

**BUSINESS OF THE CITY COUNCIL
WINDSOR HEIGHTS, IOWA
AGENDA STATEMENT**

Item No. 12
For Meeting of 07/12/10

ITEM TITLE: Consideration of ordinance 10-07 to amend the 2010 Code of Ordinances by amending sections of Chapter 106: Collection of Solid Wastes, Curb It Fees—Final Reading

CONTACT PERSON(S): Marketa George Oliver, City Administrator

SUMMARY EXPLANATION:

Attached is an ordinance to adjust the rate for Curb It! service by \$.18 cents. The City was notified on May 25th by the Metro Waste Authority that rates would increase by eight cents effective July 1, 2010 as part of the CPI increase in the Waste Management contract. The CPI rate increase is a contract formula, based on both fuel and non-fuel factors. Below is a formula used in the contract. An additional \$.10 per month fee was approved by the MWA board in January to cover the cost of cart exchanges. In return, the resident will have easier cart exchanges and service, and will not incur the full \$25 charge. Garbage and recycling are billed on Des Moines Water Works accounts. The Curb It! rate includes the amount the City pays for Curb It! and an amount to offset billing costs, which brings the new total to \$3.15. This is a pass-through fee which is collected by the City and then disbursed to Metro Waste Authority. Please note that the City's rate also includes \$.32 approved by the Council in September of 2007 for storm debris collection. Following is an excerpt from Waste Management's contract to discuss how the CPI adjustment was calculated.

Fee Adjustment

After the first year of the contract the collection fee shall be adjusted as follows.

Two Component Fee

The Monthly Household Fee (MF) will be adjusted in two parts. The MF will be separated into a non-fuel based portion ($MF_{\text{non-fuel}}$) and a diesel fuel based portion (MF_{fuel}) based upon the following formula:

$$\begin{aligned} MF_{\text{non-fuel}} &= \text{Percent}_{\text{non-fuel}} \times MF_{\text{orig}} \\ MF_{\text{fuel}} &= \text{Percent}_{\text{fuel}} \times MF_{\text{orig}} \end{aligned}$$

where: MF_{orig} is the Monthly Household Fee identified by the Contractor on Form E of cost proposal;

$\text{Percent}_{\text{non-fuel}}$ is the percentage of the non-fuel component of the Monthly Household Fee as identified by the Contractor on Form E of cost proposal;

$\text{Percent}_{\text{fuel}}$ is the percentage of the fuel component of the Monthly Household Fee as identified by the Contractor on Form E of cost proposal.

Non-fuel Based Adjustment

The $MF_{\text{non-fuel}}$ portion shall be adjusted annually to reflect the Contractor's proposed percentage of the annual change in the Consumer Price Index (CPI) (Midwest Region, all items) as published by the U.S. Department of Labor, Bureau of Labor Statistics.

$$MF_{\text{non-fuel } n} = MF_{\text{non-fuel } n-1} \times (1 + \text{Percent}_{\text{non-fuel CPI}} \times ((CPI_n - CPI_{n-1})/CPI_{n-1}))$$

where: $MF_{\text{non-fuel } n-1}$ is the $MF_{\text{non-fuel}}$ for the immediately preceding Contract Year;
 CPI_n is, for any Operating Year, CPI for the month of April immediately preceding the Operating Year;
 CPI_{n-1} is, for any Operating Year, CPI for the month of April immediately preceding the Operating Year that immediately precedes such Operating Year;
 n is the Operating Year;
 $\text{Percent}_{\text{non-fuel } CPI}$ is the percentage of CPI identified by the Contractor on Form E of the cost proposal.

Fuel Base Adjustment

The MF_{fuel} portion shall be adjusted annually to reflect one-hundred percent (100%) of the annual change in the benchmark price of diesel (Retail On-highway Diesel Prices – Average All Types, Midwest Region) as determined by the Energy Information Administration (EIA).

$$MF_{\text{fuel } n} = MF_{\text{fuel } n-1} \times (1 + \text{Percent}_{CPI \text{ fuel}} \times ((DOE_n - DOE_{n-1})/DOE_{n-1}))$$

where: $MF_{\text{fuel } n-1}$ is the MF_{fuel} for the immediately preceding Contract Year;
 DOE_n is, for any Operating Year, the benchmark price of diesel for the week containing the 20th day of the month of April immediately preceding the Operating Year;
 DOE_{n-1} is, for any Operating Year, the benchmark price of diesel for the week containing the 20th day of the month of April immediately preceding the Operating Year that immediately precedes such Operating Year;
 n is the Operating Year;
 $\text{Percent}_{\text{fuel } CPI}$ is the percentage of CPI identified by the Contractor on Form E of the cost proposal.


Annual Adjustment

The Monthly Household Fee (MF) will be adjusted annually beginning July of each Operating Year based upon the following formula:

$$MF_n = MF_{\text{non-fuel } n} + MF_{\text{fuel } n}$$

where: MF is the Monthly Household Fee for the Contract Year;
 MF is the nonfuel component of the Monthly Household Fee;
 MF is the fuel component of the Monthly Household Fee;
 n is the Operating Year.

The Monthly Household Fee may increase or decrease based upon the CPI and/or DOE benchmark price of diesel fuel. No other fee surcharges shall be added to the Monthly Household Fee. This includes additional Environmental Surcharges or other adjustment factors.

<input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Contract <input type="checkbox"/> Other (Specify) _____
Funding Source _____
 _____ City Administrator
APPROVED FOR SUBMITTAL _____

RECOMMENDATION: Pass final reading of the ordinance on a roll call vote.

ORDINANCE NO. 10-07

CONSIDERATION OF AN ORDINANCE TO AMEND THE 2010 CODE OF ORDINANCES BY AMENDING SECTIONS OF CHAPTER 106: COLLECTION OF SOLID WASTES, CURB IT FEES

BE IT ENACTED by the City Council of the City of Windsor Heights, Polk County, Iowa:

SECTION 1. Purpose. The purpose of this ordinance is to amend certain sections of Chapter 35 of the Municipal Code, to provide an adjustment in recycling rates to provide services to protect the health, safety and welfare of the residents of the City of Windsor Heights.

SECTION 2. Amended. Chapter 106, 106.08 AUTHORIZATION FOR CHARGES.

2.

Recycling		
Monthly Recycling	\$2.97	\$3.15

SECTION 3. Repealer. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 4. Severability. If any section, provision or part of this ordinance shall be adjudged to be unconstitutional or invalid, such adjudication shall not affect the validity of this ordinance as a whole, or any section, provision or part thereof not adjudged unconstitutional or invalid.

SECTION 5. Effective Date. This ordinance shall be effective from and after its final passage, approval and publication as provided by law.

Passed by the City Council this 21st day of June, 2010 and approved this 12th day of July, 2010.

David J. Sullivan, Mayor

ATTEST:

Marketa George Oliver, City Clerk

CLERK'S CERTIFICATE 10-07

I, Marketa George Oliver, do hereby certify that I am the duly appointed, qualified and acting City Clerk of the City of Windsor Heights, Iowa, and that the above and foregoing is a true and correct copy of an ordinance passed by the City Council of the City of Windsor Heights, Iowa, as provided by law on the 21st day of June, 2010, approved as provided by law on the 12th day of July, 2010.

Marketa George Oliver, City Administrator/Clerk

Ordinance 10-07: CLERK'S CERTIFICATE

I, Marketa George Oliver, do hereby certify that I am the duly appointed, qualified and acting City Clerk of the City of Windsor Heights, Iowa, and that the above and foregoing is a true and correct copy of an ordinance passed by the City Council of the City of Windsor Heights, Iowa, as provided by law on the 21st Day of June, 2010 approved as provided by law on the 21st Day of June, 2010, and published as provided by law on the 12th Day of July, 2010.

Marketa George Oliver, City Administrator/Clerk

PUBLICATION VERSION

City of Windsor Heights
ORDINANCE NO. 10-07

AMENDING SECTIONS OF CHAPTER 106 COLLECTION OF SOLID WASTES

This ordinance changes the rate for Curb It! Services to \$3.15.

This ordinance was passed by the City Council on July 12, 2010.

Additional information is available at City Hall, 1133 66th Street, Windsor Heights, IA 50324; 515/279-3662.