



Sanitation Department Discussion

January 28, 2020

Agenda

- ▶ Ballot Language
- ▶ History/Timeline of events
- ▶ Sanitation Department Budget - Current
- ▶ Sanitation Department Budget - With Recycling
- ▶ Current Truck Status
- ▶ Payment schedule to Capital Improvement Fund
- ▶ Conclusion/Summary



Ballot Language

- ▶ Shall the City of Westland levy a new millage of up to 1 mill against all taxable property for a 10-year period, beginning with tax year 2020 and ending with tax year 2029, inclusive, for the purpose of funding recycling and garbage services, including, but not limited to, recycling, bulk pickup/disposal, yard waste collection, composting and, trash pickup/disposal? 1 mill is equal to \$1.00 per \$1,000 of taxable value, and which rate shall be assessed without further reduction by Section 31 of Article IX, State Constitution of 1963, and without further annual vote by the electorate. If approved, the full millage will raise approximately \$1,750,000 the first year it is levied.



History/Timeline of events

- ▶ Fiscal year 1968-1969 - 3 mills - Public Act 298 of 1917 levy
- ▶ Fiscal years ending from 1981 to 2001 - Additional debt millage
- ▶ Fiscal years ending from 1986 to 2001 - Additional Sanitation millage for CWCSA expenditures up to 1 mill
- ▶ Fiscal year 2003-2004 - Incinerator closes - 20 year contract with Waste Management for Landfill
- ▶ Fiscal year 2009-2010 - Recycling program started
- ▶ Fiscal year 2010-2011 - City receives \$160,000 from recycling
- ▶ Fiscal year 2012-2013 - Last year City realizes revenue from recycling



History/Timeline of events

- ▶ Fiscal year 2013-2014 - 5 year contract for P4 program
- ▶ Fiscal year 2014-2015 - Purchase 7 refuse trucks
- ▶ Fiscal year 2015-2016 - First year paying for recycling at \$18/ton.
- ▶ Fiscal year 2017-2018 - Contract for Midwest extended until June 30, 2024
- ▶ Fiscal year 2018-2019 - Purchased 3 sanitation trucks and brought back bulk pickup
- ▶ Fiscal year 2018-2019 - Recycling cost increased - program suspended
- ▶ Fiscal year 2019-2020 - Millage proposed



Sanitation Department - Recycling Analysis

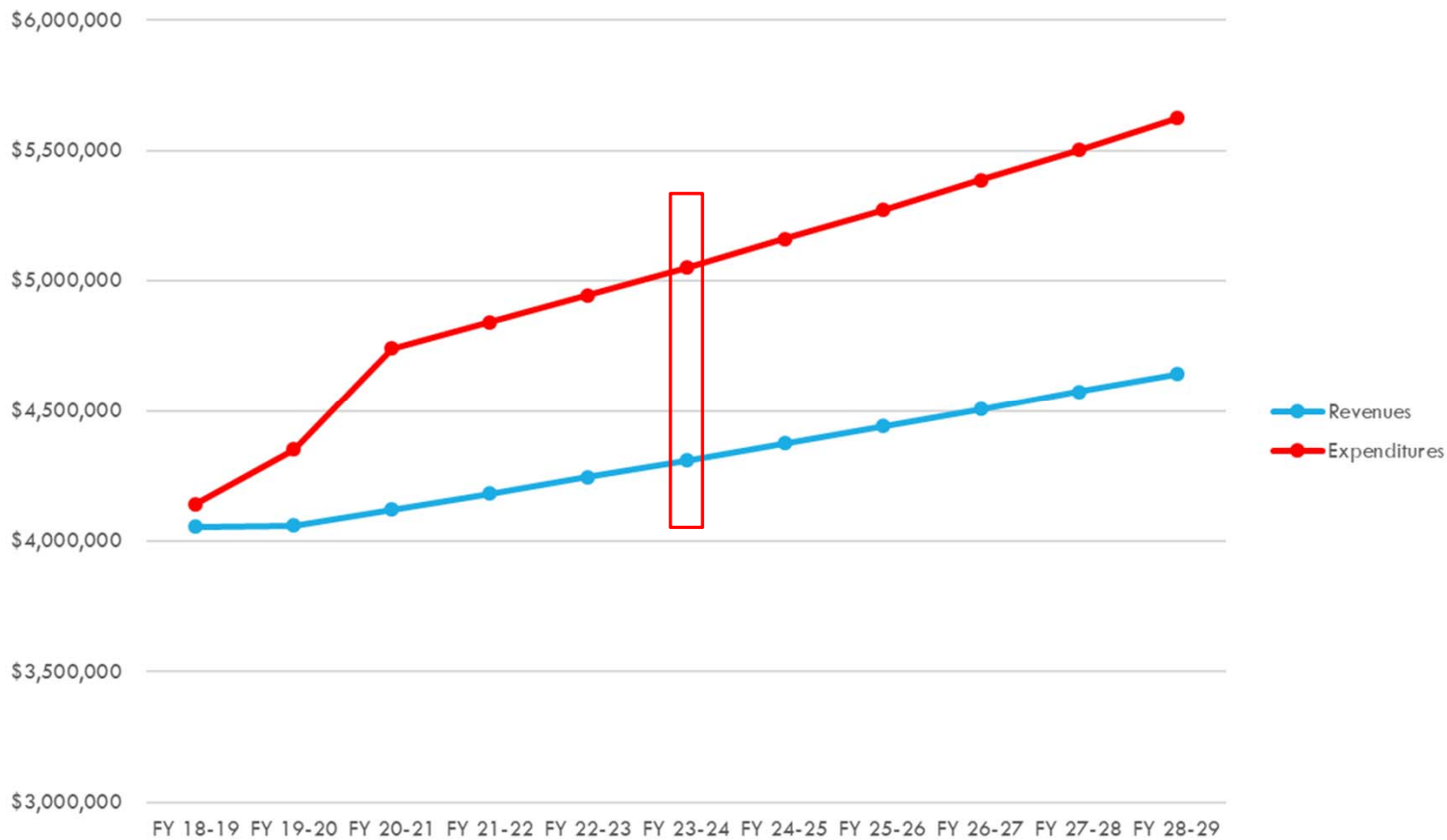


	Recycled Tons	Total Received (Paid) from Recycling	Rate at L/F	CWCSA Solid Waste Tons	Total Cost CWCSA	Total Solid Waste	Total Savings** at Landfill	% Recycled
Tons Recycled FY 18-19	2,512	\$ (45,224)	27.91	16,041	447,718	18,554	\$ 24,898	14%
Tons Recycled FY 17-18	4,289	\$ (77,201)	27.37	27,068	740,852	31,357	\$ 40,187	14%
Tons Recycled FY 16-17	4,074	\$ (73,326)	26.86	24,166	649,094	28,239	\$ 36,092	14%
Tons Recycled FY 15-16	4,568	\$ (82,224)	26.34	22,589	594,994	27,157	\$ 38,097	17%
Tons Recycled FY 14-15	4,837	\$ (54,590)	27.05	22,898	619,380	27,735	\$ 76,254	17%
Tons Recycled FY 13-14	5,329	\$ (12,959)	26.55	23,536	624,871	28,865	\$ 128,530	18%
Tons Recycled FY 12-13	5,329	\$ 26,782	26.03	23,089	601,001	28,418	\$ 165,502	19%
Tons Recycled FY 11-12	5,322	\$ 142,708	24.41	23,107	562,873	28,429	\$ 403,788	19%
Tons Recycled FY 10-11	5,767	\$ 160,154	23.80	23,690	563,830	29,457	\$ 297,410	20%
Tons Recycled FY 09-10	5,793	\$ 49,097	22.26	23,607	525,489	29,400	\$ 178,042	20%
Total Since Inception	47,820	33,216		229,791	5,930,103	277,611	1,388,800	17%
Pounds Recycled since inception	95,640,980							

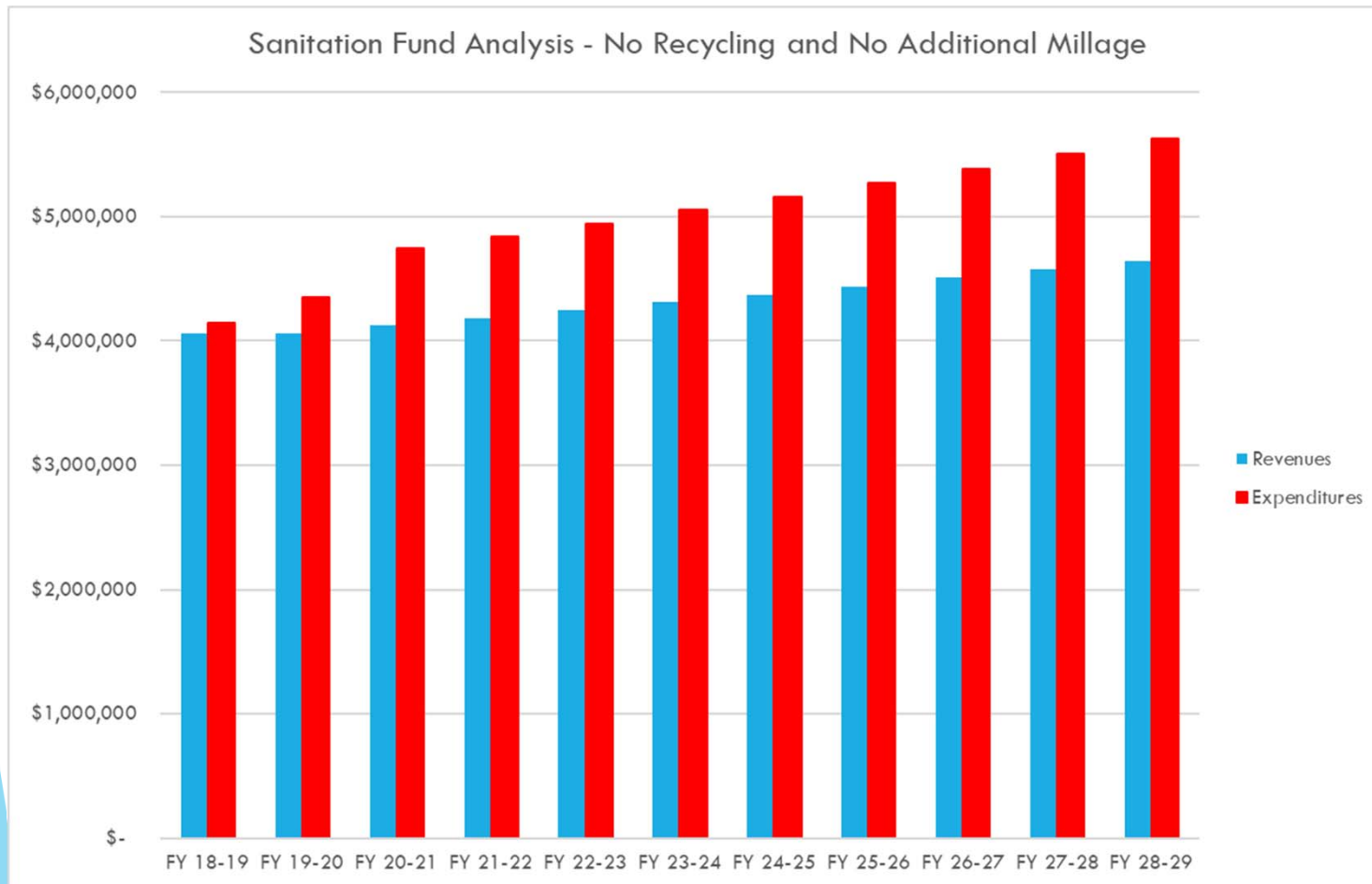
Sanitation Department Budget - Current



Sanitation Fund Analysis - No Recycling and No Additional Millage



Sanitation Department Budget - Current



Sanitation Department Budget - Current



- ▶ Tax Revenues estimated to go up 1.5% per year (based on past history)
- ▶ Revenues include a refund from the TIFA & DDA captures for the next ten years.
- ▶ Expenditures estimated to go up 2% to 3% based on individual line items and contracts
- ▶ End of Fiscal year 2024, the contract ends with Midwest Sanitation
- ▶ Also, at the end of Fiscal year 2024, the contract with the Landfill and CWCSA ends
- ▶ The debt payment to the CIP fund for the trucks is eliminated after FY 2030 (\$180k)
- ▶ Bond debt expires in FY 2034 (approx. \$130k annually)

Sanitation Department Budget - Current

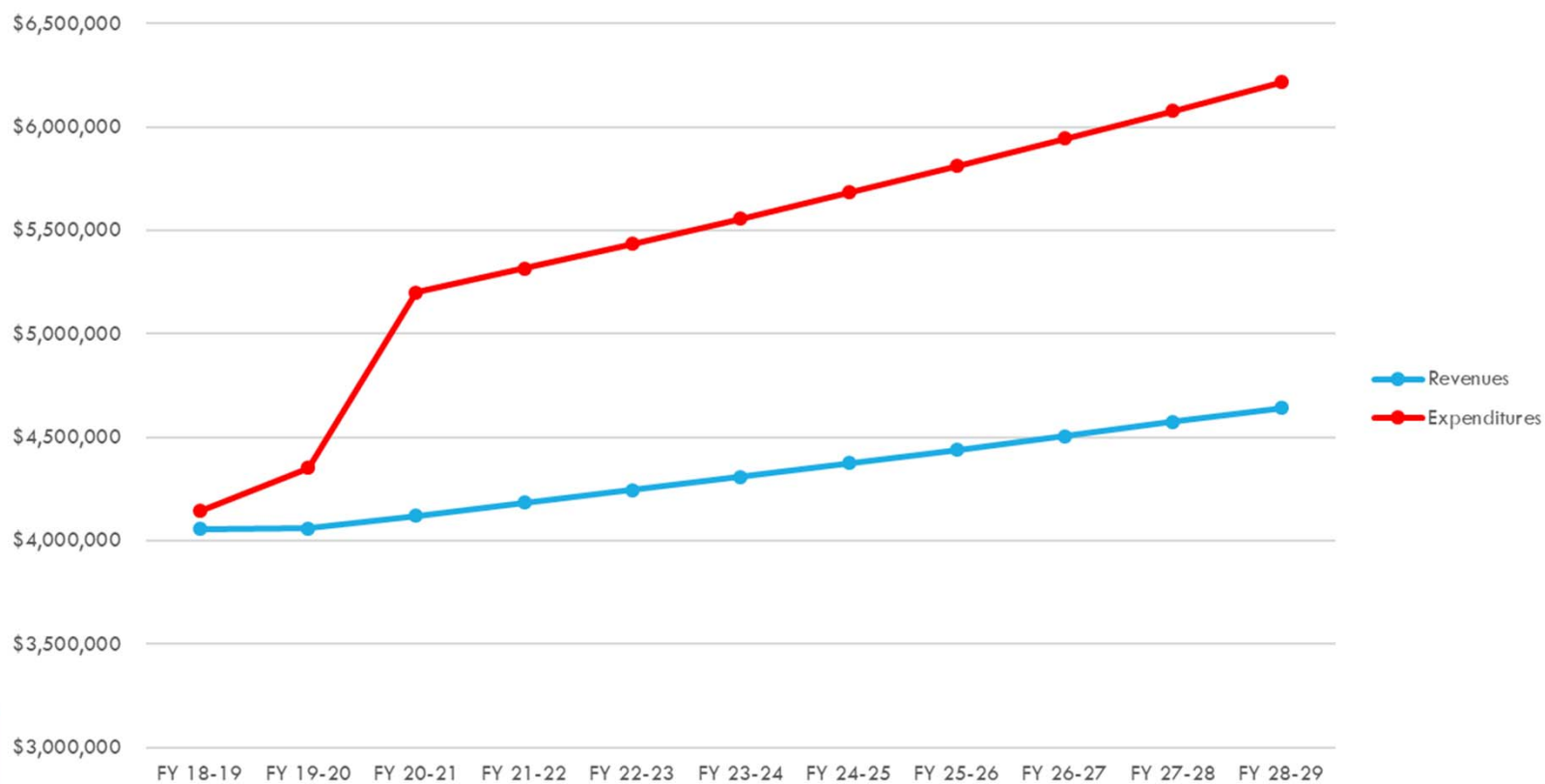


	Projected FY 19-20	Estimated FY 20-21	Estimated FY 28-29
Revenues:			
Total Estimated Tax Revenues	\$ 4,060,316	\$ 4,121,221	\$ 4,642,525
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Expenditures			
CWCSA (admin, monofill, compost, solid waste, bulk)	\$ 1,389,618	\$ 1,417,410	\$ 1,660,722
Midwest Sanitation (pick-up)	\$ 2,153,189	\$ 2,207,019	\$ 2,689,038
Debt Payments (Loan from CIP, Bond)	\$ 309,285	\$ 308,798	\$ 310,520
Administrative Costs (General Fund)	\$ 150,000	\$ 150,000	\$ 150,000
Operating	\$ 209,000	\$ 213,180	\$ 249,774
Repair & Maint (Trucks)	\$ 100,000	\$ 103,000	\$ 130,477
Capital Outlay (Bins)	\$ 40,000	\$ 41,200	\$ 52,191
Reserve for Truck Purchase		\$ 300,000	\$ 380,031
Total Estimated Expenditures	\$ 4,351,092	\$ 4,740,607	\$ 5,622,754
Balance (deficit)	\$ (290,776)	\$ (619,386)	\$ (980,229)

Sanitation Department Budget - With Recycling



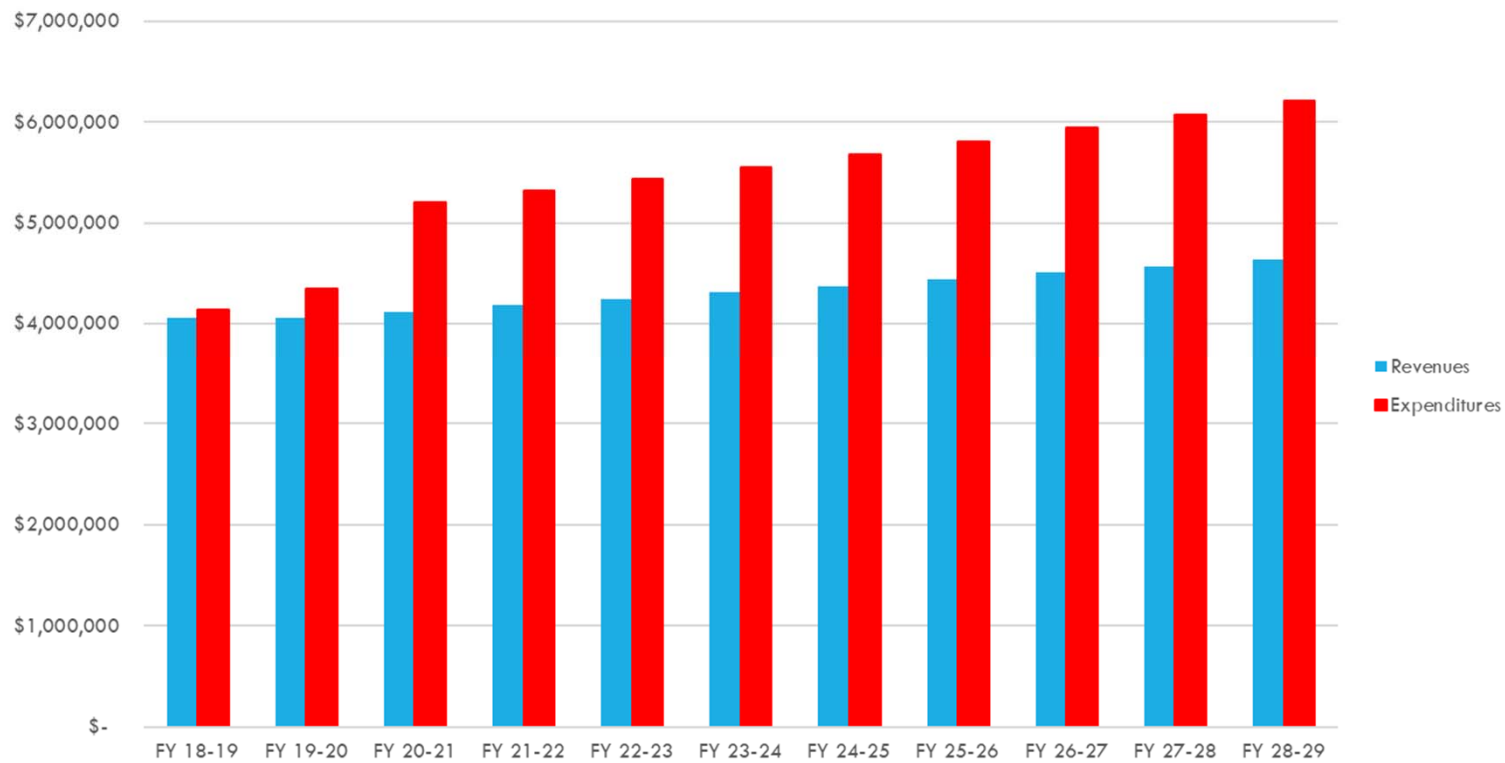
Sanitation Fund Analysis - With Recycling and No Additional Millage



Sanitation Department Budget - With Recycling



Sanitation Fund Analysis - With Recycling and No Additional Millage



Sanitation Department Budget - With Recycling

- ▶ Same assumption per the Current Sanitation Department Budget slides
- ▶ Recycling expenditure are estimated at 4,500 tons at \$130/ton
- ▶ Landfill costs are reduced to show the elimination of recycled material going to landfill



Sanitation Department Budget - With Recycling



	Projected FY 19-20	Estimated FY 20-21	Estimated FY 28-29
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Total Estimated Tax Revenues	\$ 4,060,316	\$ 4,121,221	\$ 4,642,525
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Expenditures			
CWCSA (admin, monofill, compost, solid waste, bulk)	\$ 1,389,618	\$ 1,291,410	\$ 1,513,093
Recycling (4,500 tons @\$130 Ton)		\$ 585,000	\$ 741,060
Midwest Sanitation (pick-up)	\$ 2,153,189	\$ 2,207,019	\$ 2,689,038
Debt Payments (Loan from CIP, Bond)	\$ 309,285	\$ 308,798	\$ 310,520
Administrative Costs (General Fund)	\$ 150,000	\$ 150,000	\$ 150,000
Operating	\$ 209,000	\$ 213,180	\$ 249,774
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Capital Outlay (Bins)	\$ 40,000	\$ 41,200	\$ 52,191
Reserve for Truck Purchase		\$ 300,000	\$ 380,031
Total Estimated Expenditures	\$ 4,351,092	\$ 5,199,607	\$ 6,216,185
Balance (deficit)	\$ (290,776)	\$ (1,078,386)	\$ (1,573,660)

Current Truck Status



Number	Sanitaiton Trucks	Year	Mileage	Hours	Status
MP-0293	Rear Load	2019	16,743	1,947	In service
MP-0294	Rear Load	2019	21,096	2,356	In service
MP-0291	Auto Load	2019	25,252	3,307	In service
MP-0162	Auto Load	2015	67,577	7,210	In service
MP-0163	Auto Load	2015	77,353	10,303	Not in Service due to engine repairs
MP-0164	Auto Load	2015	112,321	12,925	In service
MP-0185	Auto Load	2015	82,276	11,627	In service
MP-0186	Auto Load	2015	74,000	9,990	In service
MP-0188	Auto Load	2015	83,312	10,130	In service
MP-0187		2015	77353	10,303	Not in service due to fire

Payment schedule to Capital Improvement Fund



Payment schedule to Capital Improvement Fund(CIP)		Balance
Original Purchase 2014 (7 Trucks)		1,764,000
Payments		(500,000)
Balance 6/30/2018		1,264,000
New Trucks Purchased 18-19	653,042	1,917,042
6/30/2019 Paid	50,000	1,867,042
6/30/2020 Budget	180,571	1,686,471
6/30/2021 Budget	180,571	1,505,900
6/30/2022 Budget	180,571	1,325,329
6/30/2023 Budget	180,571	1,144,758
6/30/2024 Budget	180,571	964,187
6/30/2025 Budget	180,571	783,616
6/30/2026 Budget	180,571	603,045
6/30/2027 Budget	180,571	422,474
6/30/2028 Budget	180,571	241,903
6/30/2029 Budget	180,571	61,332
6/30/2030 Budget	61,332	-

Conclusion/Summary

- ▶ Questions?

