control</td>
<td>$800,000</td>
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<tr>
<td></td>
<td>Contract Litter Abatement Crews</td>
<td>$1,200,000</td>
</tr>
<tr>
<td></td>
<td>Street Sweeping Program</td>
<td>$2,600,000</td>
</tr>
<tr>
<td></td>
<td>Homeless Camp Abatement</td>
<td>$500,000</td>
</tr>
<tr>
<td></td>
<td>Aquatic Litter Control</td>
<td>$700,000</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td><strong>$5,800,000</strong></td>
</tr>
</tbody>
</table>
# Environmental Fund Program Elements

<table>
<thead>
<tr>
<th>Program Element</th>
<th>Example Descriptions</th>
<th>Est. Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority 3: Increased capacity for Environmental Services and Projects</td>
<td>Asbestos Abatement/Hazard Removal</td>
<td>$240,000</td>
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<tr>
<td></td>
<td>City Sustainability Plan/Inventory</td>
<td>$560,000</td>
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<tr>
<td></td>
<td>In-Stream Water Quality Monitoring</td>
<td>$2,300,000</td>
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<tr>
<td></td>
<td>Petroleum Storage Tank Compliance</td>
<td>$400,000</td>
</tr>
<tr>
<td></td>
<td>Green Infrastructure Demonstrations</td>
<td>$1,600,000</td>
</tr>
<tr>
<td></td>
<td>Solar Energy Demonstrations</td>
<td>$3,500,000</td>
</tr>
<tr>
<td></td>
<td>Watershed Evaluation &amp; Protection</td>
<td>$3,800,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$12,400,000</strong></td>
</tr>
</tbody>
</table>

Three (3) Priority Environmental Fund Program Elements = $22,580,000
Policy Considerations

1. Increase revenue for **Environmental Protection Fund**.
2. Increase revenue for **Solid Waste Fund** to potentially include: (a) new landfill surcharge for GOP haulers, and (b) residential collection rates.
3. Increase revenue for **Stormwater Utility Fund** and move qualifying expenses.
4. Transfer expenses to the **General Fund** to compete with all other General Fund obligations.
5. Transfer expenses to the **General Fund** and consider a tax rate increase
6. Reduction in programs and services

Additionally, as policy options are evaluated, Environmental, Solid Waste, and Stormwater Utility staff will review current organizational structures to determine if there are opportunities to pursue that will improve services and enhance overall processes.
Policy Review Goals

- Distribute current litter control costs more equitably
- Reduce existing litter control expenses on the Solid Waste Fund by $4.4M annually
- Increases revenue to:
  - Expand litter control services
  - Expand environmental service capacity
  - Build fund solvency and security
Next Steps

- **June 7, 2022** – Work session briefing on environmental fund and the need to review polices to determine sustainable funding for programs
- **Summer 2022** – Evaluate policies with solid waste, environmental and stormwater teams to determine CMO recommendations for the FY2023 budget.
- **August 9, 2022** – City Manager’s Recommended FY2023 Budget will include recommendations to address fund sustainability.
- **August/September 2022** – Continue discussions with Mayor, City Council and stakeholders on proposed recommendations.
- **September 2022** – Adopt FY2023 Budget.
Questions?