

Budget Statement:

From the financial data provided to the Task Force we can compare the budget totals for three options:

1. The baseline cost of retaining the present city trash collection and disposal;
2. The projected total if we automate our present in-house collection; and
3. The estimates of the actual costs if we were to move to out-sourced (commercial) collection.

For the last mentioned, our figures are based on actual contracts for three Cuyahoga County municipalities. The three totals come from lines 6, 60 and 96-98 in the 3rd to last column of Joe Kickel's large spread sheet attached to the final report.

Addressing each of the above in turn:

1. Keep Current Method but with new Recycle Bins **\$2,681,000**

includes: equipment amortization (new trucks)	\$240,572
Transfer Station improvements (see below)	\$25,150
New recycle bins: three-18 gal bins per unit, plus 5%	\$195,300

2. In-house Collection but with Automated Pick-up Trucks **\$2,529,000**

includes amortization for new trucks	
transfer station improvements, weekly recycling pick-up	
Yard waste and bulk collection, apartment service,	
automated frontload dump container (Curatto cans)	\$32,000
65 Gallon Automated Recycling carts	\$77,500
95 Gallon Refuse Carts	\$85,250
subtracts for personnel reductions (2 positions)	(\$155,366)
and for reduced tonnage at landfill (increases in recycling)	(\$1,460)

Thus automation of collections would save the city about \$157,000 per year

We believe that additional savings would likely result from reduced BWC worker's compensation premiums and injury claims, and fewer lost work days due to injuries.

For comparison with option 3 below, it should be noted that the above figures are mainly salaries wages and fringe benefits, i.e. they are Direct Costs. For the true cost to the city of waste collection, it would be necessary to consider overhead costs, including administration and vehicle servicing and repair.

These items will be part of any outside contract.

Mr. Kickel provided an in-house estimate of \$147,000, but it was felt that this figure is too low. The task force did not have information to assess indirect costs, but they were thought likely to be at least \$400K.

3. Outsourced MSW Collection

Contracts for privatized services were obtained for 3 neighboring cities. For comparison with Cleveland Heights, the 2019 costs of each were normalized to the number of dwellings served in Cleveland Heights (15500).

Westlake – Rumpke **\$1,942,469**

includes recycling, bulk, yard waste collection and apartment service

Chagrin Falls – Kimble

\$2,217,315

Olmsted Falls – Republic

\$3,130,380

There is a wide spread in these three figures, probably because of differences in dwelling density and services provided. To compare more effectively the city would need to obtain actual quotes from providers that can cover our specific needs. Such quotes could be closer to the estimates for options 1 and 2 when all services offered by Cleveland Heights are included. Any such savings, however, come at the expense of replacing the present experienced city staff, and represent a loss of direct control by the city.