



- **Waste-To-Energy Power Brokering Sales Update**
- **Solid Waste FY27 Tip Fee Recommendation**
- **Lealman MSBU Solid Waste Collection Rate Recommendation**

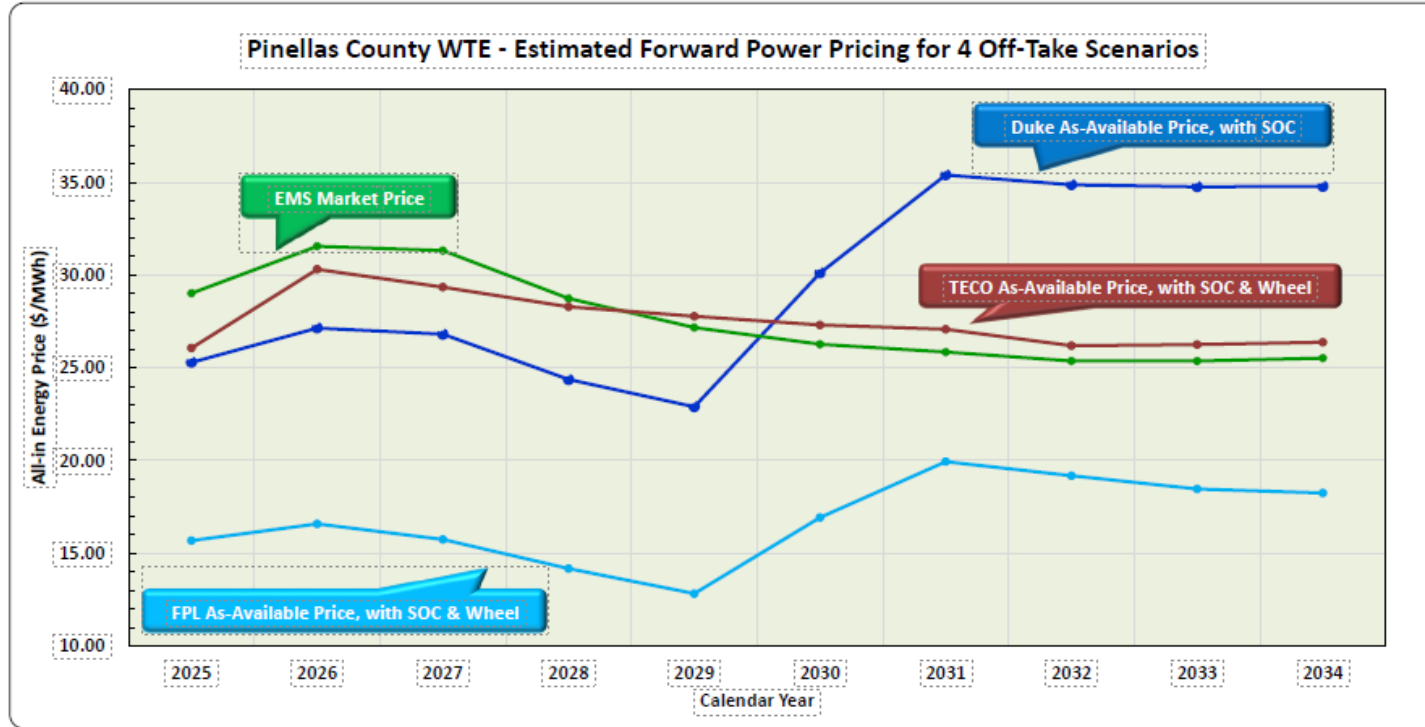
**Paul Sacco, Director**  
**April 30, 2026**

# WTE Facility Brokering Power Sales Update

1. Rainbow Energy under contract for power brokering service.
2. Apex Power Services under contract for power consulting services.
3. Agreements in place with Duke Energy and other investor-owned utilities to accept WTE Facility generated power.



# Existing Markets and Rates



# CY25 Power Sales

	CY25 Forecasted	CY25 Actual	CY25 Actual (if Turbine Generator #1 Fully Operational)
<b>Generated MWh</b>	<b>480,000</b>	<b>339,058</b>	<b>480,000</b>
<b>\$/MWh</b>	<b>\$27.00</b>	<b>\$37.82</b>	<b>\$37.82</b>
<b>Net Revenue</b>	<b>\$ 12,960,000.00</b>	<b>\$12,823,173.56</b>	<b>\$18,153,600.00</b>



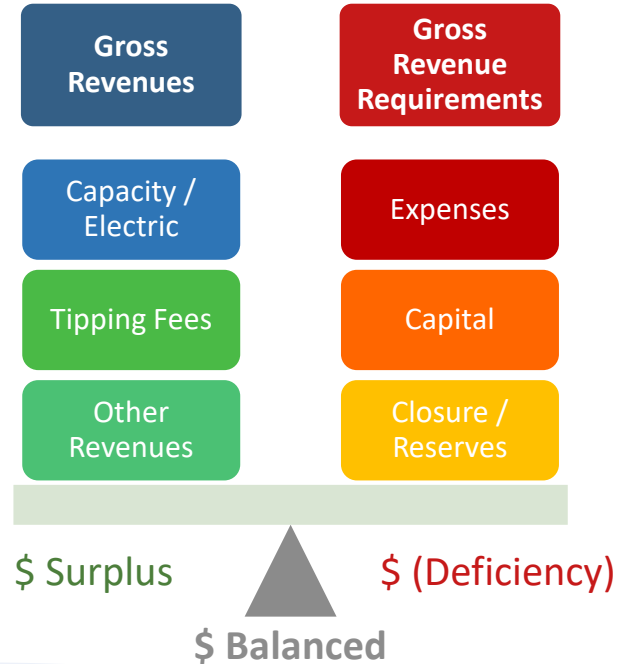
# Solid Waste FY27 Tip Fee Recommendation



# Solid Waste FY27 Tip Fee Recommendation

- In FY25, Board approved (3) year-over-year 8% increases for FY26-28
- Rate Study performed annually and reviewed by Board's Solid Waste Technical Management Committee (TMC)
- Raftelis performed this year's rate study

## REVENUE SUFFICIENCY



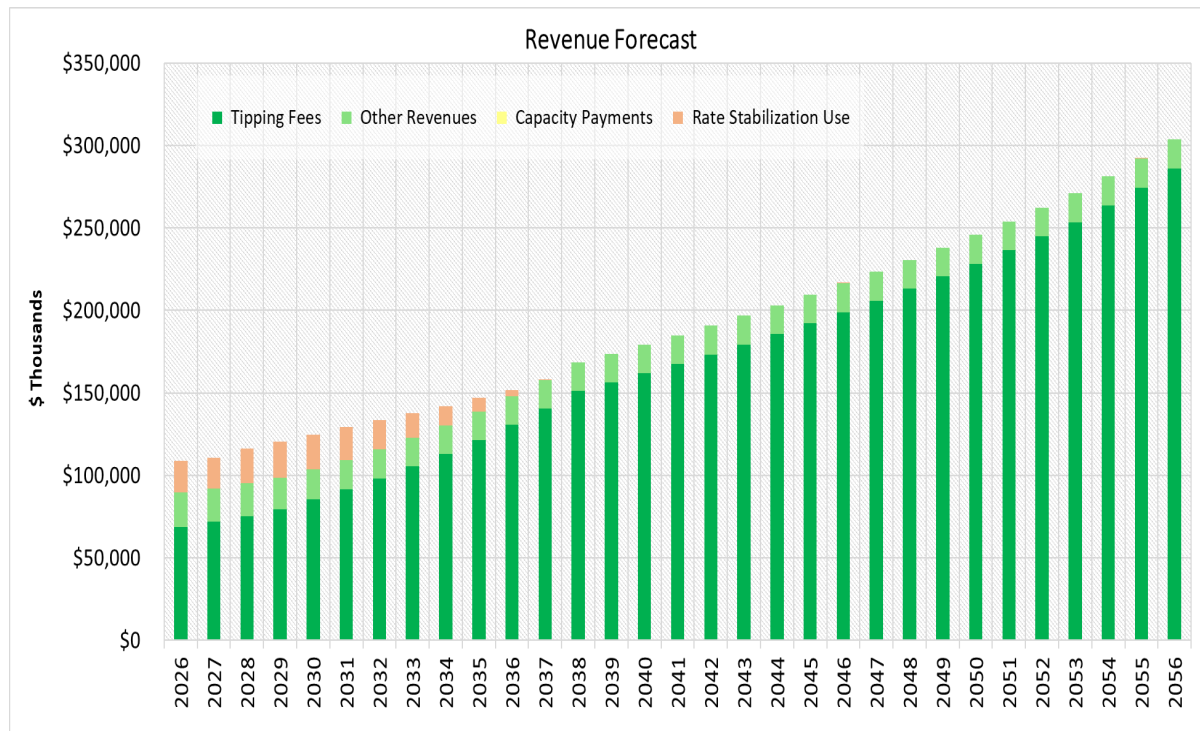
# Key Changes Since FY25 Study

- **Higher Tonnages due to Storms, but Assumed to Regress Back to Normal Over Next Two Years**
- **Realized reduced Contract Rates with new WTE contractor, but Actual Costs Slightly Greater**
- **Assuming Higher Investment Income**
- **No Significant Change in Capital Costs**
- **Slightly Lowered Out Year Rate Increases & Breakeven by FY38**



# Key Assumptions - Revenues

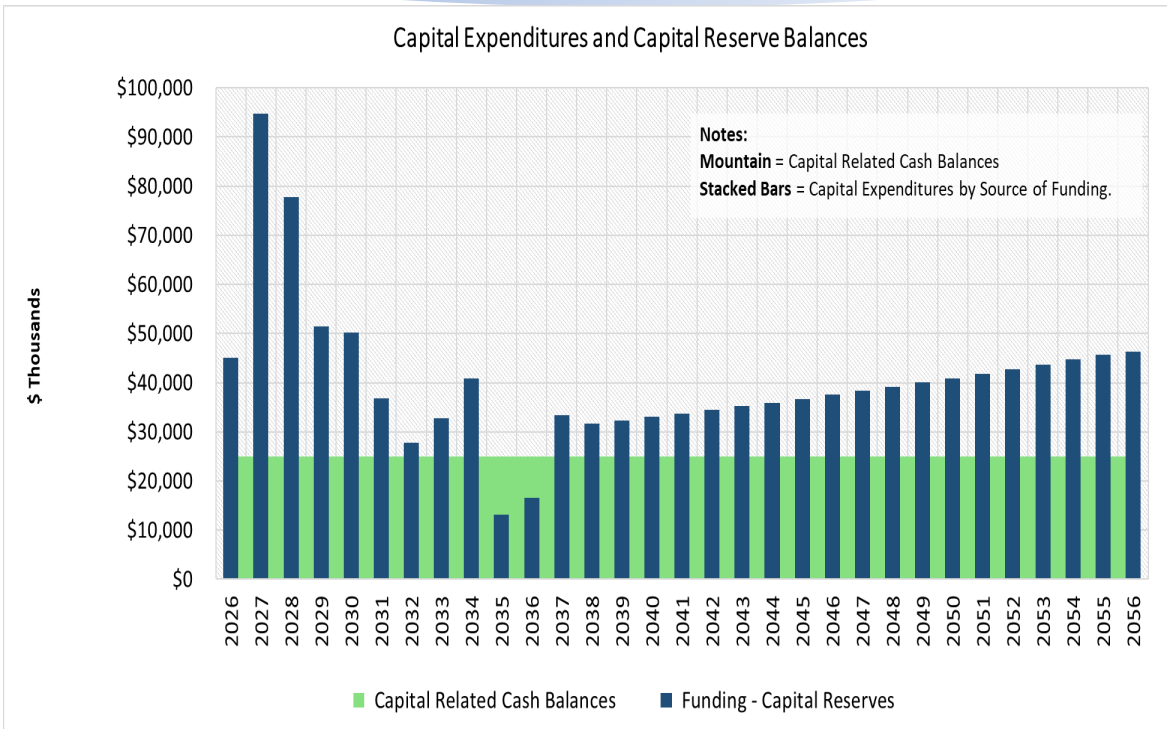
- **Tipping fees**
    - **Increases Consistent with Prior Years Forecasts**
  - **FY25 Last Capacity Payment**
  - **Electricity sales**
  - **Metal recovery**
  - **Interest income**
- } Other Revenues



# Key Assumptions - Capital

- **Proposed CIP FY26-37 = \$479.1M**
- **Top six projects \$397m or 82% of Total:**
  - **WTE R&R / several projects = \$265m**
  - **Bulky Waste Processing = \$63m**
  - **Landfill Improvements = \$22.2m**
  - **Solar and Net Metering = \$18.8m**
  - **Enhanced Metals Recovery = \$20m\***
  - **Landfill Side Slope Closure = \$8m**
- **Assumed depreciation as proxy for capital needs after 2037**
  - **\$29.4 million annually escalated for inflation**

*\*shared 50/50 with FCC*

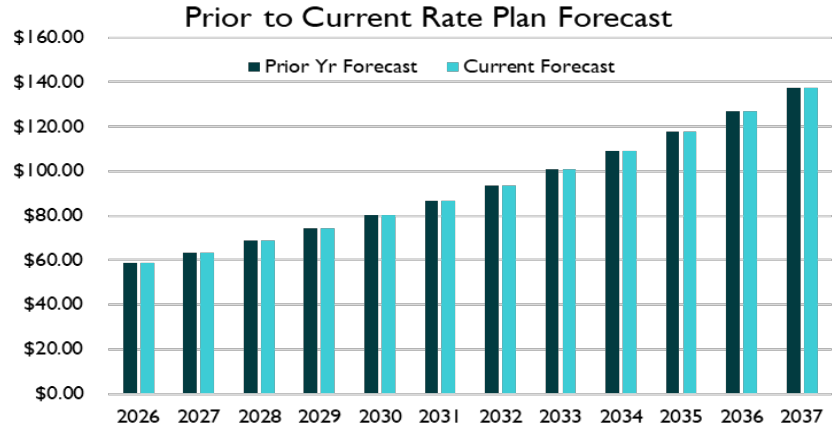


# Findings and Recommendations



## Findings and Recommendations:

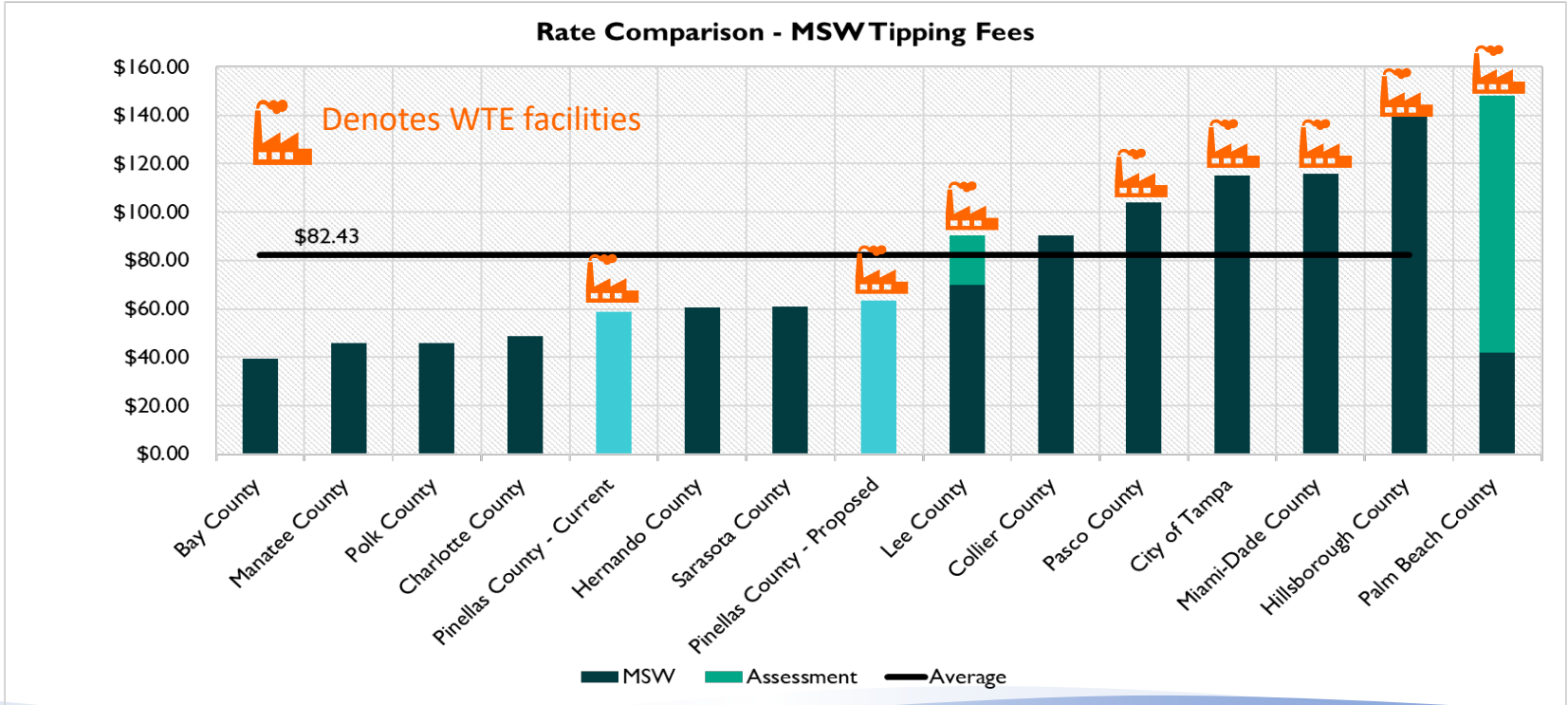
- **Keep with Adopted Rate Plan & Reassess Need to Raise Rates Further During Next Budget Cycle**
- **Consider Raising the Tire Tip Fees to Regional Market Levels (\$210/ton)**
- **The impact of the FY27 disposal cost increase to a single-family resident generating 1 ton of waste per year averages \$4.71 annually or \$0.39 a month**



### No Rec'd Change to Prior Yrs Plan

	<u>2026</u>	<u>2027</u>	<u>2028</u>
Rate Adj.		8.00%	8.00%
Tip Fee	\$58.86	\$63.57	\$68.65
Annual Increase		\$4.71	\$5.08

# Municipal MSW Tipping Fee Comparison



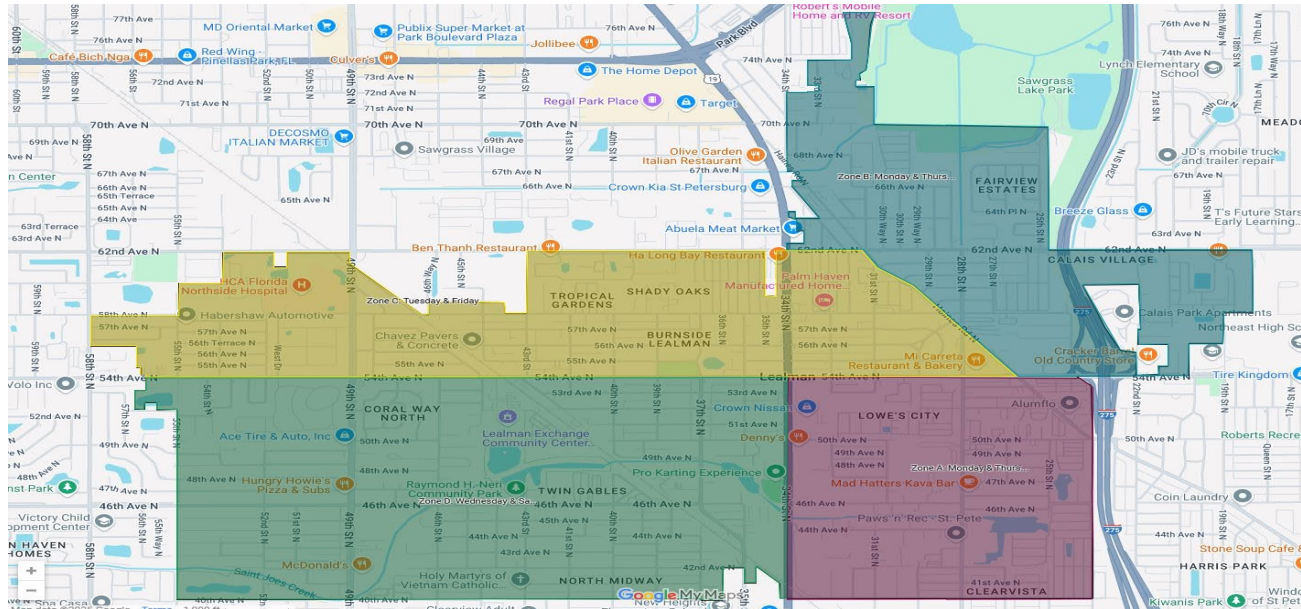
# Discussions and Questions



# Lealman MSBU Solid Waste Collection Rate Recommendation



## Lealman Franchised Solid Waste Collection Area Map



\*Colored zones represent collection day routes

# Lealman MSTU Solid Waste Collection Rate Recommendation

## Assessment and Participation Overview (FY23)

- MSBU rate \$192/yr remained level from 2014 to 2023.
- Unit participation increased:
  - FY22: 7,300 units
  - FY23: 7,600 units
  - FY24: 8,000 units
- After 30+ years of fixed solid waste disposal tip fees, increases started in 2019.

## Immediate Financial Solutions and Planning (FY23-25)

- \$300K loan from Solid Waste Operating Fund to MSBU Fund, with a six-year payback.
- The Board adopted annual assessment increases of \$24 per year for FY24 and FY25. No increase for FY26.
- Collection contract expiring 12/26 and forecasted to increase \$54-102 per unit per year.
- Collection contract solicitation in January 2026. New rate is \$22.25 per month per unit. Current rate is \$20.68.
- Raftelis completed a detailed rate study in February 2026.

# Lealman MSTU Solid Waste Collection Rate Recommendation

## Historical and Current Collection Contract Rates

Calander Year	2024	2025	2026
Fiscal Year	2023/2024	2024/2025	2025/2026
<b>Tipping Fee</b>			
New Monthly Service Rate	\$ 18.76	\$ 19.81	\$ 20.68
Customer Count	8000	8000	8000

## New Collection Contract Rates (January 1, 2027)

Chosen Service Level - Low Bid - Contract Value			
Waste Management			
Initial Bid Price (Annual)	\$2,136,000.00	Monthly Unit Rate	\$22.25
Year 2 (5% Increase)	\$2,242,800.00	Year 2 (5% Increase)	\$23.36
Year 3 (5% Increase)	\$2,349,600.00	Year 3 (5% Increase)	\$24.48
Year 4 (5% Increase)	\$2,456,400.00	Year 4 (5% Increase)	\$25.59
Year 5 (5% Increase)	\$2,563,200.00	Year 5 (5% Increase)	\$26.70
<b>Total Contract Value</b>	<b>\$11,748,000.00</b>		

# Lealman MSTU Solid Waste Collection Rate Recommendation

## Fund Health Assessment (FY26)

- Current Annual Assessment is \$240
- 10-year collection contract expires 12/31/26
- 8% year-over-year increase for disposal tip fees recommended for FY27-FY28.
- New contract rate increased \$20 per year per unit, with 5% annual increase for 5-year term.
- To assist with cash flow at beginning of FY27, loan repayment modification proposed for FY26 from \$30K to \$10K.

## MSBU Rate Recommendation

- **FY27: increase of \$48 to \$288/year (\$4/month or 20% increase)**
- **FY28: increase of \$48 to \$336/year (\$4/month or 16.7% increase)**
- Beginning in FY29, cash fund balance is forecasted to be stable, which will require smaller annual increases to align with annual collection contract costs.

# Lealman MSBU Solid Waste Collection Rate Recommendation



## Annual Assessment by Fiscal Year

