

Environmental Services FY27 Proposed Rate Increases

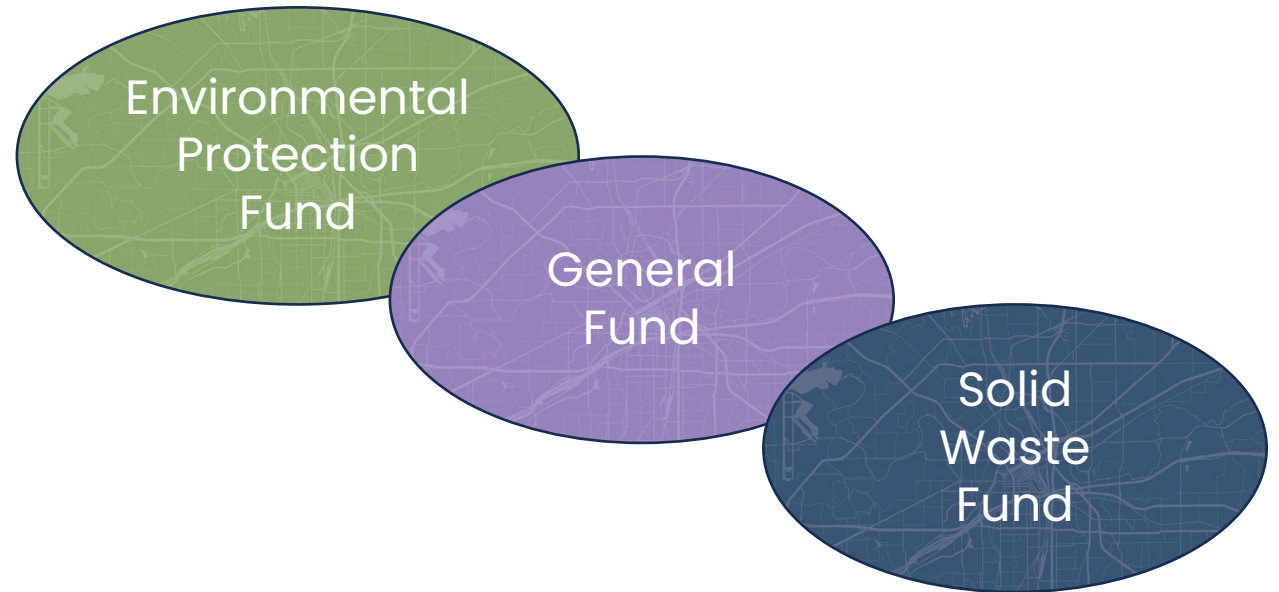
Mayor & City Council

June 16, 2026



Presentation Overview

- Environmental Protection Fund
- General Fund
- Solid Waste Fund
- Recommendations & Next Steps



Environmental Services – Impact to the Community



Environmental Services supports a cleaner, safer, more attractive City.



Environmental Protection Fund

Community Cleanliness & Beautification

- Litter Abatement
- Street Sweeping
- Illegal Dumping
- Illegal Campsite/Nuisance Abatement
- Keep Fort Worth Beautiful

Environmental Protection & Monitoring

- Air Quality
- Water Quality
- Soil/Groundwater Remediation
- Hazardous Materials

Environmental Compliance & Investigations

- Environmental Inspections
- Complaints & Investigations
- Emergency Response, Spills & Releases

Remediation & Redevelopment

- Facility Remediation (asbestos, lead paint, etc.)
- Cleanup Projects & Brownfields Revitalization



Environmental Protection Fund Fund Challenges

- **Need for additional PAYGO capital funding**
(street sweeper wash bays)
- **Ongoing demand to keep the City clean through homeless camp and litter cleanups**
- **Unforeseen environmental cleanups**
(site remediation projects)
- **Annual adjustments** for allocations and inflation

Fund solvency has been secured – adjustments add capacity for homeless and litter cleanups, and capital dedicated to the street sweeping program.



Support street sweeper operations with new wash bay facilities.



Fund environmental cleanup projects, like leaking underground storage tanks.

Environmental Protection Fund

Fund Summary & Strategy

- Total FY27 Proposed **Revenue: \$25.6M**
- Total FY27 Proposed **Expenses: \$18.8M**
- Total FY27 **PAYGO Capital: \$5.8M**
- Total FY27 **Contribution to Fund Balance: \$1M** (environmental cleanups)

- Reserve Requirement: 16.67%: **\$3.1M**
 - EPF Fund Balance: **\$5M**
 - Available for One-Time PAYGO Use: **\$1.9M**

- FY27 PAYGO:
 - **Fleet & Equipment**
 - **Facilities** (street sweeper wash bay)
 - **Environmental Cleanups** (asbestos, lead paint, soil/groundwater cleanup, fuel tanks, etc.)

- Environmental Protection Fees are **reviewed on an annual basis** for recommendations based on **operational and capital needs.**

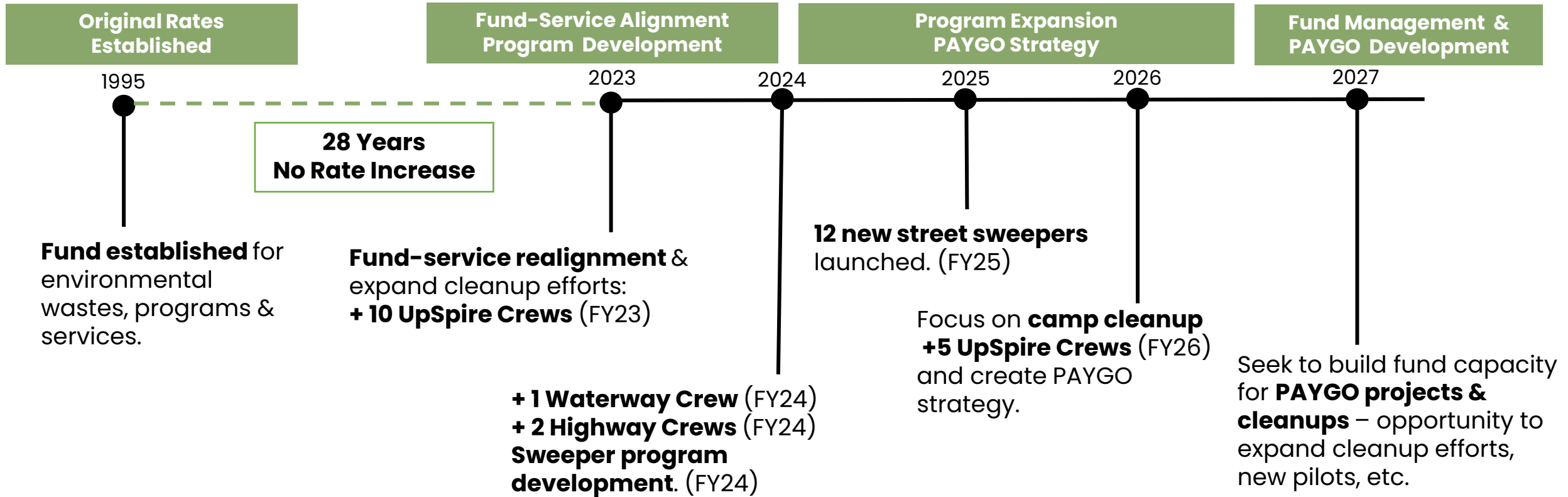
Environmental Protection Fund FY27 Proposed Rate Increases

Account Type	# of Accounts	% of Accounts	Current Monthly Rates	Increase	% Increase	Proposed Monthly Rate	Total Annual Increase
Residential	426,653	95%	\$2.25	+\$0.25	11%	\$2.50	\$3.00
Commercial	18,061	4%	\$37.50	+\$4.13	11%	\$41.63	\$49.56
Industrial	2,226	<1%	\$117.50	+\$12.93	11%	\$130.43	\$155.16
Non-profits	1,769	<1%	\$2.50	+\$0.28	11%	\$2.78	\$3.36

Adjustment creates capacity for additional homeless camp and litter cleanups, and supports the street sweeper capital program

- **Expands cleanup capacity** – including homeless camp cleanups and targeted litter reduction.
- **Funds essential fleet and equipment** to maintain reliable service.
- **Supports long-term planning** and resilience for core operations.
- **Invests in key capital needs** like street sweeper wash bays and equipment storage.
- **Sustains priority community initiatives** that improve neighborhood livability.

Environmental Protection Fund Rate History (Established 1995)



Fund solvency and service alignment remain priorities for a well-managed fund.

General Fund

Consumer Health & Commercial Compliance

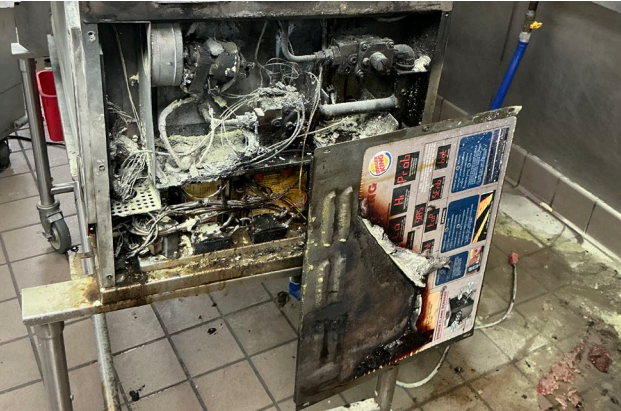
- **Health Permitting & Inspections:**
 - Initiatives: NET Force, Habitual Nuisance Ordinance, Street Charity, FIFA, etc.
 - Fixed Food Establishments
 - Swimming Pools & Spas
 - Childcare Facilities
 - Temporary Events
 - Alcoholic Beverage Licensing
 - Commercial Compliance
 - Mobile Food Vendors – Zoning Enforcement
- **Training & Resources:**
 - Food-Handler & Manager Classes
 - Childcare Training
 - Pool Operator
 - Technical Guidance



Pool Inspections



Commercial Compliance



Restaurant Inspections



Hotel/Motel Inspections

General Fund: Consumer Health

Consumer Health Summary & Strategy

- Total FY27 Proposed **Revenue: \$4.7M** (with recommended rate increase)
- Total FY27 Proposed **Expenses: \$4.9M** (with 1% & 3% decreases)
- FY27 Near Full-Cost Recovery: **\$215K** (mosquito program, underpass cleaning)
- Texas State Law sets maximum fees for **Health Permit-Food Establishments** (example: \$773 maximum).
- **Health Permits for Hotels/Motels (Limited Service)** and **Swimming Pools/Spas** incorporate Year 2 of a two-year, phased increase in FY27.
- **Health Permits for Childcare** offers a new, tiered structure – larger care facilities require more staff time for inspection. Two-year, phased annual incremental adjustment for service (FY27 & FY28).
- Consumer Health Fees are **reviewed on an annual basis** for recommendations based on **full cost recovery**.

General Fund: Consumer Health FY27 Proposed Rate Increase

Fee Title	Children In-Care	Annual #	Current Fee	Proposed Increase	Proposed Fees	% Increase	Additional Anticipated Revenue	Total Revenue
Health Permit: Hotels/Motels (Limited Service)	N/A	169 permits	\$580	+ \$193	\$773	33%	+\$32,617	\$130,637
Health Permit: Swimming Pool/Spa	N/A	1,154 permits	\$580 + \$5 (1 emp. only)	+ \$193	\$773 + \$5	33%	+\$222,722	\$897,812
Certified Pool Operator Course Fee	N/A	5 classes	\$275	+ \$75	\$350	27%	+\$375	\$1,750
Health Permit: Daycare (Before/After School)	N/A	64 permits	\$385 + \$5/employee	+ \$15	\$400 + \$5/employee	4%	+\$960	\$26,240
Health Permit: Daycare Tier 1 (Full-time)	12 – 99	72 permits	\$385 + \$5/employee	+\$55	\$440 + \$5/employee	14%	+\$3,960	\$34,315
Health Permit: Daycare Tier 2 (Full-time)	100 – 174	69 permits	\$385 + \$5/employee	+\$95	\$480 + \$5/employee	25%	+\$6,555	\$38,620
Health Permit: Daycare Tier 3 (Full-time)	175+	65 permits	\$385 + \$5/employee	+\$135	\$520 + \$5/employee	35%	+\$8,775	\$38,300
Total							+\$275,964	\$1,167,674

Solid Waste Fund

- Residential Collections:
 - Garbage
 - Recycling
 - Yard Waste
 - Bulk Waste
- Drop-Off Stations
- Environmental Collection Center
- Dead Animal Collection
- Pedestrian Street Cans
- Education & Outreach
- Residential Collection Compliance
- Oversight of the Southeast Landfill agreement and related disposal operations



Preparing for the City's Southeast Landfill closure in 2036.



Replacing solid waste fleet and maintaining facilities, such as the Old Hemphill DOS.



Funding City services and resources, such as the ECC.

Solid Waste Fund Fund Challenges

- Residential rates **do not fully recover operational program** expenses.
- Landfill revenues currently subsidize operations and will **end in ~10 years without replacement.**
- **Annual cost increases** from contracts, disposal fees, fuel, fleet maintenance, etc.
- **Limited funding capacity** for vehicles, equipment and new facilities (drop-off stations).
- **Dedicated funding** needed for long-term solid waste infrastructure (transfer station, landfill, other solutions).

Responsible fund stewardship supports daily operations, critical capital investments, and long-term service obligations.

Solid Waste Fund

Fund Summary & Strategy

- Total FY27 Proposed **Revenue: \$118.4M**
- Total FY27 Proposed **Expenses: \$99.5M** (includes \$5.2M TPW Transfer)
- Total FY27 **PAYGO Capital: \$18.9M** (fleet and long-range capital reserve)

- Reserve Requirement: 25%: **\$24.7M**
 - SW Fund Balance: **\$45.5M**
 - Savings Held for Future, Long-Range Capital: **\$24.8M**
 - **Future PAYGO capital needs will be greater – requires strategies to increase savings.**

- **RNG Revenue** is dedicated to future PAYGO capital: \$1M (as of May 1, 2026).

- **Other Revenues can be dedicated** for future PAYGO capital, **when not subsidizing services** (landfill environmental fees, landfill rent/royalty, container hauling fees).

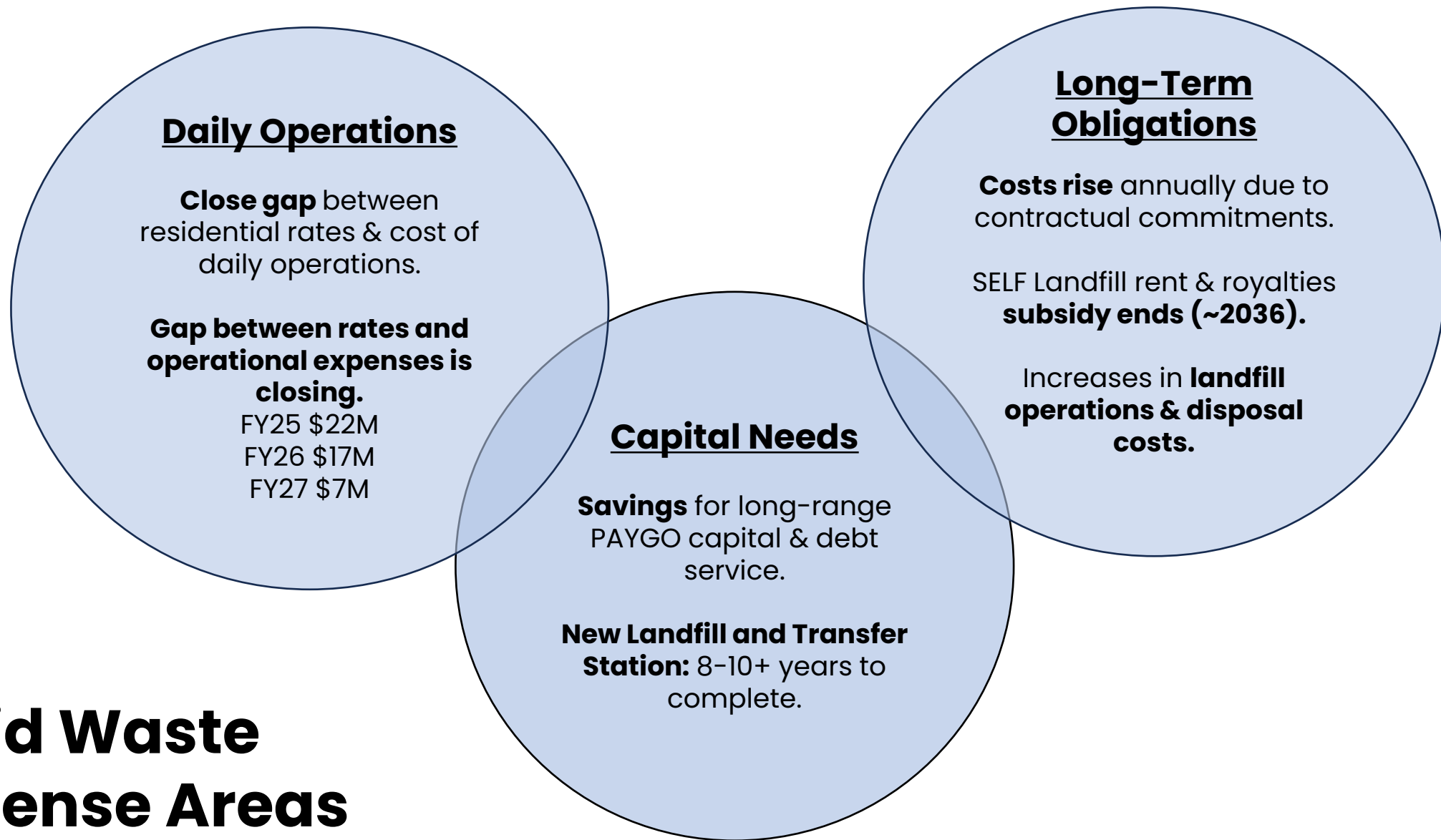
Solid Waste Fund

Fund Summary & Strategy

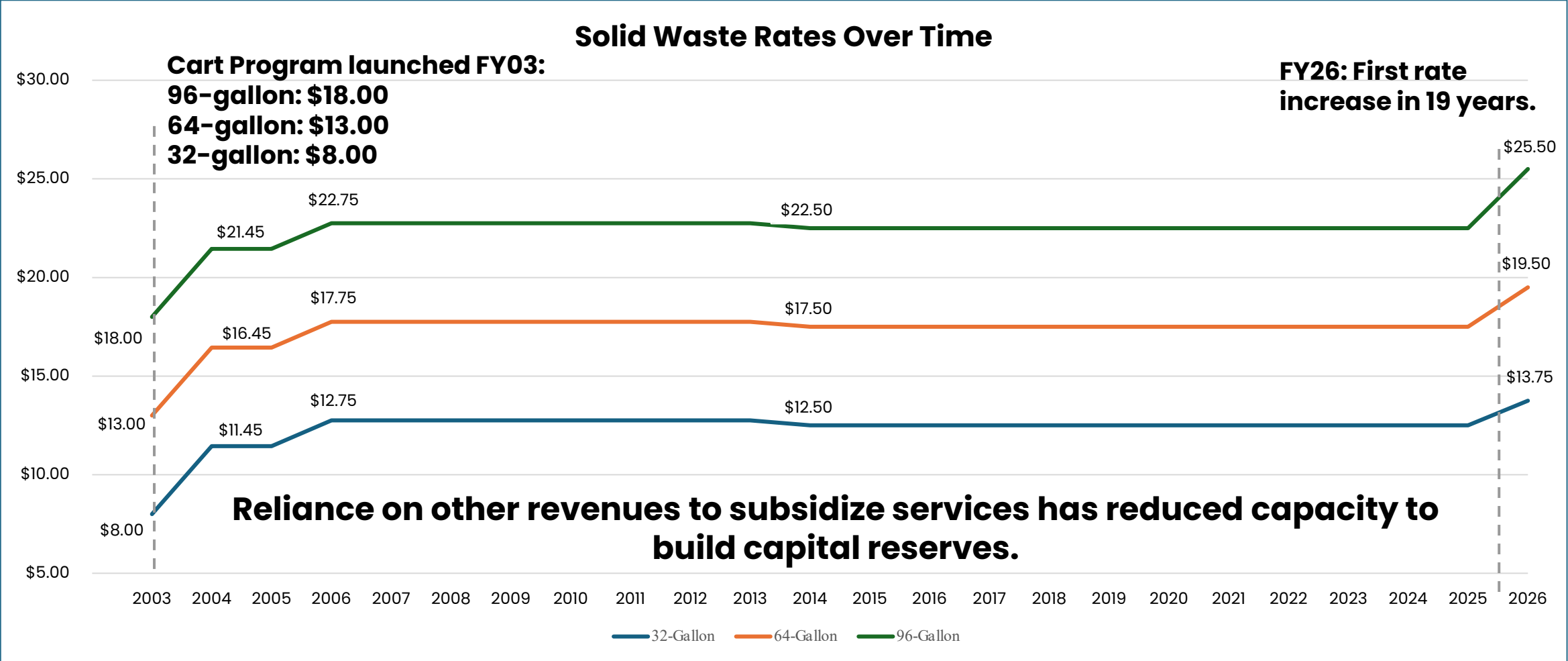
- **Annual, rising costs require annual rate increases.**
- **FY27 rates do not include a long-term PAYGO capital funding plan;** that effort is underway through the Long-Range Solid Waste Planning effort.
- **Incremental rate adjustments** are needed to support service costs – rates must catch up.
- **Community and interdepartmental work groups** are helping develop long-term strategies.
- Rates are reviewed **annually** to address **service and infrastructure needs.**

Steady rate adjustments and strategic planning protect future service levels, infrastructure, and disposal capacity.

Solid Waste Expense Areas



Solid Waste Fund Rate History (Established 1982)



Solid Waste Fund

FY27 Proposed Rate Increases

Carts	# of Carts	% of Carts	Current Monthly Rate	Increase	% Increase	Proposed Monthly Rate	Total Annual Increase
32-Gallon	28,968	10%	\$13.75	+\$2.75	20%	\$ 16.50	\$33.00
64-Gallon	160,881	56%	\$19.50	+\$3.90	20%	\$23.40	\$46.80
96-Gallon	97,288	34%	\$25.75	+\$5.15	20%	\$30.90	\$61.80
Small Commercial	1,454	<1%	\$42.69 to \$133.27*	+\$8.54 to \$26.66	20%	\$51.23 to \$159.93	\$102.46 to \$319.84

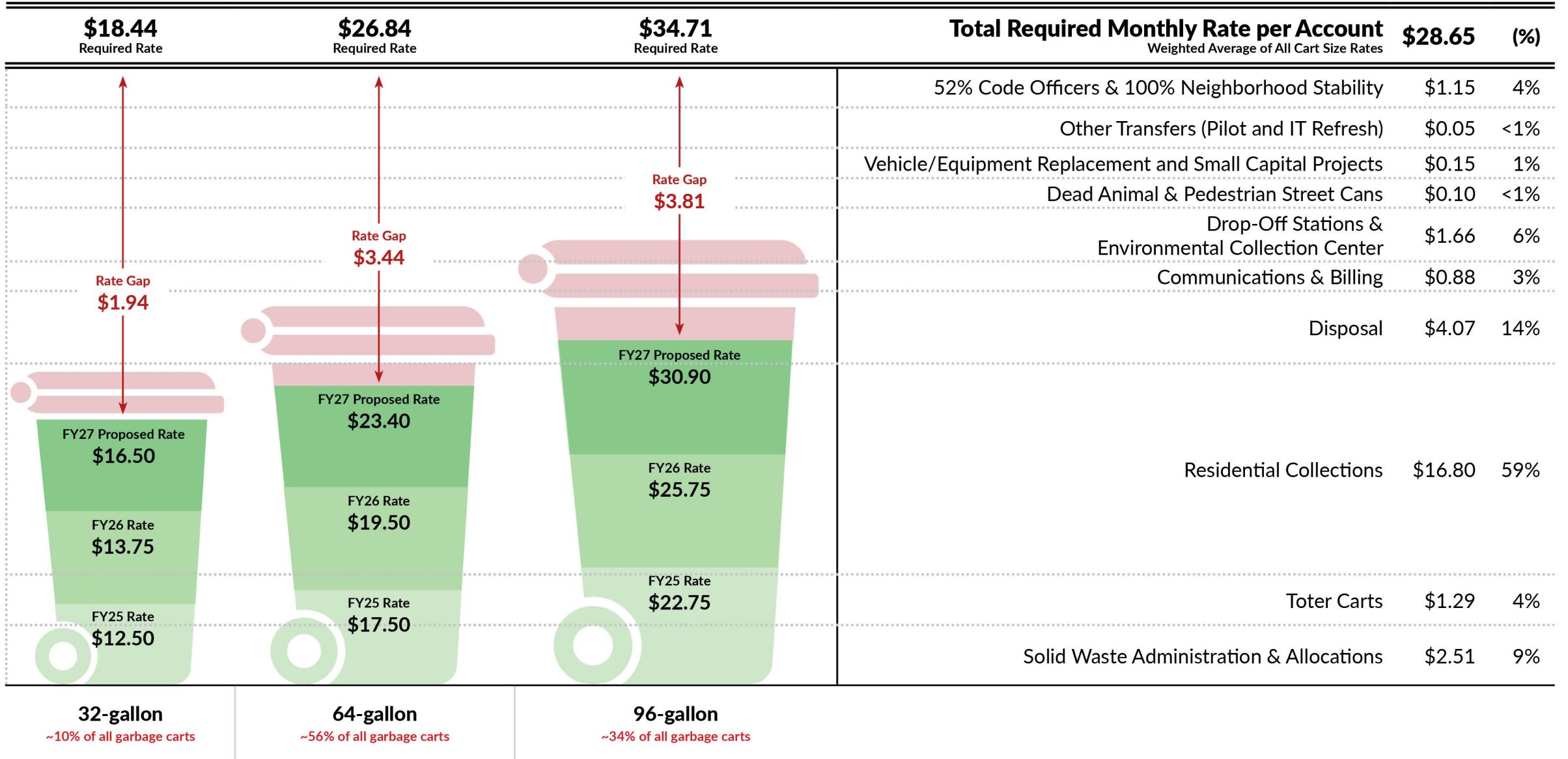
* Small commercial rates vary based on frequency of collection.

Adjustments bring rates in line with true service costs.

Frees other revenues to save for future PAYGO capital.

- **Supports fund solvency with required incremental rate strategy** to help with catch up – smaller, annual adjustments anticipated over next few years.
- **Accounts for CPI adjustments** with annual, contractual obligations.
- **Supports long-term planning and savings to pay for critical, future capital needs** like new drop-off station, landfill or transfer station
- **Sustains core community service** for waste disposal and diversion.

FY27 Solid Waste Residential Program Expenses



Solid Waste Fund

FY27 Other Proposed Fee Increases

Fee Title	Annual #	Current Fee	Proposed Increase	Proposed Fees	% Increase	Additional Anticipated Revenue	Total Revenue
Landfill Environmental Fee: GOP Hauler	214,895 tons	\$6.50	+\$0.50	\$7.00	8%	+\$107,447	\$1,504,265
Landfill Environmental Fee: Non-GOP Hauler	475,330 tons	\$12.50	+\$0.50	\$13.00	4%	+\$237,665	\$6,179,290
Overloaded Carts	27,780 occurrences	\$6.00	+\$1.50	\$7.50	25%	+\$41,670	\$208,350
Extra Bags	96 bags	\$3.00	+\$0.60	\$3.60	20%	+\$58	\$346
Nothing Out Trip Charge	468 occurrences	\$45.00	+\$17.00	\$62.00	38%	+\$7,956	\$29,016
Total						\$394,796	\$7,921,267

Recommendation & Next Steps

Recommendation: Adopt FY27 Master Fee Schedule with proposed adjustments for:

- **Environmental Protection Fees** to support continued efforts to keep the city clean and litter free, supports street sweeper capital program.
- **Consumer Health Fees** to continue covering cost of services.
- **Solid Waste Rates & Fees** to continue to close gap for cost of services and to build additional fund balance for long-range capital needs.

Next Steps:

1. Staff communicate proposed rate/fee adjustments with community and interdepartmental work groups and stakeholders.
2. Continue to develop long-range solid waste plan.

Questions?