

LRB – RESEARCH AND ANALYSIS

SEPTEMBER 10, 2009 AGENDA

ITEM 23, FILE 090409

PUBLIC WORKS COMMITTEE

JAMES CARROLL

File #090409 is a substitute resolution approving the 2010 monthly solid waste collection charge for multiunit dwellings with 5 or more units.

BACKGROUND

1. The 2001 Proposed Budget eliminated the garbage collection service to multiunit dwellings (apartment) with 5 units or more. During the 2001 Budget amendment process, an amendment was passed restoring the service and changing the Code to require that the fee imposed provide 100% recovery of the current cost of providing solid waste collection services to multiunit dwellings.
2. Section 79-2-1-b-2 of the Milwaukee Code states "...the amount of the fee charged under this paragraph shall be determined on or before January 31 of each year by the commissioner of public works, subject to the approval of the common council."
3. The owners of multiunit dwellings with 5 or more units have the option of using the City or private contractors for solid waste collection. There are approximately 2,660 residential buildings in the City of Milwaukee with 5 units or more. The City provides solid waste collection to approximately 30% of these buildings.
4. The last increase to the solid waste collection rates for multiunit dwellings with 5 or more units occurred in 2009.

DISCUSSION

1. The 2010 multiunit collection rates will increase approximately 6% to recover costs related to the pension shortfall. The table below compares the 2009 with 2010 monthly rates.

Size	2009 Rate	2010 Rate
Front Load		
2- YD	\$61.00	\$64.67
3-YD	\$66.00	\$70.00
4-YD	\$70.00	\$74.34
6-YD	\$80.00	\$84.67
8-YD	\$90.00	\$95.34
Rear Load		
2-YD	\$100.00	\$106.00
Carts		
Cart	\$15.00	\$16.00

NOTE: All charges are per month, collection is weekly, and billing is quarterly.

FISCAL IMPACT

The 2010 Requested Budget includes a revenue estimate of \$1,475,000 for Apartment Garbage Pick-Up revenue. The Budget Office estimates the

approximate 6% rate increase will generate approximately \$83,000 in additional revenue, for a total 2010 revenue estimate of approximately \$1,558,000. The Comptroller's Office has not yet recognized 2010 Apartment Garbage Pick-Up revenue.

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