

CITY OF BLOOMINGTON
WORK SESSION CITY COUNCIL MEETING NOTICE
109 E. OLIVE
MONDAY, JANUARY 26, 2015, 6:10 – 6:30 P.M.

1. Call to Order
2. Roll Call
3. Public Comment
4. Discussion Topic
 - a. Solid Waste Fund – Presented by Steve Rasmussen, Assistant City Manager
5. Adjourn

Outlook on bulk waste services

January 2015

The Overview

- Making the Enterprise Fund Balance
- FY2015 Performance
- Three-year Forecast & Options
- Recommendations



The key issue for the City Council:

Subsidize Solid Waste Services

Projected operating loss for
FY 2016 Solid Waste (Refuse),
if no changes are made:

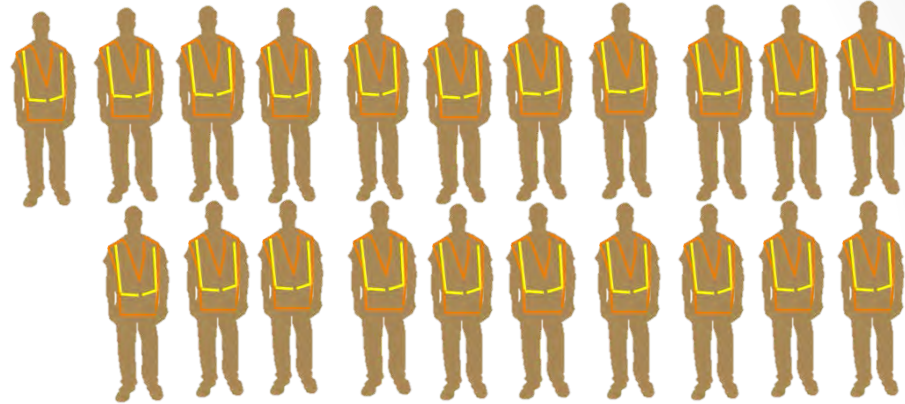
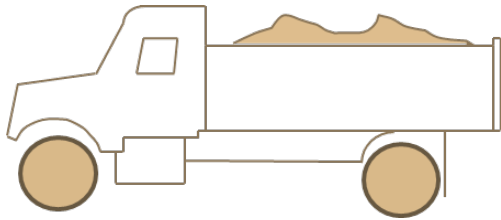
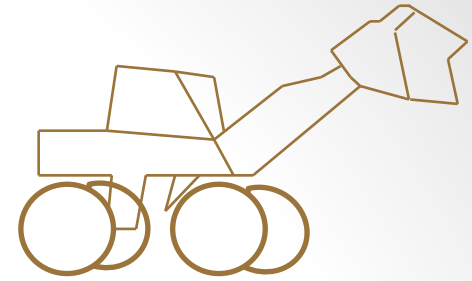
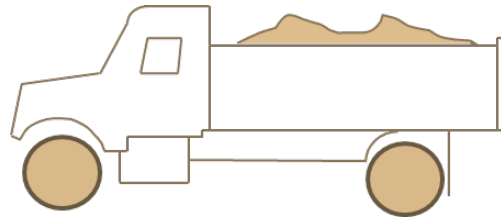
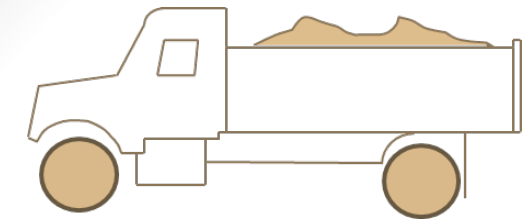
\$2,436,948

or

Do Not Subsidize Solid Waste Services

Changes to consider

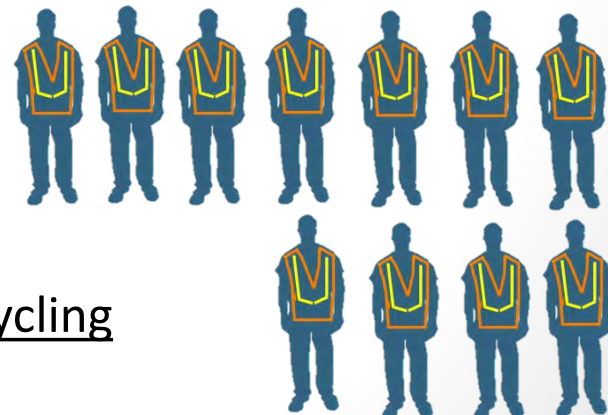
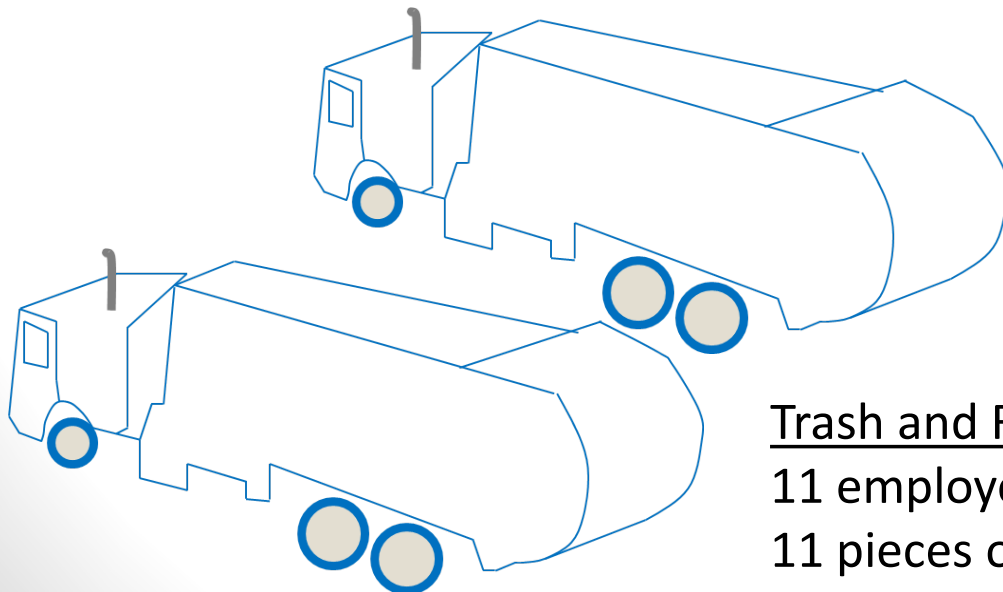
- Increase bulk charges to customers
- Initiate charge for brush
- Decrease bulk services
- End or substantially decrease bulk services
- Increase efficiency in bulk service and move employees to other jobs.
- Modify the cart-based rate structure.
- Combination of these another options.



Bulk & Brush Crews

21 employees

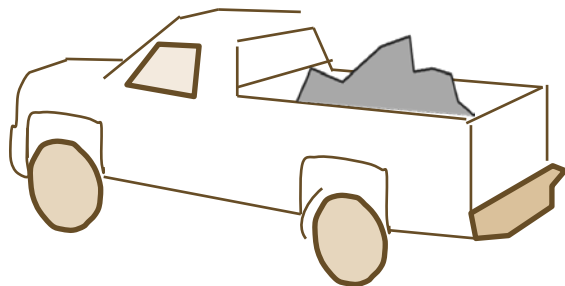
15 pieces of equipment



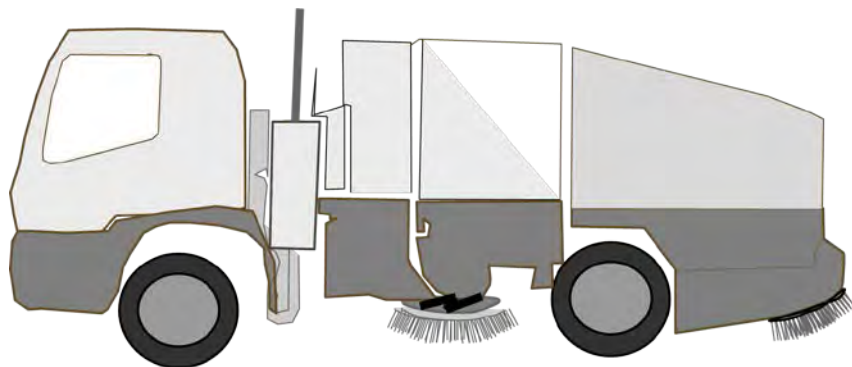
Trash and Recycling

11 employees

11 pieces of equipment



Drop-off center: 1 or 2 employee



Street sweeper: 1 employee



Leaf collection: Also handled by bulk crews. Time commitment fluctuates by season.

Multiple Options, none ideal

Operating Gain or (Loss) without General Fund Subsidy

Option Overview	FY2015	FY2016	FY16 % of Fund Balance	FY2017	FY17 % of Fund Balance
Goal For The Fund	> \$0	> \$0	10.00%	> \$0	10.00%
Option A -- Make no changes	\$ (2,420,217.02)	\$ (2,436,947.74)	-48.02%	\$ (2,581,849.00)	-74.22%
Option B -- Implement Adopted Rate Structure 1 Year Early	(2,420,217.02)	(2,103,216.30)	-44.07%	(2,581,849.00)	-70.49%
Option C1 -- \$25 Charge for Every Bucket Loader and Current Rate Structure	(2,420,217.02)	(1,695,123.87)	-38.92%	(1,842,136.37)	-57.20%
Option C2 -- \$75 Charge for Every Bucket Loader and Current Rate Structure	(2,420,217.02)	(18,073.87)	-19.25%	(165,086.37)	-20.02%
Option C3 -- \$100 Charge for Every Bucket Loader and Current Rate Structure	(2,420,217.02)	820,451.13	-9.41%	673,438.63	-1.43%
Option C4 -- \$130 Charge for Every Bucket Loader and Current Rate Structure	(2,420,217.02)	1,826,681.13	2.39%	1,679,668.63	20.88%
Option C5 -- \$25 Charge for Every 1st Bucket Loader and \$100 for Every 2nd Bucket Loader and Current Rate Structure	(2,420,217.02)	(1,615,023.87)	-37.98%	(1,762,036.37)	-55.42%
Option D1 -- Monthly Rates 1 Year Early & \$25 Charge for Every Bucket Loader	(2,420,217.02)	(1,361,391.87)	-35.01%	(1,842,124.00)	-53.50%
Option D2 -- Monthly Rates 1 Year Early & \$75 Charge for Every Bucket Loader	(2,420,217.02)	315,658.13	-15.33%	(165,074.00)	-16.32%
Option D3 -- Monthly Rates 1 Year Early & \$100 Charge for Every Bucket Loader	(2,420,217.02)	1,154,183.13	-5.50%	673,451.00	2.27%
Option D4 -- Monthly Rates 1 Year Early & \$130 Charge for Every Bucket Loader	(2,420,217.02)	2,160,413.13	6.31%	1,679,681.00	24.58%
Option E1 -- Per Customer Flat Rate -- \$25 a month	(2,420,217.02)	(1,036,764.87)	-31.46%	(1,411,213.00)	-45.49%
Option E2 -- Per Customer Flat Rate -- \$30 a month	(2,420,217.02)	411,215.13	-14.33%	60,767.00	-12.86%
Option E3 -- Per Customer Flat Rate -- \$35 a month	(2,420,217.02)	1,859,195.13	2.80%	1,532,747.00	19.77%
Option F1 -- Discontinue Bulk Program and Flat Rate Monthly Fee-- \$22 a month for Refuse/Recycling	(2,420,217.02)	1,165,704.58	-8.53%	881,399.98	7.39%
Option F2 -- Discontinue Bulk Program and Flat Rate Monthly Fee Based on Cart Size -- \$17/\$22/\$26	(2,420,217.02)	1,257,636.58	-6.81%	888,347.98	9.11%
Option G1 -- \$25 Charge for Every Bucket Loader and Current Rate Structure - Assume 50% Less Bulk Waste Pickups	(2,420,217.02)	(495,407.41)	-30.67%	(588,042.20)	-36.83%
Option G2 -- \$75 Charge for Every Bucket Loader and Current Rate Structure - Assume 75% Less Bulk Waste Pickups	(2,420,217.02)	488,713.11	-18.50%	422,217.39	-10.87%
Option G3 -- \$100 Charge for Every Bucket Loader and Current Rate Structure - Assume 80% Less Bulk Waste Pickups	(2,420,217.02)	685,537.21	-15.68%	624,269.31	-4.90%
Option G4 -- \$130 Charge for Every Bucket Loader and Current Rate Structure - Assume 90% Less Bulk Waste Pickups	(2,420,217.02)	760,545.92	-15.22%	709,733.64	-2.51%

* Bulk fees include charge for brush.

Recommendations

1. No longer allow cart downsizing and determine cart size by household size for new customers.
2. Begin charging for all bulk and brush pickup.
Option C-3, \$100 per bucket, no “free” buckets.
3. Let market determine service level for bulk.
4. Move employees from Solid Waste to Streets and Parks & Rec as efficiencies in bulk pickup increase.

1 Person Household	35-gallon cart
2 Person Household	65-gallon cart
3 or Greater	95-gallon cart

1)	-30.67%	(588,042.20)	-36.83%
1	-18.50%	422,217.39	-10.87%
1	-15.68%	624,269.31	-4.90%
2	-15.22%	709,733.64	-2.51%

