



# Late Backup

## MEMORANDUM

**TO:** Marc A. Ott, City Manager

**FROM:** Ed Van Eenoo, Budget Officer

**DATE:** October 22, 2009

**SUBJECT:** Fiscal Memo for Item # 40

Item #40 on the October 23, 2009 Council Agenda is to approve a resolution directing the City Manager to implement recycling at City sponsored events on the City public rights of way and at City facilities for which the city waives rental fees.

To clarify, recycling services include providing staff to manage the recycling at each event, containers for the purpose of collecting recyclables, and, where appropriate, dumpster service to remove and transport the recyclables collected from the event.

This item will have the following fiscal impact:

<b>Official City Co-sponsored Event</b>	<b>Projected SWS Cost</b>
Fiesta de Independencia/Dies y Seis Event	\$ 300
September 11 Commemorative Event	\$ 480
Veterans Day Parade	\$ 2,680
Celebrate Texas Parade and Run	\$ 3,002
Martin Luther King, Jr. Day Parade	\$ 5,402
Juneteenth Parade	\$ 5,579
Austin Farmer's Market (weekly event)	\$ 23,400
South by Southwest Festival (5 day event)	\$ 31,305
<b>Total Cost (staffing and resources)</b>	<b>\$ 72,148</b>

Not considered in the projected costs identified above is the total cost to process the recyclables from each event. Processing costs are dependent upon the volume of recyclable material collected and its contamination rate. Since each event varies, the volume and type of materials collected will also vary and cannot be estimated at this time. No new FTEs will be required, however, SWS will utilize temporary staff to cover weekday events since current staff will be required for regular residential route collection service.

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Funding to provide recycling services for these events was not included in the FY2010 Budget. During budget deliberations, the City Council approved a \$1.70 increase (10%) to the 90 gallon cart fee which resulted in a projected revenue increase of \$821,000. This amount could fluctuate dependent upon the number of residential customers that wish to continue using 90 gallon carts. The City Council directed the City Manager to put the additional revenue into the SWS Ending Balance. Staff has identified this additional revenue as a potential funding source for FY2010. To utilize funding from the ending balance, a budget amendment will be necessary.