

Response to Questions on the FY 2015 Budget

Request By: Supervisor Herrity

Question: The Budget Consideration Item reduction “*Privatize refuse collection*” has been requested. Provide a summary of the reduction including the impact it would have.

Response: The Solid Waste Management Program (SWMP) currently collects waste and recycling from 218 County General Fund facilities. In FY 2013, the SWMP billed these County agencies a total of \$1,110,555 for refuse and recycling collection. These billings included \$395,783 of refuse disposal charges. These disposal fees are fixed charges that would have been incurred even if a privately contracted refuse collection company had performed collection services for County facilities. These disposal fees have averaged more than \$400,000 per year over the last three years. Given that the charge to County General Funded facilities net of disposal costs was only \$714,772 in FY 2013, it is not possible to achieve \$1,000,000 of savings. Any private contractor would also have to incur costs for salaries, benefits, equipment, fuel, and other operating costs.

SWMP service levels and rates were also compared with the FCPS contract for private disposal services and actual invoices for FCPS’s refuse and recycling collections. These costs appeared comparable to those billed by SWMP to County agencies. While SWMP charges agencies a flat rate for refuse and recycling collections as well as the repair and replacement of containers, the private contractor charges an additional fee for recycling collections and container repair and replacement fees. In addition, SWMP obtained a study conducted by Arlington County in 2011 on container collection service. It was noted that Fairfax County’s current rate is substantially lower than the average rate for the region at that time. As previous evaluations have shown, no appreciable savings are anticipated by utilizing the FCPS contract to collect County routes as SWMP’s charges are quite competitive. It should also be noted that George Mason University and Northern Virginia Community College have examined their best options for refuse and recycling service and have chosen Fairfax County Solid Waste Management Program to provide this service for many years. As a result, there are no anticipated savings resulting from privatization.