

**PROCEEDINGS OF THE
SPECIAL COMMITTEE OF THE WHOLE MEETING
SUPERIOR, WISCONSIN
Tuesday – May 6, 2014**

The Committee of the Whole Meeting was called to order by Council President Finsland at 7:09 p.m. in the Government Center, Board Room 201.

ROLL CALL

1. Public Works Director Goetzman requested discussion of the viability of the Moccasin Mike Landfill. (*ref'd from 4/15/14 Reg. Council mtg*)

Dave Yanke, Leidos Engineering, LLC presenting reports on the following:

- a) Municipal Solid Waste Cost of Service Analysis; and
- b) Wasteshed Analysis

David Yanke, Leidos Vice President, provided the Council with the Municipal Solid Waste Cost of Service Analysis – Final Report and Wasteshed Analysis. The City retained the services of Leidos to complete a financial review of the City's solid waste utility. Solid waste services provided by the City include the following: residential solid waste collection for single-family, multi-family apartments, and small "mom and pop" businesses; front load solid waste collection; and disposal services offered via the City's Moccasin Mike Landfill. With the exception of the annual transfer from the General Fund, solid waste collection is currently provided free of charge to all customers. Currently residential and front-load customers do not pay a user fee which is an uncommon practice within the solid waste industry. If changes are not made, the solid waste utility will be under-recovering approximately \$2.1 million per year beginning FY2014.

The study equitably distributes costs between residential, front-load and landfill customers to ensure the rate structures are fair and equitable to all customer classes. The rates are designed to recover all costs associated with operations and maintenance, debt service, and capital outlays, as well as design and permitting costs associated with future cell construction, and funding future closure and post-closure care costs. Based on the cost of service analysis conducted, Mr. Yanke summarized Key Findings and Rate Recommendations:

Implement Residential and Front-Load User Fees Residential: \$16.31 FY 2014 - \$17.37 FY 2018; and front load per lift: \$22.10 FY 2014 - \$24.13 FY 2018. Implementation of user fees will contribute approximately \$2 million to the City's solid waste division on an annual basis. This will allow the City to sufficiently fund collection and landfill operations without dependency on a general fund transfer.

Lobby State Legislature to remove "Garbage Collection" fee language as it relates to the tax levy to allow the City of Superior to have collection practices similar to the rest of the cities providing solid waste services.

Eliminate the \$1,000,000 subsidy from the General Fund. If user fees are implemented, the subsidy from the General Fund can be eliminated.

Implement a Multiple Container Fee for residential and "mom and pop" businesses. Fees of \$8 to \$10 per container, per month for multiple containers is a common practice in the solid waste industry and would potentially generate an additional \$40,000 to \$60,000 per year.

Discuss raising WLSSD Contractual Tipping Fee. Attempt to increase incoming tonnage per the findings presented by Leidos in the April 2014 Wasteshed Analysis Report.

Evaluate Commercial Collection Options. Consider whether to compete with private haulers for accounts in the City. These could potentially increase the utilization and revenue generated by the front-load truck, as it appears to be presently under-utilized. Another option would be to get out of the front-load business altogether.

Consider a Private Hauler Permit or Franchise Fee. A permit mechanism would allow the City to monitor what haulers are operating within their community and could potentially generate revenue via a franchise agreement.

In response to Councilor's questions Mayor Hagen and Finance Director Vito advised they will be meeting with State representatives in the future regarding the Garbage Collection fee language and will update the Council.

No action.

2. Finance Director Vito, Capital Improvement Program (CIP).

Withdrawn.

BUSINESS BY PUBLIC

MOTION by Councilor Bender, seconded by Fennessey and carried, meeting adjourned at 8:20 p.m.

Respectfully submitted,
Linda Byrnes, Deputy City Clerk