

Amendment to Restore Fall Leaf and Holiday Tree Pickup Services

Whereas, the city provided both of these services to residents until 2011;

Whereas, leaf pickup is a basic service that should be provided to residents and taxpayers, particularly given that taxpayers pay over \$11 million annually in a solid waste millage;

Whereas, holiday tree pickup offers a convenience to residents that can be provided for negligible cost (\$26,000). Further, restoring holiday tree pickup would eliminate the need for residents to drive to the drop-off individually resulting in an environmental benefit;

Whereas, the elimination of these services simply shifted costs to residents and resulted in a less efficient/higher net economic cost for both services (loss of economies of scale);

Whereas, the costs to provide these services can be contained in the Solid Waste Fund budget as expenditures have been consistently below budget and the Solid Waste fund has accumulated a large unobligated and available fund balance (\$10.5 million at June 30, 2012 – equivalent to 75% of annual solid waste expenditures and also about 75% of the GF fund balance where expenditures are more than 5.5 times higher);

Whereas, city staff indicated February 25, 2013 that to restore leaf pickup would require the purchase of (2) street sweepers/pushers at a one-time cost of \$395,000;

Whereas, Council recognizes that there are potential financial risks that may require use of fund balance, but the use of \$395,000 (4% of the fund balance) is considered not material in light of the benefits it can deliver if utilized for the services in this resolution;

Whereas, city staff indicated the recurring costs to restore both services would be \$311,000 annually (\$285,000 for (2) Fall leaf pickups, \$26,000 for Holiday Tree pickup);

Whereas, the \$311,000 recurring cost is equivalent to 2% of Solid Waste's \$14M annual expenditures and can be funded by reductions in other Solid Waste Expenditures;

RESOLVED, that the recommended FY14 budget for the Solid Waste Fund (0072) be amended to restore (2) Fall leaf pickups and Holiday Tree pickup services for residents.

RESOLVED, that the one-time expenditure of \$395,000 is funded by a one-time use of Solid Waste fund balance.

RESOLVED, that the recurring expenditures of \$311,000 for the costs of restoring leaf and holiday pickup are funded by \$311,000 reductions in other Solid Waste recurring expenditures as follows:

- \$105,000 reduction in FY14 budget for tipping fees to reflect the FY13 forecast (FY13 forecast \$1.516M, FY14 budget \$1.621M)
- \$75,000 reduction in Field Operations leaf pickup (\$362,223) and Yardwaste Collection (\$602,225) budgets to reflect savings in these areas that will occur with leaf pickup services restored
- \$14,000 reduction to eliminate the contingency in Field Operations, Waste Operations
- \$25,500 reduction to eliminate the budget increase in the Solid Waste Fund System Planning Administration Other Services accounts
- \$15,000 reduction in Solid Waste Public Services Promotion/Information printing costs to reflect FY13 projection (FY13 forecast \$20,000, FY14 Budget \$35,000)
- \$76,500 reduction in Solid Waste Public Services Field Operations Other Services budgets to reflect traditional budget underruns in these areas

RESOLVED, that the Administrator may present to Council other recurring expenditure reductions to substitute for those identified above.

Sponsor: Jane Lumm