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**COMMITTEE ON COMMUNITY IMPROVEMENT PROGRAM**

April 4, 1996

7:15 PM

Chairman Robert called the meeting to order.

The Clerk called the roll.

**PRESENT:** Ald. Robert, Wihby, Reiniger, Clancy, Domainque

**MESSRS.** Mayor Wieczorek, R. Girard, F. Thomas

**NEW BUSINESS**

Chairman Robert addressed a memorandum received from the City Clerk requesting to utilize two rooms on the first floor in the Annex for use by the Charter Commission and Business Licensing staff as renovations allow. Dick Houle figured it would be about six months. There being no discussion, Alderman Wihby moved that the use be approved; seconded by Alderman Reiniger. Motion passed.

Chairman Robert addressed item 3 of the agenda:

Request of Mayor Wieczorek for the creation of a Solid Waste Enterprise with the implementation of a "Bag and Tag" system.

The Chairman stated that this was his second time going around this issue, but since this was the first time for some of the aldermen, he suggested that the Committee first start with a presentation from the folks at the Highway Department. Mayor Wieczorek asked if he could first explain why this proposal is before the Committee. The Chairman recognized Mayor Wieczorek for this purpose.

Mayor Wieczorek stated: As we looked at the budget and labored long and hard as to what we were going to do with the items and the problems that I saw in here -- and some of the problems are new problems such as solid waste -- I know that we talked about the bag and tag program last year and there wasn't a lot of support for it; however, this year I think we find our backs to the wall because that landfill is going to close July 1st and something is going to have to be done. As I looked at the budget and there was some way to find \$4.5 million, believe me if I could have found it we wouldn't even be talking about a bag and tag program because we would have put it in with the tax rate.



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But it wasn't really possible to find it. I was at the point where even though we had a tax increase it meant that we would probably have to be cutting some services which is also not an acceptable alternative to me. So we're kind of caught between a rock and a hard spot here and the only way that I could see that we could work our way through would be to come in with the bag and tag program. Again let me repeat that as we talked about this last year, the Highway Department only picks up half the trash in the city. The other half is already being paid for and picked up by independent contractors and that would be the malls, the condominium associations, commercial accounts, industry -- they're already paying. They're also paying in their taxes to have our trash picked up too. There are several reasons why I think we ought to be going with a program like this. One of them is an equity issue and that is that if we're going to have our trash picked up then everybody ought to be paying for it. And the other thing is that with a recycling program where you're not going to be paying for the recycling program or recyclables I think it will then begin to push people a little bit more to do recycling. You notice that we're using -- if I remember correctly -- about 15 percent...and if we get to 15 percent, I guess we're going to think that's pretty good. Worcester which is the second largest city in as I understand it in New England is at 37 percent with recycling and they have a bag and tag program which is working very successfully and it is a city which is very similar to the city of Manchester as far as multifamily dwellings and single family homes. So it is very similar. The program is working very well in the Worcester area. So I think that we're talking about a major problem here that we have. And that's \$4.5 million. If somebody can find a place to do that, believe me I'm going to be listening and we're going to be trying to do that. So, Frank is going to be setting the stage here?

Chairman Robert stated: Are there any questions for the Mayor? Why don't we let Frank give his presentation first.

Mr. Thomas stated: I'll probably repeat some of the same things the Mayor has mentioned, but I think it's very important. The City of Manchester has been very fortunate over the years to have a cheap disposal option in Dunbarton Road Sanitary Landfill. In fact, in many past years, the landfill has generated a surplus revenue, once you've subtracted out operating costs of the landfill, and returned this surplus revenue back to the city. But this is all coming to an end. As mentioned, the landfill is closing in July and there's no way we going to get any additional extensions, so the benefit that we've had is gone away. As a result, now the City is faced with over \$2 million of an additional, new transfer, haul and disposal costs that we haven't had to experience before. In addition, even though recycling reduces tonnage that eventually will offset the cost of disposal, recycling is a recently new cost that's been added to the tax rolls. Recycling just came in last year. So it has the benefit of reducing the amount of trash that we're going to have to pay to dispose of, but the bottom line is that it is an additional

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cost that we haven't had to before. Add those new costs to the existing costs that we've had such as collection, and it brings it up to the \$4.5 million that the Mayor had talked about. And as the Mayor mentioned, these new costs with ever-increasing demands for limited tax dollars, is the reason why the Mayor has proposed the bag and tag program as part of his budget. Bag and tag is nothing new. Throughout the United States, as mentioned in the handout you had previously received, over 2,000 communities across the nation have some type of solid waste user fees, bag and tag, or some spin-off of that. In New Hampshire alone there's 13 municipalities that have a bag and tag program. Dover was the first and the largest municipality in the state. We have talked to Dover on numerous occasions. Their program has proven very, very successful. In Massachusetts, our abutting state, as of December of '94, over 40 municipalities in the state have a bag and tag, or again some type of solid waste user fee program up and running. As mentioned by the Mayor, Worcester who has a similar makeup as Manchester as far as multifamily, the urban type of environment, in addition to the rural environment, instituted the bag and tag program a little over two years ago. We, the Highway Department, and other officials of the city went down to Worcester last year and talked to people in the DPW to find out what type of problems they had, what kinds of successes they had, how did they address issues that I'm sure are going to be raised tonight. And what the bottom line is that bag and tag in Worcester has proven very, very successful down there. Right now home owners pay for solid waste services out of their property taxes. Property taxes have nothing to do with the amount of trash that is generated. An example: two homes that are equally valued pay the same property taxes. One dwelling may have a, for example, a widow living in it. One person living in it. A similar dwelling, same price, could have a family of five living in that house. Obviously the family of five is going to generate more trash than that single person. But yet, both dwellings, both property owners are going to pay the same for solid waste services. Is that fair? Obviously, no. In addition, renters don't pay directly now for solid waste services. And as such, they have no impetus to recycle in order to reduce the cost of solid waste services. They're going to pay one price -- their rent -- why recycle? Why make the effort? It's not going to benefit them. So a bag and tag program does have a spin-off to that type of person in the city. The cost of solid waste services under a bag and tag program are passed on in a fair and equitable manner. Because, again, your paying for only the services that you use. Similar to your electric bill, telephone bill sewer bill, water bill. Those are service charges based on what you're consuming, what you're using. And with a bag and tag program, the same is true. As mentioned by the Mayor, a key element in a successful bag and tag program is no-cost recycling and yard waste collection. First of all you don't want yard waste -- you can't have yard waste -- in your solid waste stream, so that's got to be separated out anyway. With a free recycling program, coupled with bag and tag, it allows the person, homeowner, or whatnot, more or less to set their own destiny. If

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you make a serious effort to recycle, you can reduce your cost of solid waste services down to a minimum. And that has a benefit to the city because obviously the more that can be recycled, the less that's going to have to be hauled off a disposed of. So there's a savings on both sides. The homeowner saves through an effort in recycling, and the of course the city saves in the amount of material that needs to disposed of. So it more or less allows you to set your own destiny to an extent. In addition figures that we've seen in various articles, and there are many articles on bag and tag programs, what we've been able to find, that with a bag and tag program, coupled with recycling, recycling will go up. Or the amount of the percentage of materials recycled will go up somewhere between 40 - 50 percent. So if Manchester has a 20 percent recycling program without bag and tag, with the institution of a bag and tag program, recycling potentially will go up into the 30 percent range. If we achieve a 25 percent level of recycling without bag and tag, theoretically we can be up in that 38 percent range similar to what the Mayor mentioned Worcester has been able to achieve. How does our bag and tag proposal work? The bottom line is that the residents of Manchester will be required to put out their trash only in bags similar to what we have on the table. The big bag is a 30 gallon bag, and the smaller bag is 20 gallon? 15 gallon. And the reason why a program like this would have two sized bags is pretty obvious. Again, if you're a single person or a small family and you're making the efforts to recycle, you're probably not going to fill up much more than the small bag. Where if you have a larger family you may be using up two of the larger bags. These bags will have some type of city logo on the side. They'd be typically a bright color similar to these so that it's very apparent if somebody doesn't conform to the program. The Highway Department would contract with a distributor to furnish the bags and distribute the bags to local retailers here in the city. The retailers would be, under the proposal that's been brought forward, would be given a small profit of approximately 2¢ per bag to carry the bags. In addition, we feel that they'll want to carry the bags in their facilities because there's going to be obviously more foot traffic coming into the little stores, shopping centers, whatnot, to pick up these bags. The revenues would come back to the city from the wholesale that the city is contracted to. So the wholesaler would sell the bags at the set amount minus the 2¢ profit to the retailers. The retailer would pay the wholesaler. The wholesaler would then subtract out his contracted cost of the bags and turn over the net revenues to the city. Those people that periodically for whatever reason have a lot of trash to put out...say you clean your basement out, or you clean out your cupboards and you have a lot of trash and you don't want to buy the bags or buy stickers -- and the stickers would be sold similar to the bags -- the stickers or the tags would be attached to large, bulky items, say a couch, a chair, a refrigerator, or what not...and those would be sold in a similar manner. Again, going back, if you had a lot of trash due to cleaning or something unusual, you would be able to bring your trash up to the city's proposed new drop off facility at which

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time you would be charged a reasonable fee for bringing it up there. So a person might find it more cost effective to haul it directly up to the drop off area and be charged most likely based on a weight basis. Illegal dumping is always a major issue when municipalities are considering a bag and tag program. In all the articles that I've seen -- and there's quite a few on bag and tag. All of them mention the fact that illegal dumping was always a major concern of the municipality. In addition we had talked to Dover and Worcester. And Worcester and Dover said the same thing. Their major concern was illegal dumping. Worcester, partly to address the issue of illegal dumping, built into their proposal full-time enforcement personnel. However, after getting into these programs, all the articles and these two municipalities we talked to, found out that illegal dumping was not a significant problem. And the key to that we found out is that you have to have an education program. You have to educate the people in the municipality what you're trying to do, why you're trying to do it. You do have to have enforcement because you do have to back up your ordinances with some type of enforcement. However, the key is not to go out with Gestapo tactics and just write a lot of fines, but again to further educated people and try to work with the residents of the municipality until they understand what you're trying to accomplish and the benefits of it. However, the municipality has to be prepared to backup enforcement when and if it's required and if necessary, through prosecuting the violators. Under the city's program, we are proposing two full-time enforcement personnel that would work for the Highway Department. In addition to addressing problems that would come up -- illegal dumping -- what they would do is typically follow our collection crews around on collection days. And our collection crews would be instructed not to pickup any trash unless they were in the proper bags. And it would be very visible as to what would be left on the curb. These enforcement officers, at least in the initial stages, would then stop at a dwelling that had an improper container that might have been left and not picked up, go to the door, and talk to the people who put the trash out. And there again, give them a handout on the program, why, the benefits, this and that, and try to instruct them to conform to the requirements. And gradually, if people are repeat offenders, then we would get into enforcement. In addition to these two full-time, new employees, we would anticipate that at least initially, at least five supervisory people at the Highway Department, existing supervisory people at the Highway Department, would be given the same enforcement powers. Because our supervisors are out on the road all the time, some of them are connected with solid waste operations and can very easily carry on those same type of education and enforcement duties. In addition, we would probably also recommend that some enforcement power be also given, at least temporarily, to potentially housing code employees and health department employees. Because, again, they're out on the road all the time and having the ability to spot check if there's a bag of trash that's been dumped along the side of the road or if they see somebody putting out the wrong

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type of bag or disposing of it in the wrong manner, then go out and approach them and if necessary write a citation. So even though we would be starting off with two enforcement personnel, they would be initially a lot more on the road until we could educate the public and try to get support for the program. As mentioned, Worcester started off with four. After a few months they found that they didn't need the four employees and they cut it back to two. And Worcester, I believe has a population of about 170,000 people. So here's Worcester telling us that they thought there'd be somewhat of a problem. They started with four. And they wound up utilizing two. I'm going to give you a little handout here. This is a revision to what you probably have in the packet that you had. It's a summary of the cost and exactly how we arrived at the bag and tag program. If you note the top of the page, what we've done is identified the contracted costs of solid waste services. Estimated cost of transfer and disposal. This would be by contract with Waste Management. The yard waste collection contract; the recycling contract, that's a little bit higher than the number that we're presently contracted for now. Under our bag and tag program our recycling contract goes up approximately \$15,000 - \$17,000 more because obviously there's going to be more recyclables out there. There are some administrative costs that have been identified: the cost of operating, the cost of contract hauling and disposing of materials from the drop off area, operating costs of the drop off area, and collections costs to collect the trash by the Highway Department. And as you can see there's a total there of approximately of \$4.4 million in solid waste costs. As part of our budget this year, we're proposing to implement the auto reclamation trust which will generate a revenue of approximately \$290,000 which would reduce the solid waste costs. And in addition, our recycling contract has a fiber pay back which is way down from last year. The market for paper products has gone through the floor. Actually, in some parts of the country there's no market at all for paper products. So we're conservative on that number. Subtracting out the revenues that we anticipate, you can see that the net cost for solid waste services. The pay-per-bag cost is approximately \$500,000. And we've built in contingencies into the program because there are a lot of variables and no matter how long you try to define the costs and potential revenues of this program, it's very prudent at a minimum the first year to build in a contingency. And we felt that a \$200,000 contingency would be prudent. In addition there's a slight revenue from anticipated tag sales for, as I mentioned, the bulky items such as the mattresses, the washing machines, refrigerators. That winds up with a grand total of solid waste services with a bag and tag program of approximately \$4.8 million which relates to a per-bag cost of \$1.60 to \$1.20. So \$1.60 for the big bag; \$1.20 for the small bag. That would fund all solid waste costs. If you turn to the next page, it basically just describes how we arrived at the number of bags that would be needed. The calculation of the number of bags is based on weight. This is a number that we got from Worcester. And it's a number that's based on actual fact. We didn't just

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pull it out of the air. It was based on actual operations. We assumed a mix of the sale of these bags, 80/20, the bottom line being that we anticipate over 3 million bags would be sold in the course of a year to potentially meet the requirements of the disposal of the solid waste. I've noted as the retailer's profit based on 2 percent. Down on the bottom of the page you can see that we've built in for two enforcement personnel along with fringe benefits and of course a needed pickup truck. They need transportation and the pickup truck will be of benefit. I forgot to mention that trash dumped leaves a paper trail. If you stop and think of how much junk mail you've got, how many different types of circulars and whatnot have your address on it, it's normally pretty easy to track back where that bag of trash came from. The only time it becomes difficult is if it's a bag of beer bottles, you're obviously not going to think who put the beer bottles there and go after somebody. But in most cases you can track down where that trash has originated from and go after the people. And the last thing I just wanted to go over before I turn it over to questions is in the original handout we put together a little implementation schedule. What we've tried to show there is what is the minimal time to implement the bag and tag program. And the issues that we've looked at here are contracting for the furnishing and distributing of the bags, the purchasing and delivering of the pickup truck that would be needed, the hiring and training of the personnel, the arranging for the retailers to receive the bags from the distributors, education, and developing the ordinances. This is a very ambitious schedule because as you know, just bringing on a person, by the time you get authorization and go through drafting ordinances, for that position, and bringing on a person and training him, takes quite a bit of time. Optimistically we're saying three months. We feel that it can be done in three months. The way the plan has been budgeted right now, 1/12th of the total solid waste costs have been appropriated in our operating budget because optimistically, if we can get approval to proceed May 1st, we wouldn't be able to get this program up and running until August. So the decision was made to take July, 1/12th of the solid waste costs, put them in our operating budget, and hopefully, under optimistic conditions, get this program up and running by August 1st. If for some reason things get delayed, then there's going to be a shortfall in the program of \$385,000 for every month there is a delay in the program. Just to summarize and close it off and throw it open for questions, there are two main benefits that you're achieving from the bag and tag program. And they are: you are going to reduce the amount of trash that you're going to have to pay to have hauled and transferred...transferred, hauled, and disposed of in the landfill by the promoting of recycling. The second benefit is obvious...that you're going to create a fair and equitable revenue stream for solid waste services. And the bottom line that comes down to the Board of Mayor and Aldermen is that, as the Mayor mentioned, you really have two choices to fund these solid waste costs. And there's only two choices that I'm aware of, and that's either by funding them through property taxes or

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funding them through a pay-per-bag, bag and tag program. On that, I'll try to answer your questions, aldermen.

Mayor Wieczorek asked if he could just make a couple of observations. Chairman Robert recognized the Mayor for that purpose.

Mayor Wieczorek stated: One, Worcester was alluding to the same problems that we have and every other community has and that is that the Department of Public Works is always competing with school, fire, and police, and then the question is: What's left? And you might get it. And that's the reason Worcester really went to the system, because they wanted to provide the services but you were continually under pressure saying, well how we going to do it. You've got to cut this, cut that. It creates a lot of problems. The other item that I wanted to mention is that I've heard people say as we were talking about the bag and tag program last year that they wanted it on their property taxes because it was deductible whereas the pay per bag is not. Well, I am going to tell you, I just made some quick calculations here. First of all, if you file the short form with your income tax it's not going to impact you at all because if you file the short form you're not deducting anything. Now, if you are filing the long form and let's say...and I'll give you this example...if you take one bag a week and you can multiply by two or three if you've got more bags, but let's take one bag per week. And I just made some calculations, that would be \$83.20 a year. And if you're in a 28 percent tax bracket which will not be the vast majority by a long shot, you're really talking about \$23.30. If you got one 15 pound bag over there, the same \$83.20. Wait a minute...that's going to be, nope...it's going to be less than that. All right. I was using \$83.20, but you have to take 52 times \$1.20. Is that what the cost is on that?

Mr. Thomas stated: Yes.

Mayor Wieczorek stated: And then if you're in the 15 percent tax bracket, that's going to be something less than 10 bucks. So this is not quite the issue that some people would like to make it be. But in my estimation, this is the only fair way to dispose of our trash. If you're going to want to recycle, if you're going to do the best you can, you're not going to have very much trash. And we're all going to have to pay to dispose of it. And that's the reason why the choices we're faced with were not pleasant. As I was looking at this thing, believe me, I said "Where do we go from here?" We're going to have to do it. The question is how we're going to pay for it. So we're either going to be looking at a 9 percent - 10 percent tax increase or else we're going to try to make it an equitable program, have people pay for only the service that they require, and then the other choice was, well...we'll still have a tax increase...but if we were going to be cutting services and still having a tax rate increase, believe me -- that would not be a very popular option. And that's really what we were facing.

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Mr. Thomas stated: If you haven't gotten one of these handouts, please take one. This is an article that came out of a magazine that talks about the Worcester experience.

Chairman Robert asked if there were any questions from members of the Committee, and recognized Alderman Wihby.

Alderman Wihby stated: Posters and stuff like that if somebody wanted to throw it out, would they throw it in a bag or what would they do? Bulkier items, but not the real big items.

Mr. Thomas stated: They could throw a toaster in the bag or they could bring it up to the drop off area. But it doesn't make a lot of sense to come up with just one toaster.

Alderman Wihby stated: But when you say that you're going to clean your basement out and you've got the little toys and stuff like that, that probably would fit in a bag...

Mr. Thomas stated: You could use the bag or as I mentioned you could take it up to the drop off area and have it weighed and there would be a fee to drop it off.

Alderman Wihby stated: And the drop off area is at the landfill?

Mr. Thomas stated: Across from the landfill. In neither case will it be free. You are either going to have to pay to put it in the bag or...

Alderman Wihby stated: It's the same price if you weigh it or leave it in the bag?

Mr. Thomas stated: We haven't worked out the fee schedule for the drop off area.

Alderman Wihby stated: Will there be a minimum?

Mr. Thomas stated: Oh yes. There will be potentially minimums and they'll be based on weight. Obviously we're not going to propose a rate structure up at the drop off area that is going to make it too inviting for people to come up to the area. The bag is the way to dispose of the trash in Manchester.

Alderman Wihby stated: Let's get to the big question first before we do the little ones. What is the number that you will need in your budget? Is it the \$4,441,000 if we didn't do the bag and tag? I mean the whole reason to do this is to reduce the waste stream. Try to make it fair and equitable for everybody. But are we actually raising the price by doing that? Is the \$4,441,000 if we don't do that and \$4,788,000 because we did that? And we actually increased \$200,000 because we don't want to put this on the tax rate? Is that how I'm reading this?

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Mr. Thomas stated: Well, you're going to increase your total cost because there is a cost for the bag operation.

Alderman Wihby stated: So the bottom line is that by doing bag and tag we are, in the city, paying more money so that we don't put it on the tax rate. Is that true?

Mr. Thomas stated: There is an additional cost because of the purchase of the...

Alderman Wihby stated: Of \$300,000? \$350,000 bottom line. Is the \$4,441,000 the price that you would say to me if you don't want to do bag and tag you've got to give me that number?

Mr. Thomas stated: No, it would be the \$4,119,000. That's total cost of all solid waste services for a year, a twelve-month period.

Alderman Wihby stated: OK. So if we don't do bag and tag, that's the amount of money you would want in your budget.

Mr. Thomas stated: Minus there's a difference in the recycling cost without the bag and tag of about \$17,000. In addition, as the budget is proposed right now 1/12th -- or one month -- of those solid waste...

Alderman Wihby stated: No, No. Just total price, never mind what's in the budget. You would need \$4,100,000.

Mr. Thomas stated: Basically.

Alderman Wihby stated: Actually, the \$17,000 would be added to the \$19,000.

Mr. Thomas stated: It would be subtracted.

Alderman Wihby stated: Because there's \$17,000 more in there. So \$4,100,000 to put it on the tax rate. Now we want to recycle because we want to make it fairer to people, so now we want to charge them \$4,788,000. Is that right? You want to add \$600,000 -- almost \$700,000 to make it fairer.

Mayor Wieczorek stated: Well, you've got a contingency of \$200,000...

Alderman Wihby stated: So \$500,000 to make it fairer for the citizens so that... I guess I've lost this. Why, if we're saving the waste stream, we're going to... Is it because the money is going to... We're paying more for recycling?

Mr. Thomas stated: Recycling has gone up to \$17,000 because there's going to be more recyclables out there to collect. And there's always been two prices for recycling.

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Alderman Wihby stated: This I can't get in my mind. We're doing something good here with bag and tag. We're reducing the waste stream. We're making it fairer for people. And then what we're saying is we're going to charge them an extra half a million dollars to do that. Why? Because we're paying for bags? Do you know what I'm saying? If you said to me, this is cheaper.

Mr. Thomas stated: What I told you was wrong. The cost of transfer and disposal will go up by putting it back in the budget. That number is a lower number because there's an additional -- I think initially we figured 5 percent less with the bag and tag program. So the transfer and disposal number would increase by putting it back in our budget because there would be more to dispose of. And we were very conservative in figuring the net benefit of a bag and tag program. We figured that there would only be a 5 percent increase.

Alderman Wihby stated: So we're like \$350,000...\$400,000 more?

Mr. Thomas stated: Yeah.

Richard Girard stated: Alderman. Just as a clarification...

Chairman Robert stated: Excuse me, excuse me. Were you working with something?

Richard Girard stated: I just have a clarification on the number. When you take a look at the \$4,100,000 number. That's what you have to add back to the budget minus the revenue that's anticipated here. So it's not like you can just put \$4.1 million back into Frank's budget. You have to put the whole solid waste cost in and bring the revenues over on the other side for a net effect on the budget which you have to add back in spending as the higher number.

Alderman Wihby stated: What do you mean? Where are the revenues? How much are the revenues?

Richard Girard stated: The revenues are in parentheses underneath the \$4,400,000.

Alderman Wihby stated: I'm just after a number.

Mr. Thomas stated: To answer your question, you're talking at least \$230,000 to \$300,000 more that you would have to add to that.

Alderman Wihby stated: To what? The \$4,119,000?

Mr. Thomas stated: That's correct, to put it back into our budget because disposal costs are going to go up and collection costs go up by an additional collection crew.

Alderman Wihby stated: So we're at \$4,350,000.

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Mr. Thomas stated: Correct.

Alderman Wihby stated: All right. So we're still \$150,000 more by doing it this way.

Mr. Thomas stated: Correct.

Alderman Wihby stated: Now what else is missing?

Richard Girard stated: I just wanted to clarify that the number you would have to add back into the budget is not the smaller number, the \$4,100,000, it's really...

Alderman Wihby stated: I thought it was the \$4,441,000.

Richard Girard stated: Yes.

Alderman Wihby stated: But he's telling me it's not.

Mr. Thomas stated: Well, it's the \$4,441,000 but then you have the revenue...

Alderman Wihby stated: I guess I agree with Rich, because this \$289,000 -- why are you going to count that in? You're not going to get that.

Mr. Thomas stated: Yes, you're right. To answer your questions it would be the higher number if you're just looking at putting it back in the budget.

Alderman Wihby stated: That's my question. \$4,441,000 is the number that you would want in your budget plus that other \$230,000 to add to that. All right. So \$4,675,000.

Mr. Thomas stated: That's correct.

Alderman Domaingue stated: Why would we add the \$289,000?

Mr. Thomas stated: Well, the question was asked what would have to be added...

Alderman Domaingue stated: But you weren't going to get it anyway. You'd only get it if you switched to this program. So why are we adding back in the \$289,000.

Mr. Thomas stated: That's not true.

Alderman Wihby stated: What exactly is it? It's what?

Mr. Thomas stated: It's an auto reclamation trust. It would be an additional charge on car registrations somewhere between \$2 or \$3 that you can charge but then...

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Mayor Wieczorek stated: I thought we had done that a couple of years ago?

Mr. Thomas stated: No. That hasn't been implemented yet.

Alderman Wihby stated: Why wouldn't you do that then?

Mr. Thomas stated: You would do that.

Alderman Wihby stated: So if you would do that then you would put the number in the budget. You would put that revenue in there.

Mr. Thomas stated: If you're looking at the total impact on the city budget by putting it back on the tax side, it would be the \$4,100,000 plus the \$230,000. If you're looking what would have to go back in the highway department's operating budget, you would be looking at the top number...

Alderman Wihby stated: Because the revenues are going somewhere else.

Mr. Thomas stated: That's correct.

Alderman Wihby stated: So we're back to the \$4,350,000. So it's an extra \$400,000 to implement the bag and tag because we're doing the citizens a favor because we're going to reduce the waste stream. Is that an accurate figure?

Mr. Thomas stated: There is an additional cost to implement the bag and tag program.

Alderman Wihby stated: Is that a one year cost?

Mr. Thomas stated: That's always because you have to buy the bag, you have to have the enforcement people.

Alderman Wihby stated: Businesses, tax exempt properties, people like that. What are they doing? Are they buying bags?

Mr. Thomas stated: Whoever has collections by the highway department would have to buy bags.

Alderman Wihby stated: So all this property that Alderman Pariseau's talking about, those people will now -- they wouldn't have paid the tax rate...

Mayor Wieczorek stated: They pay now to have it hauled privately. Like hospitals, the colleges.

Richard Girard stated: Any nonprofit now that has city pickup will have to buy city bags to have their trash taken away, or they'll have to contract for a private hauler.

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Alderman Wihby stated: Doesn't that ultimately reduce the price or not, because they're paying for it anyway. That doesn't spread the price around or is that just basically even.

Mr. Thomas stated: The price of the bags...

Alderman Wihby stated: The total price. The average home will not do better by doing it with the bag and tag program than if they're doing it on the tax rate because their not paying taxes but yet they're buying bags or does it matter because they're paying already for their garbage pickup?

Mr. Thomas stated: They in fact will be paying more if it's on the tax rate if we're collecting trash from groups and organizations that aren't paying taxes now.

Alderman Wihby stated: Right now they're not paying you anything to pick it up. So now with the bag and tag they are going to be paying something. So some of those nonprofits are going to be paying money that they weren't paying before which reduces the price of the residential for the bag and tag?

Mr. Thomas stated: Correct.

Alderman Wihby stated: When we put this together we were looking for a recycling figure how much of a percentage.

Mr. Thomas stated: When we put out the bids and whatnot, Waste Management and everybody was telling us that initially 15 percent without a bag and tag program, 20 percent with a bag and tag program. To me both of those numbers are very conservative. I feel that without a bag and tag program we'll probably be closer to 20 percent by next spring or this coming winter a year after we started.

Alderman Wihby stated: So the better we do, will this reduce the cost in the future for the total bottom line?

Mayor Wieczorek stated: Yes it does. Because then we have less to dispose of.

Mr. Thomas stated: I think quite realistically, the price of bags will go down in the future. We've built in a contingency. There are a lot of unknowns the first year. And you have to somehow cover yourself for those unknowns. We estimate an additional 5 percent benefit of recycling. Past history in all the articles are saying it's going to be a lot greater than that. But we don't know. And so I think we're very, very conservative the first year, year-round. So I think there's room for improvement as we get into the program once we start defining exactly what we are going to generate for revenue, etc.

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Alderman Wihby stated: There's no way of letting people put it on the tax rate? We can't call it a city fee for the bags or anything like that? If they keep their receipts from a bag, they can't claim that?

Mayor Wieczorek stated: I don't think so. I don't think you can take... I mean, anymore than you can deduct having somebody mow your lawn. Unless your lawn is an income property. If it's an income property you can deduct it. If you're a single family owner, you can't deduct your normal expenses around your house.

Alderman Wihby stated: Does Worcester do anything different in their plan than we're going to do in our plan?

Mr. Thomas stated: No. We basically tailored this plan along the lines of Worcester.

Alderman Wihby stated: Have they seen the prices go down? Isn't it 37 percent that their prices went down?

Mayor Wieczorek stated: No. Recycling is at 37 percent.

Mr. Thomas stated: Their recycling effort has greatly gone up if you believe their numbers. I think they're a little exaggerated but they've done very good. The prices of the bags, I don't believe that they've gone...

Alderman Wihby stated: This is their bag. It's less than \$1.60?

Mr. Thomas stated: Their bags are a lot less namely because they were not trying to fund all their solid waste services. They were just looking to cover part of the cost of their service.

Chairman Robert stated: It says 50¢ here. You all set with your questions? Anybody else? The chairman recognized Alderman Clancy.

Alderman Clancy stated: I received some calls today. In fact I received 12 calls. I represent the lower income, inner city area. People are saying, "Jim we can't afford for our taxes to go up anymore. OK, I'll do the best I can. Furthermore," she says, "I'm a house mother, I've got four children." Are they going to pick up her trash if she can't afford this program?

Mr. Thomas stated: First of all, I guess I have to ask you this question. Does this family recycle.

Alderman Clancy stated: No they don't. She says, "I don't have time. I have to take care of my children." That's exactly what she said. She said that she's on welfare.

Mr. Thomas stated: Stop and think about what you put in your trash. And if you take out all the paper, all the cardboard, all the tin cans, all the glass bottles, all the plastic bottles.

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What's left? Normally, what's left unless you clean out your attic or something. So it's a very small amount if the effort is made to recycle. But typically a person like the one that talked to you is complaining about everything, but yet is not making the effort to recycle. Here this person has four or five kids. I think it would be great if this person spent a few of the day to teach her children how to recycle even if she's too busy.

Alderman Clancy stated: Her children are all young, all under 12 years of age.

Mr. Thomas stated: Just the same, I think a 12 year old should be capable of squashing a Pepsi can or putting a Coke container in a recycling bin.

Alderman Clancy stated: I asked her how she throws her garbage out now. She said she had those plastic, 30 gallon cans and I have one in my apartment and throw it out every week. One can.

Mr. Thomas stated: Keep in mind, right now what we pick up at the side of the curb is against all our regulations. You drive down the street on collection day, you see boxes, grocery bags, those really aren't permitted. The Highway Department has bent over for years picking up this stuff even though we have regulations on the books that says you only can utilize 30 gallon containers or plastic bags.

Alderman Clancy stated: I guess her main concern is that she doesn't have enough money right now to get by on. How is she going to pay for the bag? That was her main concern.

Mr. Thomas stated: If you can tell me ...she doesn't want property taxes to go up...

Alderman Clancy stated: She doesn't pay any. She's on welfare. I have a lot of these people in my area.

Mr. Thomas stated: I don't have an answer for you.

Alderman Clancy stated: I have some concerns because I do drive down the back streets myself and see the neighborhood conditions. I'm for recycling, but the inner city...

Mayor Wieczorek stated: You are, but she isn't. This is what's happening. But they have to get in step with the program. That's why you have one.

Alderman Clancy stated: Like I say, Mayor, the biggest thing right now is that the people in my area cannot afford to pay for the bags. Especially if the taxes go up \$1.32 and the bag is \$1.60. Three bags is \$4.80. Five bucks a week.

Mr. Thomas stated: What it's coming down to, what does \$4 1/2 million do to the tax rate?

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Alderman Clancy stated: Well, you figure 27¢ a million, right?

Chairman Robert recognized Alderman Domainque.

Alderman Domainque stated: I understand what you're trying to do, Frank. And I guess if this was a program where we had notified the public it was going to start in a year and had given them some very serious education and was actually going to reduce their tax rate, you might have me sold. But what I am looking at here is a shell game and nothing more. And I'm sorry but that is exactly the way it appears to me. I see retailers making a profit. I see wholesalers making a profit. I see taxpayers being bagged and tagged one more time. And I can't support it. This program adds to the cost of the property taxpayer to a tune that raises their tax level over 9 percent. I don't call that, as has been stated here, reasonable. Keeping tax rates at a reasonable level? I can bag, conservatively, two bags a week. And I recycle. Two bags a week. 30 gallons. It's going to cost me \$166.40 a year plus the estimated 4.5 percent - 7 percent from the Mayor's budget of another \$165.60 a year which is going to increase my taxes for 1997 to \$332.00 a year. You haven't done my any favors at all with this proposal. And I don't point fingers at anybody because I think it was an honest attempt at trying to glean revenue. But it is a tax. No matter how you couch it. It's a tax. The extra home owners pay for the cost of rubbish services out of their property taxes. We pay for everything out of our property taxes with the exception, of course, of sewer fees. But parents who send their children to private schools also pay education taxes. Are we looking down the road at a municipality that's going to charge the individual family by the number of kids it sends to the education system? Just what kind of a future are we proposing here for this community? Renters do not directly contribute? Sure they do. Of course they do. Yard waste collection and curb side recycling at no cost? This is \$1.60. This is \$1.20. The cost of a minimum of two enforcement positions. The enforcement, really...I thought I was upset until I heard you describe the enforcement. Five existing supervisors would be given the power to enforce. Not to mention the housing code, the health department, and any other city employee who wants to drive by anybody's home and check to see if they're doing it right. Big Brother has clearly arrived in the City of Manchester. Where the property homeowner who is now getting socked with all kinds of taxes and no end in sight to fund big government one more time, is now going to have to watch out for who's an employee of the City of Manchester to come and check to see if they're doing their bagging right. It's a very uncomfortable proposal.

Mr. Thomas stated: The enforcement is only required if the Board of Mayor and Aldermen adopts the program. And then it would be up to us to ensure that everybody is treated fairly under the program. And that's the need for enforcement.

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Alderman Domainque stated: I understand. Let me put it into plain English. These taxpayers are asked to pay for the result of the City of Manchester not being conservative enough, not planning enough, for an economy that clearly dumped on them because some of them lost their homes and lost their automobiles and had to redefine their own life-style and their employment. And along comes the City of Manchester and says we're going to give you a 4.5 percent - 7 percent tax increase and then we're going to hit you with a bag and tag. If you want to be behind that proposal, you're welcome to do it. It's a noble cause if you're talking about waste reduction and you're going to put it into a plan and you're going to educate the public and you're going to reduce their taxes in the process. You're not doing that here. And that's why I can't support it.

Chairman Robert recognized Alderman Wihby.

Alderman Wihby stated: I don't know if we can really put the two numbers together. The 4.5 percent increase is something separate than what this does. In order to look at this program, you have to look at the 4.5 percent and you have to base it on what's that 4.5 percent equal on top of that rate or does it make any sense. You can't say it's going to be 9 percent and I can't vote for this thing. I think you have to look at the 4.5 percent. If you look at the 4.5 percent on the tax rate, my calculations are an average \$100,000 house they're paying about \$135 anyway. \$135, \$140. \$132? \$132 they're paying anyway for an average house. So your scenario if you had two bags a week, you're paying \$166, they're paying \$132. So the increase to an average taxpayer is \$30 a week because of the bag and tag. Now if you go to a \$200,000 home, they're paying probably \$250 a week; this proposal using yours is \$160 so they're actually making some money so that the bigger the value of the house, they're actually going to save some money. Again, it depends on how many bags they put out. But using your scenario, if someone lives in a \$100,000 house, they're probably paying an extra \$30 a year. Somebody who lives in a \$200,000 house is probably saving \$90 a year. So you can't just say the taxpayer is paying more money and that we're throwing it on top of a 4.5 percent, it's really a 9 percent increase. I looked at that budget. And we have bigger than a 9 percent increase problem. If we just do what the Mayor wants at 4.5 percent and we're to add this to it, 9 percent, there still other things in there that probably aren't going to come true, that aren't going to be done by the Board. I don't think you can say -- I think he did a hell of a job putting this budget together. Just looking at the numbers fast, I think it's as minimum as 4.5 percent he can do, and if you want to throw this bag and tag on that and call it 8.5 percent, that's still is as minimal as he can do.

Alderman Domainque stated: That's what he did. It's coming out of the same pocket. It's coming out of the same pocket, no matter how you pay for it.

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Alderman Wihby stated: I'm not disagreeing with you. All I'm saying is that on \$100,000 house there is a \$30 increase probably a year on the two-bags a week. On a \$200,000 house their saving \$90 a year by doing this proposal. So you can't say everybody's paying more money. You can't say it's not right for all taxpayers. And you can't, I don't think, throw in the extra 4.5 percent and say we can't live with a 9. I do not see how this city is not going to support either at least the 4.5 percent the Mayor came up with or an 8.5 percent if we throw it on to the tax rate if that's what we want to do. I can't see it getting lower than that. I mean, I looked at those numbers. He was a miracle man just putting those numbers together, I think. So if we sit here and say we're not going to do this because we don't want a 9 percent increase, either way you want to do it -- if you want to say it's 9 because it's 4.5 and 4.5 or you say it's 9 and make it all on the tax rate -- we're not going to get anywhere. We have to look at this proposal and say what does it mean? What do we want to do with it? Does it make any sense? And if so, either we do it or say we're not going to do it and we're going to throw it on the tax rate. Now we've got a 9 percent on the tax rate and now we can sit down and discuss a 9 percent tax rate and how we want to look at it. I don't think we're going to cut it any further. If we're sitting here saying we don't like 9 percent and we're going to cut that number down, I'll tell you right now there's no way that number's going to get much lower. If anything, it's going to get higher. That's scary, but there's no way it's going to go any lower. If we add this to it, we're still not going to sit here and in two months we're going to be fighting and we're not going to have a budget because we're dreaming if we think it's not going to be at 4.5 percent and this proposal one way or the other. Now I'm not saying I disagree with you. Some people are going to pay a little more. Some people are going to pay less. I think it's probably an average; it probably turns out price wise that nobody really benefits. I think the proposals of the inner city is a good proposal. I've heard that from everybody. They're calling me, they don't want it. Because what about downtown. I think it affects Ward 3. But I know that it's probably worth to try this for a year, to see if it works, to see if we can get the numbers going. And try to look at the 4.5 percent later, try to get that down somewhat. But if we're sitting here saying it's 9 percent and we don't want 9 percent and we don't want this, I tell you we're going to have a hell of a year. It's going to be bad enough as it is. That budget is tight and the only way it's going is up, it's not going to go down.

Chairman Robert said it was good that the Committee had a discussion on the numbers.

Chairman Robert continued stating:

I think it's appropriate. One of the things that this Committee is charged with is making sure that this is a program that can work. If it does, we should be able to go to the full board and say to them, "Yes, it can work, or No it can't work." And I have

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a few questions for you. Trash has been a problem in my area. It's been my feeling that folks in my areas want greater control. They want landlords, they want tenants, who don't look out for the next person, thrown the trash off the porch, don't use barrels. They want them to snap into line just to keep the neighborhood a nice place. It seems as though the enforcement of your program would be welcomed. But I just have a couple of concerns. Blowing trash...trash that animals get into the bags, the wind takes the trash all over the place, it collects on hills and against fences. Who takes care of that? Is that going to be the property owners problem everyday to walk out and fill up one of these bags and have to pay for it?

Mr. Thomas stated: First of all, even if there is a bag and tag program, you're still allowed to use the trash can as long as you put the bag in the trash can. As far as litter, I think there's going to be less of a litter problem because right now any kind of container that would hold something is utilizing the receptacle to put out trash. As I mentioned, boxes, grocery bags, you name it -- those are the containers that now you see on the side of the road on collection day. At least with this program, people are going to be required to have their trash in this type of bag. Will there be some that animals get into? Yes there will. But I think overall there's going to be less of a litter problem with this program.

Chairman Robert stated: So in other words, like in the springtime when the wind is blowing the trash, like we do see some of it now, I have to tell my property owners, I have to tell my people, that anything that goes into the yard if they don't want to look at it any more essentially they have to pick it up and pay to have it removed?

Mr. Thomas stated: Certainly.

Mayor Wieczorek stated: In the downtown area, you're still going to be picking that up, with the receptacles we have here.

Ald Clancy: You still need to pick it up by hand. But you get to downtown nightly, don't you? Everyday, this area.

Mr. Thomas stated: Yeah, pretty much.

Chairman Robert stated: I guess my other question would be that the resident folks, property owners, at least I'll speak for my neighbors, they tend to be very conscientious about how they do things, and they do things well. But, their quick to point out people who aren't as conscientious. I mean when you have a tenant, a person that's breaking the law and not doing these things, and allowing this stuff to fly around, when you have most likely an absentee landlord who lives in Florida someplace, doesn't really care about his property, just collects the rent, what's the time frame? How do we handle that? How long do the people in the neighborhood have to put up with this before something's done?

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Mr. Thomas stated: Right now, even without this program, we have a problem in that area. And I think part of the problem is that the ordinances that deal with enforcement and deal with the regulation of the ordinances that are on the books don't have the teeth behind them. In some municipalities, they set up a special course to deal with these kinds of actions. What we would be proposing is drafting up more ordinances that would focus at least on the illegal dumping portion and the conformance to this bag and tag program. And we would put that together with the ability to progressively go up and fine, and more than just a slap-in-the-wrist type of fine, but sizeable fines. In Dover, I believe, they have a maximum illegal dumping fine of about \$1,000. It's fairly sizeable out there, I believe. And on top of that you have to have the ability and the willingness to prosecute these absentee landlords. There are ways of doing it and in developing the ordinances, we would gather up -- we have copies of Worcester -- and we would be researching them and working with the City Solicitor's Office to try to draft up something that has some teeth in it.

Chairman Robert stated: It would be my feeling, if this were to move forward, the perception of the public is that this enforcement, this is not credible, this is not going to work. It has to work. It has to. The inner city, the tenant areas, they're the ones that are going to suffer the most. They'll probably be tiptoeing to the neighbor's yard dumping it in his yard because they don't want to get rid of it themselves. We don't want them to play games like that.

Mr. Thomas stated: The biggest problem that we found in talking to other municipalities, that private dumpsters, if people have one on their property, they wind up getting filled up pretty quickly. And usually what happens, the private concerns that now hire Waste Management to furnish a dumpster, or BFI, wind up having to put locks on it. As I mentioned, an illegal bag of trash dumped on somebody's yard, the new enforcement people, in most cases, you are going to find out where that bag of trash came from.

Chairman Robert stated: So you're saying if there was a case of illegal dumping you would have somebody that would go out -- you would have enough people to go out -- to deal with the instances?

Mr. Thomas stated: As I mentioned, Worcester felt it was going to be a problem. They engaged four full-time employees. They found out after a year, less than a year of being up and running, that they didn't need four employees. Two employees were able to handle their illegal dumping issues, their nonconforming problems, the continued education. They cutback from four to two. The write ups of all these different municipalities throughout the country that instituted bag and tags, again all these little stickers refer to illegal dumping...how the municipality thought that that was going to be a major problem.

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And in all cases, at least in these articles, it wasn't a significant problem. As Alderman Domaingue mentioned, we want to make sure we cover all bases. We have built in two full-time employees, but we want to be able to potentially give out the power for good enforcement. Because, if you people make the decision not to put the solid waste costs on the tax roll, and go ahead with a bag and tag program, then it's going to be our responsibility to try to make it work.

Chairman Robert stated: Another question -- dropping off your trash, would they still be liable to pay this if you were to go to the transfer station?

Mr. Thomas stated: Yes. Well, again, we haven't worked out the details of the fee structure up there, but obviously you're not going to want to have a bag and tag program where people that have to pay \$1.60 per bag and a program where you have a facility where you can drop your trash off free of charge. We would be inundated up there. So there will be a fee structure developed for the drop off center that would complement the bag program. However, for larger volumes, it would be in most cases more cost effective to bring your material up there. And there would be somewhat of a savings because there's less handling costs than the other way.

Mayor Wieczorek stated: So, Frank, even if they were to bring it to the station, you'd still have to transfer it to the disposal site? So you still have that cost.

Richard Girard stated: Just as a takeoff Alderman Robert, the anticipated revenue from the drop off center is not factored in to the proposal. So whatever revenue that would come from that fee structure would be applied toward bringing the bag price down.

Chairman Robert stated: OK. So what you're saying, is that a person drops something off, they would pay less? A person could pay less for going to the transfer station himself?

Mr. Thomas stated: If you have bulky...if you've cleaned out your cellar and you have, say curtain shades and miscellaneous stuff that is bulky, that would take up a lot of bags, would take up a lot of room in the bag, it would probably be more cost effective to fill up your trunk and take them up and pay for them up there. You know, the decision would be up to you. I mean, I don't know if I would do it for half a trunk load, but if I had a pickup truck load or whatnot, it might be cost effective. There is a cost. You still have to haul and dispose of the material that comes up to the drop off area. So there's no free ride anywhere. The only addition is that there's a little less handling at the drop off area.

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Chairman Robert stated: Maybe do go out on a different branch, so to speak, dealing with the retailers who are going to sell these bags. 2¢ a bag. I mean, they look at me, I have to offer them 30 percent - 40 percent to get anything, or they laugh at me. I went to Worcester, Massachusetts. I talked to a couple of retailers, and they seemed to feel that city government overestimates how they perceive these bags should be in the store, that they're not really being done a favor. Is that margin adequate?

Mr. Thomas stated: The average price throughout the country for profit margin is between 2 - 4¢. And we're on the conservative side, but again I mentioned that, even though we have talked to people like Worcester and Dover and whatnot, until we've gone through it one year, there's going to be bugs I'm sure that come up. That's why we identified a contingency. That's why we haven't built in here the revenues that we are potentially going to receive at the drop off area. Because, we're looking at it as a juggling act the first year. This is our best guess based on all the research that we've done. I would like to think that it's going to go down, however, you've got to keep in mind this too: as I mentioned, as recycling improves, you avoid additional costs for disposal at Waste Management's landfill. So there is a benefit on that number: the haul, transfer, and disposal numbers. However, there are a lot of numbers in this estimate that are fixed numbers. The cost of recycling isn't going down, and the cost of collection is not going to go down, at least initially. If we achieve more of a recycling effort and reduce your solid waste, you're saving on the disposal but you're also losing some revenues because there's going to be less bags out there. And so, again, what we've tried to do is be very conservative with this.

Chairman Robert stated: There hasn't been a problem with having sufficient outlets to sell your bags?

Mr. Thomas stated: We haven't even approached anybody yet.

Chairman Robert stated: I mean, in your research, that hasn't been a major problem?

Mr. Thomas stated: Well, Worcester had some concerns. Some of the larger facilities, if I remember correctly, stated that they didn't want to carry it because they felt that their shelf space was too valuable, as you know, and as such they seemed to have better luck at some of the small retail establishments, because the smaller retail establishments felt that it actually brought in more walk-off-the-street customers into the facility. So there was some opposition from the larger stores.

Chairman Robert stated: Frito-Lay's going rate -- Frito-Lay pays \$50 a foot per year for all their space, in all their supermarkets. Any other questions?

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Alderman Clancy stated: I just did some quick calculating. Say a \$100,000 house with a \$1.32 tax rate, that's \$132.00. Somebody buys two bags a week, that's \$166.00. So you add that up, it's \$298.00, divided by 12, it's almost \$25.00 more a month.

Alderman Wihby stated: Because of this? Or the tax rate? If you don't want to do it this way and add the \$166.00, you still have to do it the other way and add another \$132.00 to the other \$132.00. So either way... I understand what you're saying, and I think this whole Board would like to look at this budget and say, "4.5 percent plus a fee of \$1.60 per bag is not the way to go, because if you add it all up together, it's a \$300 increase that equals 9 percent." You can look at it that way, but if you want to look at it that way, you're losing track of what this is going to accomplish. You have to look at it as, 4.5 percent is there, and this is either going to be 4.5 percent more or it's going to be the \$1.60 bag-and-tag, which is going to equal \$166.00 which technically equals 4.5 percent. So you're going to look at either 9 percent of the tax rate or 4.5 percent on the tax rate plus bag and tag. Both proposals really add about the same. They're really doing the same thing. But you can't say, "I'm not going to live with a 9 percent and, therefore, I don't want bag and tag." You have to get that out of your mind.

Alderman Clancy stated: I just want to get some figures, that's all.

Alderman Wihby stated: Oh, it's a big increase. We all know that. We all aren't happy with a 9 percent increase, but I'll tell you, for how many years have we put budgets together to try to do up and down and look at the Mayor's numbers. I tell you, if there's a half a million dollars one way or the other, that's all we're going to come up with here. And that doesn't handle the fire chiefs, it doesn't handle some of the revenues that probably won't get passed, it doesn't handle some of the changes that are being done. There's a major problem, and this is one of them...this is a big chunk of it. But what would the price have been if we had the landfill. What's this extra price that we're paying, a couple million dollars?

Mr. Thomas stated: Well over that.

Alderman Wihby stated: That's not our fault. The landfill's closed. It's nice to say it's an increase, but at the same time you have to look at what part of the increase is it. Is it because we're adding help somewhere? This budget's tight. He's cut people in the budget. It's \$3 million+ numbers for just the landfill alone. There's some other big increases that were in it. Blue Cross and Blue Shield numbers that were in there. There's a lot of that is nothing that this Board could have done or the Mayor wanted to do when he looked at the numbers.

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Mayor Wieczorek stated: I'll tell you, this is the toughest budget I've worked with. And I meant that sincerely when I said that, out of seven.

Alderman Wihby stated: I don't know how you got it to be 4.5 percent and, people are going to say, "Look, you can add this to it and it's really a 9 percent increase. But even at a 9 percent increase, I tell you, with what he did, you're going to look at those numbers, you're going to hear those department heads, and you're not going to see -- there was a time when you had 23 out of 24 department heads were happy with their numbers and everybody said, "Hey, half our problems are done." You're going to see everyone of those coming in having problems with them. Phone calls have started. I've gotten them today from four or five different department heads.

Alderman Clancy stated: Like I said, I've had 12 phone calls today from people in the ward. They told me, "Jim, my taxes are high enough. We can't afford them right now. You're going to drive us right out of town."

Mayor Wieczorek stated: Well, it's 4.5 percent less, Jim, if they don't make any trash. I mean, we now have to pay to have it taken out.

Alderman Domaingue stated: That's unrealistic, your honor. That's absolutely unrealistic. I'm sorry, but it is.

Mayor Wieczorek stated: What is?

Alderman Domaingue stated: To ask them not to have any trash to take out. Let's not get to the ridiculous at this point. Let's deal with the reality. And that is that we have people on fixed incomes in this city who cannot go out and get additional revenue to help supplement this 9 percent -- is what this all adds up to. So we're looking at a management of a \$150 million corporation that seems to be more intent on finding the ways to get people to move out of this city than we are in dealing with the real crisis which is to get that budget down. I don't question your ability or the mayor's ability to work hard on the budget figures. All I'm saying is from my perspective representing the people who contacted me -- and I've received calls from the same kind of people who have Alderman Clancy. Our job is to cut this budget down, not find new ways to tax us. Now if that means making some hard decisions and laying off some people and doing whatever is necessary to meet the needs of the people who foot the bill, then that's what we're going to have to do. We cannot sit here and find new and creative ways, shell games, to tell them they've only got a 4.5 percent - 7 percent increase and then tack on a bag-and-tag because that amounts to over 9 percent. And no matter how hard you try to hide that, a person with a fixed income, it's still 9 percent more than they can possibly even generate in revenue.

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Mayor Wieczorek stated: Well, I'd like to see your creative solution.

Alderman Domaingue stated: I'm willing to work on it night and day, your honor. You've got my pledge on that. With you, with Alderman Wihby, and I recommend that all 12 of us sit down and work on it to cut it down. We'll be more than happy to help you do that. But I am not going to endorse this program because of the manner in which it was brought in. There's been no education, there's been no opportunity for the public to have a real public hearing on this for input. No, I'm not going to support it.

Mayor Wieczorek stated: Well, you know alderman, if I might... What drives this is the situation we're facing. I'm going to tell you what happens with this. This is not something that came upon us suddenly. We've been talking about solid waste for how long? I can remember being at Parkside in the 80's when we were talking about an incinerator, to have an incinerator over here. This board, and I'm going to tell you, they don't want to make a decision. Politically, people hate to make a decision until their back is to the wall. Your back is to the wall. So you're going to make the decision. And that's it. Now you can talk about education and everything else. Those are all wonderful things. We talked about this last year, that we thought we should implement a program like this. Now we're talking about this year. This year now you're facing the hard costs of disposing. If you think you can find out of this budget the millions of dollars that are going to be required and absorb it and transfer all this stuff up to Rochester, be my guest. Because I'll tell you, we worked long and hard on this budget to come up with what we did. And I'm not happy with it.

The Chairman recognized Alderman Reiniger.

Alderman Reiniger stated: I can speak for what I know about myself and some folks. I just calculated that I would end up saving \$40.00 a year. I think this program -- what I like about it is -- it rewards thrift, frugality, which is an old American tradition which we need to be re-instilling in this country, generally, and also this city. And if I'm saving \$40.00 a year, I would probably be representative of a lot of my constituents and that would be widows or elderly couples. So I think that this program will benefit my constituents, my elder citizens, living on fixed incomes, living in houses, and rewards those who are thrifty and frugal. I am tired of people dumping on the inner city. My ward has inner city and wealthy neighborhoods, and I can say that there are drugs in the north end of Ward 1, and many people in the inner city who don't use drugs. I'm tired of people saying, all the drugs are in the inner city, all the trash abuse is in the inner city. That's not true. I have my worst trash blowing problems in the wealthier part of the ward. So I'm confident that this would work.

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The Chairman recognized Alderman Wihby.

Alderman Wihby stated: I think that's exactly where this comes from. If you're an average house and you only put out one bag, you're going to save money. If you're in a bigger house and you put out two bags, you're going to save money. Some of them are going to go up, some of them are going to go down. And the more they do it, the more they're going to save. And probably get less and save more than they would if you put it on the tax rate. But, again, we can't get confused with -- I don't want you to get to think, and I know I speak for the mayor -- 9 percent no matter which way you do this. It's 4.5 percent in bag-and-tag, or 4.5 percent included in the tax rate. It's 9 percent either way you look at it. Nobody's happy with a 9 percent, and I think we're going to sit down and I think that's why we scheduled a meeting sooner, to get these things done in April. To work on getting those numbers down. Hopefully, we can do that. There's numbers...we don't know the tax base, we still don't know the overlay account, that's going to change, we don't know the county tax rate maybe there's money there, we might be able to do something with Blue Cross...there's all different avenues we're going to look. We've had that discussion and it's going to take place. So nobody's saying that 9 percent is what everybody's striving to get at. I just know that we can't say we're not going to vote for this because it's a 9 percent increase. We can't say that. Either way you do it, either you're going to put it to the tax rate -- and say you're not going to vote for this because you believe it should be on the tax rate -- that's fine to say that. But not to say, it's 9 percent, we can't live with 9 percent, so therefore I'm voting this down. And we're just playing games with it. If you want to vote to put it in the tax rate, that's fine. If you want to vote to keep it out of the tax rate, that's fine. Either way it adds up to 9 percent and we have to work on the 9 percent which I know you're committed to because we've talked before about everybody working together, Alderman Hirschmann and some of the new aldermen have called. Everybody's interested in working on it. And we're going to do that, but you don't vote this down because it's a 9 percent increase. You have to vote it down because it's wrong, it's going to affect inner city or not, it's going to affect your ward, it's going to affect people, it's going to cost more money, or you're going to vote it down because you think it should be on the tax rate because there are some advantages on that. But not because it's 9 percent. You can't throw the 9 percent figure, I don't think, in there. You have to throw in, is this right or wrong? Once we decide what we're going to do with it, that's when we sit down and work on the 4.5 percent and bring that down or because it's in there work on the 9 percent and bring it down.

Alderman Domainque stated: But the 9 percent is a fact.

Alderman Wihby stated: Absolutely.

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Alderman Domainque stated: So I don't think I'm confusing things. I don't think I'm confusing anybody with facts. The fact is, it is over a 9 percent increase whether they pay it by using this system or whether they pay it by using the current system, you haven't moved the solid waste costs from the tax rate. You've substituted is all you've done. You've played the shell game. I have no problem with reducing the waste stream. I have no problem with recycling. But we're going to do it right because I don't think this is fair to the taxpayers. This is one hell of a shot.

Chairman Robert stated that everybody had expressed an opinion except himself.

Chairman Robert stated: I really don't care for this all that much. I feel that I have a gun to my back. I haven't cared much for this Board's priorities really for the last six years that I've been here. I really feel that if I vote for this, I'll be just getting them out of a hole that they dug for themselves. And they just keep digging themselves a hole. I'm really torn. I don't know if I should do this to my people or not, but I think this Board should endure the shock of a 9 percent tax increase so we'll move into the future with a clearer perspective of what we want and what we have to do. I don't know if I'm doing really the right thing, but I really feel like I'm trying to dig us out of a hole that I didn't put us in. I agree with you to an extent that we have to deal with reality. Any other questions, any other comments from the Board?

Alderman Clancy stated: I just want to say that I got 12 calls today from people in my ward telling me they can't afford another increase. I'm just letting you know. \$132.00 on a \$100,000 house plus \$166.00 on two bags a week amounts to \$298.00 divided by 12 is roughly \$25.00 each month. And I have a lot of people who are in low income families, fixed income. It's going to be kind of hard for me to explain that, really.

Alderman Wihby stated: That number is there no matter what. That number is there -- if you don't want to do bag and tag -- that's fine. The same number you threw out is in the tax rate now. Okay. Nobody's arguing that. And that's a big number. Nobody's arguing that. But what we're arguing about is, should it be in the tax rate or should it be bag-and-tag? That's what we're arguing now. The number is the same number either way you put it. It's a high number. We're going to work to get the number down. But if you don't do it this way, you're going to be adding it to the tax base. And that number is still going to be the number that your people can't live with. Either way. Because it's the same number. What we have to do -- whichever way we decide if it's the 9 percent or this way -- that number we have to try to bring down in the course of the three months that we have. That's definite. Nobody's arguing that. But the number your talking that people say they can't afford. Either scenario, that's the same number.

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Alderman Shea stated: I've received 15 calls against bag-and-tag today. People are very, very irate about that. Either it wasn't explained properly or it was sprung on them in the last minute. All the calls are against the bag-and-tag. Whether they'll accept a 9 percent increase or not, they are definitely against it. I think that would have been a little more information given earlier and so forth, but to just bring it in like this, they're going crazy. I'm just giving you what my constituents in Ward 7 are saying.

Chairman Robert stated: If this Committee approves it, we would be moving it on to Finance Committee and Bills on Second Reading and to the whole Board.

Alderman Hirschmann stated: I didn't want to influence this Committee. I want you to do your own deeds. But what I wanted to say was that I think that there is \$200,000 included in contingency that would help immediately. There has to be an empathy factor. I have people in Kelly Falls apartments. There's all kinds of subsidized housing people. They are given peanut butter because they can't afford peanut butter. How are they possible going to buy a bag. You're going to have to use that \$200,000 to take care of those people. You may have to take \$200,000 and give it the welfare budget to fix this problem. You're going to create a problem. That's my point.

Alderman Wihby stated: That's the kind of debate we should be having here, not on is it \$450 or \$900 that people can't live with. What's it going to mean to those people after this is in? Alderman Domainque brought up a subject earlier about a public hearing. We did have one last year. Why aren't we having one now.

Alderman Domainque stated: And the public was overwhelmingly against it.

Alderman Wihby stated: Alderman Shea said it, and I think the Mayor agreed, it's because nobody understands how it's working and I think if you went out there now it's going to be 20 to 1 as far as phone calls going against it, I would be in favor of having a public hearing and bringing out the facts again, one more time, and seeing what people have to say. Because I think otherwise this Board's going to vote it down without letting the citizens really have an input or know what's happened. Because they're going to get the calls saying, "I don't want it. It's going to increase rats, it's going to do this, it's going to do that."

Chairman Robert asked the Committee if the members wanted to have a CIP Committee public hearing or a full board public hearing. Ald. Wihby stated he would like to bring it to the full board and have the full board propose a public hearing. Ald. Reiniger felt it was the aldermen's job to explain programs which they know to be better than others. Ald. Domainque supported a public hearing. Ald. Clancy concurred.

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Ald. Wihby moved that the issue be moved out of committee without recommendation and with a request that the Board of Mayor and Aldermen schedule a public hearing with the Mayor presiding at Memorial or Central, and Frank Thomas could explain how things would work, and give people the opportunity to speak. Seconded by Ald. Clancy.

Chairman Robert asked how the time line would be affected by this decision. Frank Thomas explained that it would take a minimum of three months to implement the program. For every month beyond August 1st that the bag-and-tag was not in effect, would be an additional \$385,000 that would be needed.

R. Girard explained that on the tax side, there was \$385,000 for one month's contingency to operate without a bag and tag. A decision needed to be made by May 1st in order to avoid the costs that might need to be added to the tax side of the budget. So there was a sense of urgency in scheduling the hearing quickly.

Chairman Robert stated: Who sets the dates for public hearings? Are we? The Clerk?

The Clerk stated: If this Committee wants to set up a date for the forum, it's the Committee that will be holding the public hearing. As opposed to the full board.

Ald Wihby: You're going to have all those in favor saying, there's going to be an informational public hearing on April 11th on bag and tag, then we're going to either Central or Memorial, and we are here today to explain the Mayor's proposal on this, Frank Thomas is going to explain this, and now we'll hear from all of you.

Mayor Wieczorek stated: Those questions that were brought up were all good questions that should be answered when you make the presentation at a public hearing so that people that have that question will already have an answer and maybe they'll just watch.

Chairman Robert stated: Do you want to just move the question and have the Clerk set the earliest possible date?

Alderman Domainque stated: Well, I think we need a date. I don't think leaving it to the Clerk to set a date before anyone knows if they're available is a good idea.

The Clerk stated: You should give at least seven days for public notice. Right now, the 15th's open.

Chairman Robert stated: The 11th? Is that long enough?

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The Clerk stated: Yes. The current motion was to move the issue out of committee without a recommendation and request that the Board of Mayor and Aldermen schedule a public hearing. Since that motion was made and seconded, the discussion is to get it to public hearing more quickly, therefore, the second and the original motion should be withdrawn.

Ald. Clancy withdrew his second; Ald. Wihby withdrew his motion.

The Clerk stated: A new motion should be made for this Committee to schedule a public hearing on Thursday the 11th at Central High School.

Moved by Ald. Wihby; seconded by Ald. Clancy. Motion passed.

Mayor Wieczorek stated: Now we don't have to have that Special BMA meeting that was scheduled on the 9th because that was going to be the special meeting after this committee met with the recommendation we were going to bring to the Board.

Alderman Domainque stated: What time is this public hearing?  
Consensus was for 7:00 P.M..

Alderman Domainque stated: Do we even know if Central High School is available?

The Clerk stated: We'll check with that first thing in the morning and schedule an alternative site if it's not available.

There being no further business to come before the Committee on Community Improvement Program, on motion of Ald. Reiniger, duly seconded by Ald. Clancy, it was voted to adjourn.

A True Record. Attest.



Clerk of Committee