



Agenda Item Summary

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**Submitted By**

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**Reviewed By**

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**Agenda Item Title**

**First Reading of An Ordinance Amending Chapter 20 (“Public Health”), Article 7 (“Garbage, Weeds and Littering”) of the Oak Park Village Code Regarding Rates for Garbage, Refuse, Yard Waste and Recyclable Materials Collection Services as Reviewed at the October 24, 2019 Finance Committee Meeting**

**Overview**

This Ordinance proposes to increase the fees charged for refuse, recycling and yardwaste collection and disposal. These services are provided by Waste Management to owners of residential property containing one to five units as well as Oak Park Institutional Facilities. These new rates reflect the charges for collection per the contract with Waste Mangement and for disposal at the West Cook County Solid Waste Agency’s Regional Disposal Project.

**Recommendation**

This is a First Reading only.

**Fiscal Impact**

Fees collected for these services fund the Environmental Services Fund.

**Background**

The proposed fees were reviewed at a Finance committee meeting on October 24, 2019 as part of the annual budget process.

2020 will be the fourth year of a five year contract with Waste Management for refuse, recycling and Yardwaste collection. Disposal costs, Village administrative costs, Village wide leaf pickup and an alley improvement fee are included in the proposed rates in addition to the collection costs.

The proposed monthly rates for 2020 include the following highlights:

	2019 rate/mo.	2020 rate/mo.	Proposed % increase
96 gal trash cart	\$27.51	\$28.35	3.05%
64 gal trash cart	\$25.00	\$25.75	3.00%
Compost Cart	\$14.85	\$15.30	3.03%
Yard Waste Stickers	\$3.00	\$3.10	3.33%

Refuse Stickers	\$3.00	\$3.10	3.33%
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The monthly refuse rate includes charges for:

1. Refuse Collection
  2. Disposal Cost (a separate cost from Waste Management's fees)
  3. Villages Administrative costs
  4. Leaf Collection program
  5. Alley improvement fee
1. The FY2020 rates for Waste Management's waste hauling services increased by 2.5% per contract. See attached notice.
  2. Refuse cart rates for the 96 gallon trash cart are proposed to increase 3.05% to \$28.35/month to keep up with Waste Management's fees and Village administrative costs. The fee charged to residents covers the cost for this service.
  3. Refuse rates for the 64 gallon trash cart are proposed to increase 3.00% to \$25.75/month. The proposed increase will not cover the Villages cost of \$26.20 for the service. The Village would subsidize the 64 gallon trash service by \$0.45 or 1.75% per cart per month. For perspective, 2019 was the first year since offering the 64 gallon trash cart option where the user fee covered the cost of service. A comprehensive audit of trash carts on properties versus what is billed has not been conducted in several years. A preliminary audit has determined that the number of carts per contract and actual carts differs resulting in fluctuations in the Villages actual costs. Based on 2020 numbers the subsidy equates to \$2,038.
  4. The Compost cart rate is proposed to increase by 3.03% to \$15.30/month. To incentivize participation in the compost program it is recommended to keep the same incentive which provides the "first three months free" for first time users when agreeing to 12 months of service. The FY2020 fee charged by Waste Management is \$15.53/month. The Village would subsidize compost participants by \$0.23 or 1.5% per unit per month. Through nine months of 2019, 269 new users have signed up. Based on an estimated 300 new compost participants for 2020, a subsidy of approximately \$6,053 would be provided. Additionally, the estimated incentive for FY2020 would total \$13,770.
  5. Both Yard Waste and Refuse stickers are proposed to increase by 3.33% to \$3.10 per sticker. This rate is suggested to encourage the participation in the Composting program. Approximately 35,000 yard waste and 30,000 refuse stickers are sold annually.
  6. Ordinance change (20-7-2A): The weight limit for refuse cart collection was adjusted from 200lbs to 50lbs. The adjustment reflects the refuse cart weight limit outlined in the Waste Management contract.
  7. Ordinance change (20-7-2E): The alley improvement fee for additional carts was increased from \$1.25 to \$2.50. The increase allows for the price of additional carts to mirror the cost of the first cart. Additional cart costs can be calculated easily by simple multiple the cost of a single cart by the number of carts provided.

### Alternatives

The Board can delay action to gain additional information.

**Previous Board Action**

Fees for refuse, recycling and yardwaste collection and disposal were last increased at the Village Board meeting on November 19, 2018. On September 19, 2016 the Village Board approved a new five year agreement with Waste Management for collection and disposal

**Citizen Advisory Commission Action**

N/A.

**Anticipated Future Actions/Commitments**

The Board will next review refuse rates in late 2020 for FY 2021.

**Intergovernmental Cooperation Opportunities**

Oak Park Institutional facilities (Park District, Schools, Religious Institutions and various other Village non profit agencies) are able to take advantage of these rates if they elect to.