



**ADDENDUM I**

**BLOOMINGTON CITY COUNCIL AGENDA**

**DECEMBER 9, 2013**

**ADDITION TO CONSENT AGENDA**

- Item 7B. Bills and Payroll. (Recommend that the bills and payroll be allowed and orders drawn on the Treasurer for the various amounts as funds are available.) *City Council Memorandum with Attachment 1.*

**ADDITION TO REGULAR AGENDA**

- Item 8B. Solid Waste Program and Text Amendment to Chapter 21. Refuse. (Recommend that the Text Amendment be approved and the Ordinance passed.) (30 minutes) *City Council Memorandum*



FOR COUNCIL: December 9, 2013

**SUBJECT:** Bills and Payroll

**RECOMMENDATION/MOTION:** That the bills and payroll be allowed and orders drawn on the Treasurer for the various amounts as funds are available.

**STRATEGIC PLAN LINK:** Goal 1. Financially sound City providing quality basic services.

**STRATEGIC PLAN SIGNIFICANCE:** Objective 1d. City services delivered in the most cost-effective, efficient manner.

**FINANCIAL IMPACT:** Total disbursements to be approved \$6,240,910.47, (Payroll total \$2,292,365.91, and Accounts Payable total \$3,948,544.56).

Respectfully submitted for Council consideration.

Prepared by: Patti-Lynn Silva, Director of Finance

Recommended by:

David A. Hales  
City Manager

(ON FILE IN CLERK'S OFFICE)

**Attachment:** Attachment 1. Bills and Payroll on file in the Clerk's office. Also available at [www.cityblm.org](http://www.cityblm.org).  
Attachment 2. Summary Sheet Bills and Payroll Report

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Motion: That the bills and payroll be allowed and orders drawn on the Treasurer for the various amounts as funds are available.

Motion: \_\_\_\_\_ Seconded by: \_\_\_\_\_

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			



FOR COUNCIL: December 9, 2013

SUBJECT: Financial and Programmatic Policy Options Related to the Solid Waste Program

**RECOMMENDATION/MOTION:** Recommended that the Text Amendment to Sections 300.7 and 301.6 and addition of Sections 301.7 and 301.8 to Chapter 21 of the Bloomington City Code be approved and the Ordinance passed.

**STRATEGIC PLAN LINK:** Goal 1. Financially Sound City Providing Quality Basic Services.

**STRATEGIC PLAN SIGNIFICANCE:** Objective 1d. City services delivered in the most cost-effective, efficient manner.

**BACKGROUND:** At the November 25, 2013 City Council Meeting, staff proposed ordinance amendments regulating solid waste operations which would address the Solid Waste Enterprise Fund structural deficit by eliminating the General Fund subsidy to solid waste operations by FY2018. The proposal by staff did not gain sufficient support from Council, however; a modified proposal has been drafted by the Mayor and several members of the Council intended for full Council consideration. The following table highlights current service, the previous staff proposal, and the modified proposal prepared by the Mayor and several Council members:

	<b>Current Service</b>	<b>Previous Staff Proposal</b>	<b>Modified Proposal</b>
<b>Monthly fee</b>	\$16 all carts	\$16 for 35-gallon carts, \$18 for 65-gallon carts, \$20 for 95-gallon carts in FY2015, and \$3 stickers for any additional bags; in FY2016 each cart size would experience a \$2 increase; in FY2017 there would be no fee increase; and in FY2018 each cart size would increase by \$1.	\$16 for 35-gallon carts; \$21 for 65-gallon carts; \$25 for 95-gallon carts; \$3 stickers for any additional bags
<b>Bulk Waste</b>	2 loads <sup>1</sup> per week no additional charge, \$25 each additional load	\$25 for every load	1 load every other week at no additional charge, \$25 each additional load
<b>Brush, yard waste<sup>2</sup></b>	Unlimited pickup at no additional charge	2 loads of brush waste per week at no additional charge, \$25 each load after, leaf collection unlimited pickup at no additional charge	Unlimited pickup at no additional charge
<b>Recycling</b>	Every other week, no additional charge	Every other week, no additional charge	Every other week, no additional charge
<b>Automated Refuse Cart</b>	Original cart provided at no charge	Original cart provided at no charge	Original cart provided at no charge, \$30 fee for increased cart size change

<b>Automated Recycle Cart</b>	\$60 additional cart fee	No charge for additional cart <sup>3</sup> .
<sup>1</sup> Load means 1 front end loader bucket scoop with a volume capacity of 2.25 cubic yards <sup>2</sup> Grass clippings must be delivered by residents to the City's drop off facility. All other brush and yard waste is collected curbside <sup>3</sup> If approved staff will work to reimburse the ~30 solid waste customers which have already purchased a second recycle cart.		

### **Financial Analysis**

The following revenue and expense projections for the Modified Proposal account for reduced operational expenses and increased revenue in the City's Bulk Waste Program (a program which has been found to be 10 times more expensive than containerized curbside collection), as well as increased revenue due to the introduction of a Pay As You Throw (PAYT) sticker program. These projections are dependent upon assumptions developed in collaboration with Raffetis Financial Consultants in forecasting the amount of customers desiring 35-gallon, 65-gallon, and 95-gallon refuse carts:

<b>Summary of Revenue and Expenses (in 000s)</b>			
<b>Revenue</b>	<b>FY2013 Actual<sup>1</sup></b>	<b>FY2014 Projected<sup>2</sup></b>	<b>FY2015 Projected<sup>3</sup></b>
<i>Beginning Budgetary Fund Balance</i>	\$966	\$429	\$0
Curbside Rate Revenue	\$4,869	\$4,833	\$7,136
Bulky/Brush Revenue	20	36	30
General Fund Transfer	1,304	2,116	0
Other Revenue	202	212	213
<b>Total Revenue</b>	<b>\$6,395</b>	<b>\$7,197</b>	<b>\$7,379</b>
<b>Expenses</b>			
Labor and Labor-related	3,485	3,848	3,521
Materials and Supplies	2,133	2,464	2,474
Debt Service	1,074	1,074	1,142
Transfers	240	240	242
<b>Total Expenses</b>	<b>6,932</b>	<b>7,626</b>	<b>7,379</b>
<b>Surplus/(Shortfall)</b>	<b>(537)</b>	<b>(429)</b>	<b>0</b>
<i>Ending Budgetary Fund Balance:</i>	429	0	0 <sup>4</sup>
<b>Surplus/(Shortfall) as % of Revenue</b>	<b>-8.4%</b>	<b>-6.0%</b>	<b>0.0%</b>
<sup>1</sup> FY2013 Adjusted to audited actuals <sup>2</sup> FY2014 General Fund Transfer was adjusted to compensate for variance in fund balance as projected. <sup>3</sup> FY2015 Debt Service was adjusted up for FY2015 request for 1 automated truck of \$325,000 for 5 years at 2%.			

<sup>4</sup>FY2015 The City's fund balance policy is to maintain working cash of two months of operations or a minimum of 10% of revenues in an enterprise fund.

As drafted by the Mayor and several members of the Council, the Modified Proposal is projected to eliminate the need for a General Fund subsidy in FY2015. These revenue forecasts are based on the following number of customers desiring specific varied cart sizes:

<b>Carts:</b>	<b>FY2015</b>
35 gallon refuse cart	2,000
65 gallon refuse cart	8,000
95 gallon refuse cart	15,000
Subtotal - # of refuse carts	25,000

### ***Operational Analysis***

The Modified Proposal represents some challenges which are important to highlight. Bi-weekly bulk waste collection is a significant challenge which staff does not believe will yield large cost savings. To collect bulk waste the City utilizes large front end loaders with a bucket scoop in the front. The loader scoops up bulk waste curbside and dumps the materials into a dump truck. Once the dump truck is full, the truck leaves for the landfill and another empty dump truck takes its place. Staff is concerned that switching to bi-weekly bulk waste service will generate two times the volume of a normal bulk waste collection week. This would result in the dump trucks filling up quicker with bulk waste while the front end loader sits and waits for the next available dump truck to make it back from the landfill. This would result in slower and less efficient operations. It is also important to note that staff utilizes the same equipment for bulk waste collection as they do brush collection. With this in mind, another concern to reducing bulk waste to every other week but keeping brush collection every week is the best utilization of equipment and resources. Staff will already be servicing every home for brush collection each week but will be returning on alternating weeks for bulk waste collection. This will inherently introduce confusion amongst customers and would not represent the best use of City resources. **Staff would recommend continuing weekly bulk waste service and incorporating the Modified Proposal's recommendation of 1 free bucket load and \$25 for each additional bucket load.**

### ***Future Consideration (Not intended to delay any current decision before the Council)***

Staff plans to research and evaluate the feasibility of weekly recycle collection. Weekly collection has the potential to increase efficiencies, reduce confusion, enhance customer service and further increase the City's waste diversion from the landfill. This is not something staff has available at this time but plans to fully vet the cost benefits of implementing such a program.

Unlimited brush waste collection exposes the program to potential abuse. The City does experience instances where individuals take advantage of the unlimited service and unfairly reap benefits which are afforded by the average customer. Recently, a customer had 7 large trees out for collection which were claimed to be cut down by the individual overnight without the assistance of a contractor. In these instances the City has collected the materials for the

customers. On a regular weekly basis, the City does not collect more than a dozen stops which have over 2 bucket loads of brush waste.



**Above is 1 cubic yard of mulch. The bed of a standard sized pick-up truck will hold 2 cubic yards of mulch, which would be level with the top. Each bucket load provided by the City is 2.25 cubic yards. Two bucket loads provided by the City totals 4.50 cubic yards of waste.**

**COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED:** Lengthy research, public discussions, citizen surveys (almost 800 citizen responses), interactive focus group sessions with landlords and the general public, and seven presentations to Council regarding the status of the Solid Waste Program Analysis has occurred over the past year regarding the full range of refuse services.

**FINANCIAL IMPACT:** Historically, the General Fund (or taxpayers) has subsidized the City's refuse operations. Initially, the subsidy was 100 percent. The City did not establish a fee until 2004. The subsidy for FY2014 is projected to be 29 percent. The City will continue to analyze this Fund since a 29 percent subsidy represents approximately \$2.1 million loss in uncovered costs. It is projected that by the end of FY2014, the Solid Waste Fund will have a zero fund balance. **The City's fund balance policy for enterprise funds requires working cash of two months of annual operations or minimum of 10% of annual revenues.**

Respectfully submitted for Council consideration.

Prepared by: Alex McElroy, Assistant to the City Manager

Reviewed by Finance: Patti-Lynn Silva, Director of Finance

Legal Review by: Rosalee Dodson, Assistant Corporation Counsel

Recommended by:

David A. Hales, City Manager

**Attachments:** Attachment 1. Ordinance Option #3

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Motion: Recommended that the Text Amendment to Sections 300.7 and 301.6 and addition of Sections 301.7 and 301.8 to Chapter 21 of the Bloomington City Code be approved and the Ordinance passed.

Motion: \_\_\_\_\_ Seconded by: \_\_\_\_\_

	Aye	Nay	Other		Aye	Nay	Other
Alderman Black				Alderman Mwilambwe			
Alderman Fazzini				Alderman Sage			
Alderman Fruin				Alderman Schmidt			
Alderman Lower				Alderman Stearns			
Alderman McDade							
				Mayor Renner			

**ORDINANCE 2013 - \_\_\_\_\_**

**AN ORDINANCE AMENDING CHAPTER 21 OF THE BLOOMINGTON CITY CODE  
RELATING TO REFUSE SERVICES  
BE IT ORDAINED BY THE CITY COUNCIL  
OF THE CITY OF BLOOMINGTON, ILLINOIS:**

SECTION 1. That Sections 300.7 and 301.6 of Chapter 21 of the Bloomington City Code, 1960, as amended, be further amended as follows (additions are indicated by underlines; deletions indicated by strikeouts):

**Section 300.7: Bulk Waste Collection.**

Bulk waste and building waste may be collected by the City under rules established by the Director of Public Works and approved by the City Manager, but only with respect to bulk waste or building waste generated or created by the occupant or owner of residential property, with proper permits, as needed. The City will not collect bulk waste or building waste generated or created by any contractor, subcontractor or other person for hire and/or bartering. The City will not collect any sod, concrete, bricks or shingles unless the resident who participates in the bulk waste collection program requests a pickup of such sod, concrete, bricks or shingles. After such a request is made, the City will pick up such sod, concrete, or shingles and will charge the resident for the actual cost of the pickup and disposal of such material for anything beyond thirty-five pounds of material. The determination by the City of the weight of the material shall be final. ~~The volume limit on regular bulk waste items (excluding sod, concrete, bricks or shingles) will be two loader buckets per week.~~ The City will charge the resident twenty-five (\$25.00) dollars per loader bucket for anything collected over one loader bucket weekly ~~two loader buckets per week.~~

**Section 301.6: Refuse Fee.**

Effective May 4, 2012, there shall be a charge for refuse collection of refuse to the owner and/or occupant of every dwelling unit for which refuse service is actually provided by the City. Such fee shall be in the amount of sixteen dollars (\$16.00) per month per single family dwelling and sixteen dollars (\$16.00) per month for each unit in a two family or multi-family dwelling. Effective May 1, 2014, for a single family dwelling and for each unit in a two family or multi-family dwelling, such fee shall be based on the size of the refuse cart as follows: sixteen dollars (\$16.00) per month, per single family dwelling and for each unit in a two family or multi-family dwelling for one 35-gallon refuse cart; twenty-one dollars (\$21.00) per month, per single family dwelling and for each unit in a two family or multi-family dwelling for one 65-gallon refuse cart; and twenty-five dollars (\$25.00) per month, per single family dwelling and for each unit in a two family or multi-family dwelling for a 95-gallon refuse cart.

The refuse fee shall be payable on a monthly basis. There shall be a thirty dollar (\$30.00) fee for any additional refuse carts provided by the City that are larger than the original cart. There shall be no charge for additional refuse carts that are the same size as the original cart or smaller. Failure to pay the fee upon billing by the City may result, at the City's option, in the placement of



a lien against the real estate or may result in the filing of a complaint in Circuit Court seeking a personal judgment against the owner or persons interested in the property subject to such refuse fee, termination of refuse ~~services~~ ~~ser-vices~~, termination of water service or other remedies. The election of a particular remedy shall not constitute a waiver of any other remedy available to the City for collection of the refuse fee.

The owner of the dwelling unit, the occupant thereof and the user of the services shall be jointly and severally liable to pay such refuse fee and the services are furnished to the dwelling unit by the City only on the condition that the owner of the dwelling unit, occupant thereof and user of the refuse service are jointly and severally liable. The refuse fee for such refuse collection shall be paid in advance, for which the City of Bloomington shall provide refuse collection ~~service~~ ~~ser-vice~~ to the dwelling unit at least once each week.

SECTION 2. That the Bloomington City Code, as amended, be further amended by adding Sections 301.7 and 301.8 to Chapter 21 as follows:

**Section 301.7: Pay As You Throw Refuse Sticker.**

An owner and/or occupant of a dwelling unit for which refuse service is provided by the City may purchase a refuse sticker in the amount of three dollars (\$3.00) to pay for overflow bags of refuse set outside the automated refuse carts. These stickers shall be sold at designated locations to be determined by the City.

**Section 301.8: Low-Income Refuse Fee Discount.**

The City may offer a discounted rate for refuse collection based on an individual's income. The qualifying criteria for this discount shall be based on the federal poverty guidelines as provided in the *Federal Register* issued by the U.S. Department of Health and Human Services each year. Effective May 1, 2014, an owner and/or occupant of a dwelling unit for which refuse service is provided by the City, whose income level falls within the poverty guidelines, shall pay a fee in the amount of sixteen dollars (\$16.00) per month, per single family dwelling.

SECTION 3. Except as provided herein, the Bloomington City Code, 1960, as amended shall remain in full force and effect.

SECTION 4. The City Clerk is hereby authorized to publish this ordinance in pamphlet form as provided by law.

SECTION 5. This ordinance shall be effective ten (10) days after the date of its publication.

SECTION 6. This ordinance is passed and approved pursuant to the home rule authority granted Article VII, Section 6 of the 1970 Illinois Constitution.

PASSED this 9th day of December, 2013.

APPROVED this \_\_\_\_\_ day of December, 2013.

APPROVED:

Tari Renner, Mayor

ATTEST:

Tracey Covert, City Clerk