



CITY OF EVANSTON  
INTERDEPARTMENTAL MEMORANDUM

Date: July 1, 2009  
To: Rolanda B. Russell, Interim City Manager  
From: Suzette Eggleston, Interim Public Works Director  
Subject: Sanitation Overview Update (Revised)

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In April, staff presented a sanitation overview to the A&PW Committee that recommended some significant changes to how the City of Evanston provides solid waste services to its residents. (See Attachment A.) Council members requested that staff arrange a special meeting to explore the proposal in greater detail. Staff was directed to present the information in the traditional budget format and to show all cost increases.

The following tables depict the impacts of the recommendations by business unit and account number. The numbers presented here are slightly different than those listed in the original report. The primary reason for the change is that, staff after additional consideration, is proposing elimination of the special pick-up program. The elimination of this program will result in the reduction of two FTEs and one additional refuse truck. The elimination of these two positions, in addition to the original three proposed will not result in the displacement of any FTE currently employed in the division. The division currently has five vacancies. These vacant positions are currently filled by temporary and seasonal employees.

Finally, Council asked staff to address the loss of employment opportunities as a result of the proposed reduction in FTEs. To minimize the loss of employment opportunities, staff proposes that the RFP for refuse collection include a local employment provision that requires the contractor to hire and retain a percentage of Evanston residents. In addition, the Water & Sewer Division has recently launched an apprenticeship program aimed at training Evanston residents to excel in the water and sewer trades.

**CITY OF EVANSTON  
STREETS AND SANITATION ADMINS  
2665**

<b>Object Code</b>	<b>Description</b>	<b>2009-2010 Budget</b>	<b>2009-2010 w/ recommendations</b>	<b>Increase/(Decrease)</b>
61010	Regular Pay	\$461,300	\$496,300	\$35,000
61110	Overtime Pay	\$18,000	\$18,000	\$0
61210	Longevity	\$5,600	\$5,600	\$0
61510	Health Insurance	\$63,400	\$63,400	\$0
61615	Life Insurance	\$500	\$500	\$0
61625	Auto Allowance	\$1,800	\$1,800	\$0
61630	Shoe Allowance	\$400	\$400	\$0
61710	IMRF	\$39,700	\$44,700	\$5,000
61725	Social Security	\$29,900	\$32,900	\$3,000
61730	Medicare	\$7,000	\$7,500	\$500
62295	Training & Travel	\$5,000	\$5,000	\$0
62305	Rental of Auto-Fleet Services	\$42,600	\$42,600	\$0
62360	Membership Dues	\$1,200	\$1,200	\$0
64540	Telecommunications - Wireless	\$25,000	\$25,000	\$0
65010	Books, Publications, Maps	\$500	\$500	\$0
65095	Office Supplies	\$2,500	\$2,500	\$0
65625	Furniture & Fixtures	\$3,500	\$3,500	\$0
<b>Total</b>		<b>\$707,900</b>	<b>\$751,400</b>	<b>\$43,500</b>

**CITY OF EVANSTON  
STREET & ALLEY MAINTENANCE  
2670**

<b>Object Code</b>	<b>Description</b>	<b>2009-2010 Budget</b>	<b>2009-2010 w/ recommendations</b>	<b>Increase/(Decrease)</b>
61010	Regular Pay	\$861,600	\$861,600	\$0
61060	Seasonal Employees	\$29,000	\$29,000	\$0
61110	Overtime Pay	\$35,000	\$35,000	\$0
61210	Longevity	\$18,000	\$18,000	\$0
61510	Health Insurance	\$158,600	\$158,600	\$0
61615	Life Insurance	\$1,300	\$1,300	\$0
61630	Shoe Allowance	\$2,000	\$2,000	\$0
61710	IMRF	\$74,900	\$74,900	\$0
61725	Social Security	\$57,800	\$57,800	\$0
61730	Medicare	\$13,500	\$13,500	\$0
62295	Training & Travel	\$3,000	\$3,000	\$0
62305	Rental of Auto-Fleet Services	\$503,800	\$503,800	\$0
62415	Debris/Removal Contractual Costs	\$75,000	\$75,000	\$0
62509	Service Agreements/Contracts	\$25,000	\$150,000	\$125,000
65020	Clothing	\$800	\$800	\$0
65055	Mater. To Maint. Imp	\$135,000	\$135,000	\$0
65085	Minor Equipment & Tools	\$15,000	\$15,000	\$0
65090	Safety Equipment	\$1,500	\$1,500	\$0
65625	Furniture & Fixtures	\$5,000	\$5,000	\$0
<b>revenue</b>				
<b>2670 STREET &amp; ALLEY MAINTENANCE</b>		<b>\$2,015,800</b>	<b>\$2,140,800</b>	<b>\$125,000</b>

**CITY OF EVANSTON  
REFUSE COLLECTION AND DISPOSAL  
2685**

<b>Object Code</b>	<b>Description</b>	<b>2009-2010 Proposed</b>	<b>2009-2010 w/ recommendations</b>	<b>Increase/(Decrease)</b>
61010	Regular Pay	666,300.00	0.00	(666,300.00)
61050	Permanent Part-time	16,900.00	0.00	(16,900.00)
61060	Seasonal Employees	24,000.00	0.00	(24,000.00)
61110	Overtime Pay	60,000.00	0.00	(60,000.00)
61210	Longevity	8,900.00	0.00	(8,900.00)
61510	Health Insurance	126,900.00	0.00	(126,900.00)
61615	Life Insurance	1,500.00	0.00	(1,500.00)
61630	Shoe Allowance	1,700.00	0.00	(1,700.00)
61710	IMRF	62,800.00	0.00	(62,800.00)
61725	Social Security	48,500.00	0.00	(48,500.00)
61730	Medicare	11,300.00	0.00	(11,300.00)
62210	Printing	20,000.00	0.00	(20,000.00)
62275	Postage Chargebacks	300.00	0.00	(300.00)
62295	Training & Travel	1,300.00	0.00	(1,300.00)
62305	Rental of Auto-Fleet Services	525,700.00	0.00	(525,700.00)
62380	Copy Machine Charges	2,500.00	0.00	(2,500.00)
62390	Condominium Refuse Collection	500,000.00	500,000.00	0.00
62405	SWANCC Disposal Fees	1,084,200.00	1,084,200.00	0.00
62415	Residential Refuse Collection	0.00	1,341,000.00	1,341,000.00
65015	Chemicals	300.00	0.00	(300.00)
65020	Clothing	2,000.00	0.00	(2,000.00)
65055	Mater. To Maint. Imp	500.00	0.00	(500.00)
65085	Minor Equipment & Tools	1,000.00	0.00	(1,000.00)
65090	Safety Equipment	1,200.00	0.00	(1,200.00)
65625	Furniture & Fixtures	60,000.00	0.00	(60,000.00)
68310	Debt Service Other Agencies	80,000.00	80,000.00	0.00
<b>Subtotal</b>		<b>3,307,800.00</b>	<b>3,005,200.00</b>	<b>(302,600.00)</b>

53605	Sanitation Service Charge (revenue)	-1,692,400.00	-2,465,166.00	(772,766.00)
<b>TOTAL</b>		<b>1,615,400.00</b>	<b>540,034.00</b>	<b>(1,075,366.00)</b>
	Cost avoidance Injuries		(100,000.00)	
	Cost avoidance replacement carts	one time	(800,000.00)	
	Cost avoidance equipment maintenance		(100,000.00)	
<b>Grand Total</b>		<b>1,615,400.00</b>	<b>(459,966.00)</b>	<b>(2,075,366.00)</b>

**CITY OF EVANSTON  
RESIDENTIAL RECYCLING  
2690**

<b>Object Code</b>	<b>Description</b>	<b>2009-2010 Proposed</b>	<b>2009-2010 w/ recommendations</b>	<b>Increase/(Decrease)</b>
62415	Debris/Removal Contractual Costs	766,000.00	0.00	(766,000.00)
65125	Other Commodities	2,500.00	5,000.00	2,500.00
65625	Furniture & Fixtures	200,000.00	0.00	(200,000.00)
61010	Regular Pay	0.00	380,800.00	380,800.00
61050	Permanent Part-time	0.00	0.00	0.00
61060	Seasonal Employees	0.00	24,000.00	24,000.00
61110	Overtime Pay	0.00	30,000.00	30,000.00
61210	Longevity	0.00	5,340.00	5,340.00
61510	Health Insurance	0.00	76,140.00	76,140.00
61615	Life Insurance	0.00	900.00	900.00
61630	Shoe Allowance	0.00	1,020.00	1,020.00
61710	IMRF	0.00	37,680.00	37,680.00
61725	Social Security	0.00	29,100.00	29,100.00
61730	Medicare	0.00	6,780.00	6,780.00
62210	Printing	0.00	20,000.00	20,000.00
62275	Postage Chargebacks	0.00	300.00	300.00
62295	Training & Travel	0.00	780.00	780.00
62305	Rental of Auto-Fleet Services	0.00	330,000.00	330,000.00
62380	Copy Machine Charges	0.00	2,500.00	2,500.00
65015	Chemicals	0.00	300.00	300.00
65020	Clothing	0.00	1,000.00	1,000.00
65055	Mater. To Maint. Imp	0.00	500.00	500.00
65085	Minor Equipment & Tools	0.00	1,000.00	1,000.00
65090	Safety Equipment	0.00	800.00	800.00
65625	Furniture & Fixtures	0.00	20,000.00	20,000.00
<b>Subtotal</b>		<b>968,500.00</b>	<b>973,940.00</b>	<b>5,440.00</b>
53602	Recycling Incentive (revenue)	-150,000.00	-150,000.00	0.00
52186	Solid Waste Admin Fee (revenue)	-170,000.00	-170,000.00	0.00
<b>TOTAL</b>		<b>648,500.00</b>	<b>653,940.00</b>	<b>5,440.00</b>

**CITY OF EVANSTON  
YARD WASTE SERVICES  
2695**

<b>Object Code</b>	<b>Description</b>	<b>2009-2010 Proposed</b>	<b>2009-2010 w/ recommendations</b>	<b>Increase/(Decrease)</b>
61010	Regular Pay	\$107,800	\$107,800	\$0
61060	Seasonal Employees	\$60,000	\$60,000	\$0
61510	Health Insurance	\$21,100	\$21,100	\$0
61615	Life Insurance	\$400	\$400	\$0
61630	Shoe Allowance	\$500	\$500	\$0
61710	IMRF	\$8,800	\$8,800	\$0
61725	Social Security	\$10,300	\$10,300	\$0
61730	Medicare	\$2,400	\$2,400	\$0
62295	Training & Travel	\$200	\$200	\$0
62305	Rental of Auto-Fleet Services	\$38,300	\$38,300	\$0
62415	Debris/Removal Contractual Costs	\$160,000	\$160,000	\$0
65020	Clothing	\$400	\$400	\$0
<b>Subtotal</b>		<b>\$410,200</b>	<b>\$410,200</b>	<b>\$0</b>
	Proposed Revenue Yard Waste limit	0.00	-25,000.00	(25,000.00)
<b>TOTAL</b>		<b>410,200.00</b>	<b>385,200.00</b>	<b>(25,000.00)</b>

<b>Business Unit</b>	<b>2009-10 Proposed</b>	<b>2009-10 w recommendations</b>	<b>Change in Cost</b>
2665	707,900.00	751,400.00	43,500.00
2670	2,015,800.00	2,140,800.00	125,000.00
2685	1,615,400.00	(459,966.00)	(2,075,366.00)
2690	648,500.00	653,940.00	5,440.00
2695	410,200.00	385,200.00	(25,000.00)
<b>Total</b>	<b>5,397,800.00</b>	<b>3,471,374.00</b>	<b>(1,926,426.00)</b>

As a result of implementing the four original recommendations and the new recommendation to eliminate the special pick-up program the City can reduce solid waste costs by just under \$2 million, therefore staff recommends approval. Time is of the essence to ensure that staff has sufficient time to contract the services in advance of the recycling and condo refuse contracts that both expire on February 28, 2010.



**CITY OF EVANSTON  
INTERDEPARTMENTAL MEMORANDUM**

Date: April 22, 2009

To: Rolanda B. Russell, Interim City Manager

From: Suzette Eggleston, Superintendent of Streets and Sanitation  
David Stoneback, Interim Public Works Director

Subject: Sanitation Overview Update

**Introduction**

Solid waste operations are one of the costliest services provided by municipalities. Some cities have reduced service levels, privatized operations; established pay as you throw programs or established a franchise in an effort to reduce costs. This report represents the third staff review of the City's solid waste operation and provides four recommendations that decrease expenditures and/or increases revenues.

**Background**

In 1999, City staff prepared a report analyzing the City's refuse operation at the request of the City Council. The report concluded that city collection operations were higher than those that could be provided by contract. The report recommended that a Request For Proposal (RFP) be prepared to confirm the financial reduction assumptions presented. In addition the report recommended a review of City's service delivery and operations. During the discussion of the report, four concerns were raised by Council.

- Customer satisfaction after conversion to private contractor
- Percent of Evanston residents that would be impacted as a result of privatization
- Confirmed employment of city workers displaced as a result of privatization
- The ability of city workers to provide the service at contract prices

As a result of these concerns the RFP was tabled and staff focused on improving the competitiveness of the city workers performing the service.

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In early 2006 SWANCC performed a cost analysis of City's refuse and yard waste operations that showed City costs were higher than the contractor's average costs for each service. The City Manager requested the Superintendent of Streets and Sanitation to confirm SWANCC's findings and to prepare recommendations to reduce costs. The initial staff review, prepared in concert with a work group comprise mostly of sanitation workers, was presented to Administration and Public Works Committee (APW) in the fall of 2006. It showed City refuse collection costs were 40% higher than the SWANCC contractor average and City yard waste collection costs were 10 % higher. Staff presented recommendations that resulted in reducing the city refuse cost to slightly higher than 10% of than the SWANCC contractor average. In 2007 a second sanitation overview was presented with recommendations developed by the same work group that further reduced refuse and yard waste collection costs. These recommendations brought City costs to within single digit percentages of the SWANCC contractor average costs. The recommendations from 2006 and 2007 resulted in over \$350,000 in cost savings and/or cost avoidance.

The following table is a comparison of the City's solid waste expenditures and revenues for the last two fiscal years and the current budget year.

Solid Waste Expenditures	2007/2008	2008/2009	2009/2010
Refuse	\$1,682,192	\$1,538,581	\$1,659,300
Condo Refuse	\$454,376	\$446,146	\$500,000
SWANCC disposal	\$1,106,892	\$1,011,656	\$1,164,200
MSWF Cost Assistance		\$60,000	\$60,000
Yard waste	\$511,836	\$500,637	\$250,200
Residential Recycling	\$697,380	\$711,858	\$739,400
<b>Total Expenditures</b>	<b>\$4,452,676</b>	<b>\$4,268,878</b>	<b>\$4,373,100</b>
Solid Waste Revenues			
Sanitation Service Charge	\$1,161,048	\$1,562,256	\$1,692,400
SSC Late fees	\$19,612	\$23,877	\$15,000
Special Pick-up	\$64,644	\$89,854	\$80,000
Cart Sales	\$22,984	\$26,099	\$30,000
SW Franchise Fees	\$0	\$120,000	\$120,000
Recycling Incentive	\$0	\$99,002	\$150,000
<b>Total Revenues</b>	<b>\$1,268,288</b>	<b>\$1,921,088</b>	<b>\$2,087,400</b>
<b>Overall Shortfall</b>	<b>\$3,184,388</b>	<b>\$2,347,790</b>	<b>\$2,285,700</b>

The table above shows that although expenditures are increasing, by implementing the recommendations proposed by the Sanitation Division the overall shortfall compared to revenues is decreasing.

**Current Service**

The following table shows the cost per household per month based on the FY09/10 budgeted for solid waste services provided by the City.

Service	Purpose	09/10 Budget Amount	Contract Expiration	Cost per Household Per month
<b>Recycling</b>				
Groot	Res & Condo	\$739,400	2-28-10	\$3.69 res/\$2.06 condo
City	Oakton Center	\$93,000	N/A	N/A
SWANCC	Incentive	(\$150,000)		
<b>Refuse</b>				
Flood Bros	Condo coll/disp	\$500,000	2-28-10	\$7.65
City	Collection	\$1,659,300	N/A	\$9.33
SWANCC	Disposal	\$1,164,200	N/A	\$6.55
<b>Yd Waste</b>				
City	Collection	\$250,200	N/A	\$1.03
SWANCC	Disposal	\$160,000	N/A	\$0.66

The refuse and yard waste City cost listed above do not include the actual cost to maintain the sanitation equipment or the worker’s compensation related costs. These costs are included in other portions of the budget. However, these costs must be included into the City collection cost in order to make a fair comparison to the SWANCC average contractor collection cost. When the equipment maintenance costs and the worker’s compensation figures are included, the City’s collection cost of \$9.33 per household figure above increases to over \$11.00 per household per month. When these numbers are factored in and compared to the SWANCC average contractor collection costs of \$7.50 per household per month, the City’s collection costs are approximately \$300,000 to \$500,000 more per year than contracting out the service.

**Recommendations for Future Service**

In 2008, the sanitation work group continued its review of the sanitation operation initially focusing on ways to determine what actions could be taken to further reduce equipment maintenance, accident and injury costs. One of the recommendations we plan to implement is the development of an operator preventative maintenance program for refuse trucks to reduce equipment repairs and down time. The group later focused on contracting opportunities since the two major solid waste contracts are due to expire. Recommendations were identified in each of the following solid waste service areas.

**Recommendation 1 - Refuse and Recycling**

Recycling collection of residential properties and condominiums is currently performed under contract by Groot and condo refuse collection is performed under contract by Flood Brothers. Both contracts expire in 2010 making now the opportune time to recommend changes to the program.

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Staff does not believe the alternative of contracting out both refuse and recycling collection is the right solution for Evanston. Staff therefore recommends sanitation crews redirect their work efforts to the residential and condominium recycling collection and contract out both residential and condominium refuse collection. The City would still be responsible for the refuse disposal cost due to its contract with SWANCC.

Redirecting City efforts to recycling collection and contracting out refuse collection will have the following impacts:

### Impact on Fleet Equipment Costs

Equipment Type	Current number	Proposed number
Garbage Trucks	12	8
Yard Waste Trucks	4	4
<b>TOTAL</b>	<b>16</b>	<b>12</b>

Reduction in fleet of four garbage trucks with an annual maintenance cost of approximately \$35,000 each will result in a savings of \$140,000. Additionally, there will be a cost avoidance of \$175,000 in CIP equipment replacement. In a normal budget year the City replaces two garbage trucks per year and with the fleet reduction and operational changes the equipment replacement schedule can be reduced to one per year.

### Impact on Personnel Costs

Current Structure	FTEs	Proposed Structure	FTEs
2-men/truck, 5 routes	10	1-man/truck, 6 routes	6
Special pick-ups	2	Special pick-ups	2
Shuttle/vacation coverage	1	Shuttle/vacation coverage	1
<b>TOTAL</b>	<b>13</b>	<b>TOTAL</b>	<b>9</b>

The proposed structure results in a reduction in personnel of four FTEs beginning in FY 2010/11. Using the established rate of \$75,000 for each FTE, the City will save \$300,000 annually in salary and benefits. The reduction in personnel will be accomplished through the elimination of two vacant positions within refuse and the transfer of two sanitation personnel into two vacancies in the streets section. These vacant positions were deliberately filled with temporary employees to accommodate the proposed structure change.

By collecting recycling the City will cut the trips to the dump site in half. The refuse tonnage requires most trucks to travel to the dump twice per day while recycling will require one trip. This will result in saving about \$15,000 in fuel costs based on today's price.

By contracting out refuse collection, the City will avoid the cost of paying approximately one million dollars for the replacement of desperately needed new garbage carts. The

## ATTACHMENT A

purchase price for replacement carts is included in the estimated cost of \$7.50 per household per month for contract refuse collection service, since the contractor would be responsible for providing the carts.

Staff believes that redirecting of the in-house collection work to just recycling and contracting out the refuse collection is the best scenario for Evanston and mitigates the concerns raised by the City Council in 1998. Partially contracting out the services allows City crews to cover any gaps in customer service that may occur as a result of privatization. In addition, there is no impact to the sixty percent of sanitation employees that are Evanston residents.

### **Recommendation 2 - Sanitation Service Charge**

Staff also recommends that the sanitation service charge be increased from \$6.95 to \$9.95 per household per month to offset collection and disposal cost of refuse. The chart below is a comparison of what other cities charge for refuse collection and disposal.

Evanston (proposed)	Glenview	Oak Park
\$9.95	\$17.39	\$18.26

The anticipated cost for contractual refuse collection is \$7.50 per household per month and the cost for refuse disposal is \$6.55 per household per month, or a total of \$14.05. Raising the sanitation service charge to \$9.95 will help offset this cost and still allow the City's cost to be significantly lower than other municipalities of the same size.

Additionally, staff believes that the service charge should be increased for additional carts. This proposal would raise the additional cart fee from \$2.50 to \$5.00 per cart. These two proposed increases will result in approximately \$600,000 in additional revenue.

### **Recommendation 3 - Yard waste**

The in-house collection of yard waste is the most efficient program within the solid waste operation. Since the work is seasonal, two FTEs are assigned to this business unit supplemented by four seasonal workers. In the off season, these two positions cover vacations in refuse and/or are assigned to snow removal operations. It should be noted that a third truck is utilized for approximately four weeks at the beginning of the yard waste season and again at the end of the season. Staffing for this truck is taken from the remaining streets and/or sanitation personnel.

The provision of yard waste collection and disposal has come under scrutiny in recent years because of the higher costs of contracting the service out, the higher costs of on-the-job injuries to workers involved in the collection, and the necessity of such service in light of the many green alternatives available to residents (such as mulching and composting). In Evanston there is an added concern of the higher costs associated with the City's collection and disposal of yard water generated by landscape companies that operate in Evanston as well as yard waste generated from private landscapers hired by

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Evanston residents. Skokie has recently limited their service in this area to spring clean-up and fall leaf collection only.

Staff has prepared the following four options designed to reduce or offset the City's collection and disposal costs of yard waste.

### Option 1

Limit the quantity of yard waste allowed each week. For example, three bundles of brush and four yard waste bags or alternatively a maximum of two City yard waste carts would be collected at no charge. Any additional yard waste would be assessed a special pick-up fee. Setting limits will either result in the adoption of green alternatives or increase special pick-up revenue. This option would also reduce work related injuries by promoting cart use and placing a limit on the number of bags that are manually lifted.

### Option 2

Require all residents to use yard waste carts. This option would further reduce work related injuries. While the option will increase revenue through the sale of carts, it would also increase costs due to the amount of time crews would have to dedicate to repairing carts.

### Option 3

Implement a yard waste sticker program. This option has been rejected by Council in the past. The projected sticker revenue of about \$200,000 would offset the cost of providing the service but does little to limit the amount of waste or reduce work related injuries.

### Option 4

Charge residents an annual fee for unlimited collection and disposal of yard waste during the season. For example in Glenview residents can pay an annual fee of \$71.20 to cover all yard waste collection for the entire season. This option will also offset the cost of the program but not limit the waste.

Staff recommends implementing Option 1 because it promotes green alternatives, helps to reduce work related injuries and creates a potential source of reoccurring revenue estimated at \$25,000 per year.

### **Recommendation 4 - Recycling Center Operations**

The City operates a recycling center drop off on Fridays, Saturdays and Sundays. Staff is proposing to eliminate this service. The implementation of the Municipal Solid Waste Franchise earlier this year has provided businesses and multifamily units in Evanston the opportunity to recycle curbside. Last summer staff conducted a survey of users of this service and found that approximately 50% of the people that dropped off recyclables were Evanston residents and the other 50% were Chicago, Lincolnwood, Skokie and Wilmette residents.

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This action will result in the displacement of one permanent part-time employee. The division would like to retain this position as a permanent part-time employee to assist with handling the call volume for the division.

However, closing the Recycling Center drop off will still result in a savings estimated at \$40,000 per year. These savings are realized by lower utility bills, as a result of less use of the facility, and costs associated with the disposal of the recycled materials collected at the site.

### Summary of Financial Impacts

The table below shows the impact of the proposed changes using the current budget year data.

	2009/2010	2009/2010 w recommendations
<b>Solid Waste Expenditures</b>		
Refuse	\$1,659,300	\$1,333,800
Condo Refuse	\$500,000	\$500,000
SWANCC disposal	\$1,169,200	\$1,169,200
Yard waste	\$250,200	\$250,200
Residential Recycling	\$739,400	\$923,000
SWF Cost assistance	\$60,000	\$60,000
<b>Total Expenditures</b>	<b>\$4,378,100</b>	<b>\$4,236,200</b>
<b>Solid Waste Revenues</b>		
Sanitation Service Charge	\$1,692,400	\$2,442,400
SSC Late fees	\$15,000	\$20,000
Special Pick-up	\$80,000	\$80,000
Cart Sales	\$30,000	\$30,000
Recycling Incentive	\$150,000	\$165,000
Yard waste Special fees		\$40,000
Recycling drop off closure		\$40,000
SW Franchise fees	\$120,000	\$120,000
<b>Total Revenues</b>	<b>\$2,087,400</b>	<b>\$2,937,400</b>
Cost avoid injuries		\$100,000
<b>Overall Short fall</b>	<b>\$2,290,700</b>	<b>\$1,198,800</b>

As indicated in the above table, adopting all four proposed recommendations will decrease expenditures by approximately \$140,000 and increase actual revenues by approximately \$850,000. An indirect cost saving of approximately \$100,000 is also anticipated due to less work related injuries. These measures help to close the gap between the expenditures and revenues in the Sanitation Division.

## **Next Steps**

Staff will prepare a RFP for refuse collection. The RFP would be advertised locally and sent to all vendors that operate within the SWANCC area. If pricing comes back close to the SWANNC average contractor price staff would be ready to award a contract quickly so that resources are in place to commence service on March 1, 2010.

## **Conclusion**

By contracting out a portion of the solid waste services, the City will be able to improve efficiency, provide stability to the existing workforce, ensure the residents receive a high level of customer service and have a safety net in place to revert back to City service if the contract service is deemed unacceptable.



# Sanitation Overview Update 09



## *Public Works Department*

## *Streets & Sanitation Division*

## *Sanitation Overview*

*Special Council Meeting  
July 8, 2009*



## Recommendations for Future Service

### Recommendation 1: Refuse and Recycling

City Crews collect recycling for residential and condo program

- Reduce worker's compensation related costs
- Reduce equipment maintenance and replacement costs
- Reduce personnel costs

Contract residential and condo refuse collection

- Lower cost of providing the service
- Contractor will provide replacement garbage carts

# Sanitation Overview Update 09

## Recommendations for Future Service

### Recommendation 1: Refuse and Recycling

#### Fleet Impact

Equipment Type	Current number	Proposed number
Garbage Trucks	12	7
Yard Waste Trucks	4	4
<b>TOTAL</b>	<b>16</b>	<b>11</b>

Fleet reductions will result in at least \$140,000 in repair costs and \$175,000 per year in replacement costs

#### Personnel Impact

Current Structure	FTEs	Proposed Structure	FTEs
2-men/truck, 5 routes	10	1-man/truck, 6 routes	6
Special pick-ups	2	Special pick-ups	0
Shuttle/vacation coverage	1	Shuttle/vacation coverage	1
<b>TOTAL</b>	<b>13</b>	<b>TOTAL</b>	<b>7</b>

Personnel reductions are the result of position eliminations and do not impact any current FTEs  
\$400,000 savings

# Sanitation Overview Update 09

## Recommendations for Future Service

### Recommendation 2: Sanitation Service Charge

Increase the sanitation service charge from \$6.95 to \$9.95 phpm

Evanston (proposed)	Glenview	Oak Park
\$9.95	\$17.39	\$18.26

Note: Evanston actual cost for collection and disposal are \$14.05

Increase the additional cart charge from \$2.50 to \$5.00 phpm

Changes will result in approximately \$600,000 in revenue



## Recommendations for Future Service

### Recommendation 3: Yard Waste

Option 1: Limit yard waste quantity and implement a special pick-up program for yard waste

Option 2: Require all residents to use yard waste carts

Option 3: Implement a yard waste sticker program

Option 4: Charge each resident an annual fee for unlimited yard waste collection

Staff recommends Option 1, limiting yard waste to three bundles and four bags or two yard waste carts  
Potential revenue \$25,000

## Recommendations for Future Service

### Recommendation 4: Recycling Center Operation

Discontinue the operation of the recycling center drop-off

- Audit reveals only 50% of the users are Evanston residents
- MSWF provides curbside recycling opportunity for businesses and multi-family dwellings
- Will result in the displacement of one permanent part-time employee (note: the department would like to retain this position to improve customer service in the division)
- Will result in about \$40,000 in savings associated with operating the facility

# Sanitation Overview Update 09

## Recommendations for Future Service

### Summary of Financial Impacts

Business Unit	2009-10 Proposed	2009-10 w recommendations	Change in Cost
2665	707,900.00	751,400.00	43,500.00
2670	2,015,800.00	2,140,800.00	125,000.00
2685	1,615,400.00	(459,966.00)	(2,075,366.00)
2690	648,500.00	653,940.00	5,440.00
2695	410,200.00	385,200.00	(25,000.00)
<b>Total</b>	<b>5,397,800.00</b>	<b>3,471,374.00</b>	<b>(1,926,426.00)</b>

# Sanitation Overview Update 09



## Recommendations for Future Service

### Next Step

Staff will prepare an RFP to contract refuse collection services