

CITY OF MILWAUKEE FISCAL NOTE

A) **DATE** September 19, 2003

FILE NUMBER: 030527

Original Fiscal Note Substitute

SUBJECT: A resolution authorizing the DPW to enter into a lease agreement with Miller Compressing Company for a portion of the City Tow Lot for the preparation of vehicles for recycling and to enter into a contract with Miller for the processing, transporting and recycling of all vehicles scheduled for recycling by the City.

B) **SUBMITTED BY (Name/title/dept./ext.):** Dorinda Floyd, DPW-Administration (extension 5582)

C) **CHECK ONE:**

ADOPTION OF THIS FILE AUTHORIZES EXPENDITURES

ADOPTION OF THIS FILE DOES NOT AUTHORIZE EXPENDITURES: FURTHER COMMON COUNCIL ACTION NEEDED. LIST ANTICIPATED COSTS IN SECTION G BELOW.

NOT APPLICABLE/NO FISCAL IMPACT.

D) **CHARGE TO:**

<input type="checkbox"/> DEPARTMENT ACCOUNT (DA)	<input type="checkbox"/> CONTINGENT FUND (CF)
<input type="checkbox"/> CAPITAL PROJECTS FUND (CPF)	<input type="checkbox"/> SPECIAL PURPOSE ACCOUNTS (SPA)
<input type="checkbox"/> PERM. IMPROVEMENT FUNDS (PIF)	<input type="checkbox"/> GRANT & AID ACCOUNTS (G & AA)
<input checked="" type="checkbox"/> OTHER (SPECIFY) Parking Fund	

E) PURPOSE	SPECIFY TYPE/USE	ACCOUNT	EXPENDITURE	REVENUE	SAVINGS
SALARIES/WAGES:					
SUPPLIES:					
MATERIALS:					
NEW EQUIPMENT:					
EQUIPMENT REPAIR:					
OTHER:	Recycling Revenue			\$65,700	
	Lease Revenue			\$10,000	
	Towing Costs				\$156,000
TOTALS					

F) FOR EXPENDITURES AND REVENUES WHICH WILL OCCUR ON AN **ANNUAL** BASIS OVER SEVERAL YEARS CHECK THE APPROPRIATE BOX BELOW AND THEN LIST EACH ITEM AND DOLLAR AMOUNT **SEPARATELY**.

<input type="checkbox"/> 1-3 YEARS	<input type="checkbox"/> 3-5 YEARS	The lease and contract are for 7 years with a 3-year extension. Revenue
<input type="checkbox"/> 1-3 YEARS	<input type="checkbox"/> 3-5 YEARS	estimates and cost savings are based on the City providing Miller
<input type="checkbox"/> 1-3 YEARS	<input type="checkbox"/> 3-5 YEARS	Compressing with 16,400 scrap vehicles annually (2002 level).

G) **LIST ANY ANTICIPATED FUTURE COSTS THIS PROJECT WILL REQUIRE FOR COMPLETION:** All costs for capital improvements to the Tow Lot will be financed by Miller Compressing. The City will be responsible for providing electrical service to the site.

H) COMPUTATIONS USED IN ARRIVING AT FISCAL ESTIMATE: Under the contract Miller Compressing will pay the City \$4 more per vehicle
Over the computed scrap value. This is estimated to total \$65,700 per year if the City provides 16,400 vehicles to Miller (2002 level). Currently the City
Pays \$23 per vehicle to tow from the Tow Lot to Miller. Under the contract the towing cost is \$13.50 per vehicle. Processing costs will remain at \$23.50
Per vehicle. The City will also receive \$10,000 per year to lease a portion of the Tow Lot to Miller. Costs are fixed throughout the contract period.

PLEASE LIST ANY COMMENTS ON REVERSE SIDE AND CHECK HERE