

**AGENDA**  
**MAPLEWOOD CITY COUNCIL**  
**MANAGER WORKSHOP**  
5:15 P.M. Monday, May 23, 2011  
Council Chambers, City Hall

- A. CALL TO ORDER**
- B. ROLL CALL**
- C. APPROVAL OF AGENDA**
- D. UNFINISHED BUSINESS**
  - 1. Trash Collection System Analysis Update
- E. NEW BUSINESS**
  - 1. Presentation on 2010 Audit of Comprehensive Annual Financial Report
- F. ADJOURNMENT**

**\*Times Listed Are Approximate**

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**MEMORANDUM**

TO: James Antonen, City Manager  
FROM: Shann Finwall, AICP, Environmental Planner  
Steve Kummer, Engineer  
Chuck Ahl, Assistant City Manager  
SUBJECT: Trash Collection System Analysis Update  
DATE: May 17, 2011 for the May 23 City Council Workshop

**BACKGROUND**

On March 28, 2011, the City Council adopted a Resolution of Intent to Organize Trash Collection. The adoption of this resolution is required by Minnesota Statutes, Section 115A.94, Subdivision 4 to begin the planning process for organized trash collection.

On April 25, 2011, the City Council approved a scope of work for the Trash Collection System Analysis. The scope included the formation of a Trash Hauling Working Group made up of two City Councilmembers (Councilmembers Nephew and Juenemann), three Environmental and Natural Resources (ENR) Commissioners (Commissioners Schreiner, Tripler, Yingling), two city staff (Shann Finwall, Environmental Planner and Steve Kummer, Engineer), and the city's solid waste management consultant (Dan Krivit, Foth Environment & Engineering). The working group will meet approximately six times throughout the next few months to analyze trash collection systems and update the City Council monthly. All working group reports and outcomes will be approved by the full City Council.

**DISCUSSION****Goals and Objectives**

The City Council adopted goals and objectives that will be referred to as the city continues to analyze trash collection systems:

1. Economic
  - a. Cost savings on road repairs and reconstruction.
  - b. Lower cost for residents (cost per household per month) due to competitive bidding.
2. Service
  - a. Greater leverage to correct problems with service.
  - b. Customized service options for residents such as:
    - 1) Rebates for extended vacations (e.g., over four weeks without service)
    - 2) Special collection options (e.g., garage-side pickup)
    - 3) Large/bulky items pick up.
    - 4) Special events pickups (e.g., Spring and Fall Clean Up events)
3. Environmental
  - a. To better manage solid waste and recycling.
  - b. Better able to direct waste to the best environmental destination.
  - c. Less gas and/or diesel burned.
  - d. Less CO<sub>2</sub> emitted into the atmosphere.
4. Safety
  - a. Safer streets.

5. Efficiency\*
  - a. Maximizing efficiency in solid waste collection.
6. Planning Process
  - a. Achieving the stated organized collection goals of the city.
  - b. Ensuring participation of all interested parties in the decision-making process.
7. Aesthetics
  - a. Less traffic, noise, and dust.
  - b. More consistent and neater looking streets during collection days.
8. Hauler Impacts\*
  - a. Minimizing displacement of collectors.

\*Required by state statute.

## **Working Group**

The first Trash Hauling Working Group meeting was held on May 6, with the second meeting scheduled for May 20. The meetings are held in the Maplewood City Council Chambers. They are open to the public, aired live on Channel 16, streamed live on the City's website, and replayed periodically on Channel 16. City staff sends the meeting notices and agendas to all trash haulers licensed in the city, posts the information on the city's website and the lobby at City Hall.

During the meetings, the working group will analyze two areas of collection systems including a contractual (or "organized trash hauling") system and improvements to the city's subscription (or "open trash hauling") system. Following is a summary of the working group's strategy for the two areas of analysis:

### Review and Analysis of Contractual Systems

The analysis of a contractual system includes the creation of a request for proposal (RFP) for residential trash collection. Sections of the RFP will be drafted by the working group to meet the City Council's goals and objectives for a collection system.

Draft sections of the RFP will be presented to the City Council during workshop updates for feedback and direction. A final RFP will be presented to the City Council in July with a recommendation to release the RFP. Once released, the 90-day negotiation period required by state statute for organizing trash collection will begin.

The trash collection RFP process will be conducted similar to the city's recycling RFP process last year. Adequate time would be given for trash haulers to review, question, and respond to the RFP. The RFP will include an evaluation criteria and point system for ranking proposals. Once the RFP proposals have been submitted to the City, the Trash Hauling Working Group will analyze the proposals based on the evaluation criteria. The City Council will then review the proposals and their rankings and authorize contract negotiations with one of the proposals (one or a group of trash haulers).

### Review and Analysis of Existing Subscription System

The analysis of the current subscription system includes reviewing the city's solid waste management ordinance and trash hauling licensing process. It will include the pros and cons of

the existing system and process, and recommendations to improve the subscription system in order to meet the City Council goals.

Another important aspect of this analysis is the one-on-one interviews between the licensed trash haulers and staff. The interviews allowed trash haulers an opportunity to express their opinions on the city's trash collection system analysis process. Additionally, it allowed city staff an opportunity to learn more details about the trash hauling operations of individual companies currently serving residents in the city. This information, along with other data and input from citizens, will be used to help gauge how the city's subscription system is operating and also serve as an important part of the participation process.

### **City Council Review of Collection System Options**

After the required 90-day negotiation period has ended, and if contract negotiations are successful, the City Council will review the contract. During the same meeting, the City Council will review the Trash Hauling Working Group's report on improvements needed to the city's existing subscription system. The consecutive reviews will allow for a critical analysis of both systems at one time. If the City Council authorizes the execution of a trash hauling contract, the city will then be entering into an organized trash collection system. If the City Council authorizes improvements to the current subscription system or directs no further analysis, the city will not be organizing its trash collection system.

### **Schedule**

Following is the tentative Trash Collection System Analysis schedule:

- March 28, 2011: Resolution of Intent to Organize
- May 6, 2011: Trash Hauling Working Group (Meeting 1)
- May 20, 2011: Trash Hauling Working Group (Meeting 2)
- May 23, 2011: City Council Workshop (Update on RFP)
- June 3, 2011: Trash Hauling Working Group (Meeting 3)
- June 22, 2011: Trash Hauling Working Group (Meeting 4)
- June 27, 2011: City Council Workshop (Update on RFP)
- June 29, 2011: Trash Hauling Working Group (Meeting 5)
- July 11, 2011: City Council Meeting (Authorize Release of RFP)
- Aug. 19, 2011: Proposals Due from Trash Haulers
- Aug. 29, 2011: City Council Workshop (Existing Subscription System Report)
- Sept. 26, 2011: City Council Meeting (Authorize Contract Negotiations)
- Nov. 14, 2011: City Council Meeting (Authorize Contract Execution/Improvements to Existing Subscription System/or Proceed no Further)
- Dec. 2, 2011: City Council Meeting (Depending on Outcome of Nov. 14 City Council Meeting - Execute Contract)

### **RECOMMENDATION**

Review the Trash Collection System Analysis update and offer comments, feedback, and direction to the Trash Hauling Working Group on the process and results to date.

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**AGENDA REPORT**

**To:** Jim Antonen, City Manager  
**From:** Gayle Bauman, Finance Manager  
**Date:** May 16, 2011  
**Re:** Receipt of Comprehensive Annual Financial Report (CAFR) for 2010 and Presentation by Auditor HLB Tautges Redpath, LTD

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**BACKGROUND**

Members of the City Council have received a copy of the Comprehensive Annual Financial Report (CAFR) and an electronic version is available on our website as well.

The CAFR will be submitted to the State Auditor's Office after acceptance by the Council. The due date is June 30<sup>th</sup>.

A representative with the firm of HLB Tautges Redpath, Ltd. will present the results of the audit at the May 23 workshop. The council will be asked to formally accept the CAFR at the May 23 regular meeting.

**HIGHLIGHTS**

The General Fund had an increase in its fund balance of \$805,715. From 2009 to 2010, revenues of the general fund increased 5.0% while expenditures increased 0.4%.

The General Fund balance at the end of 2010 is \$7,317,855. Fund Balance is required to fund operations during the first half of the following year until the next property tax payment is received from Ramsey County.

The legal debt limit at the end of 2010 is \$111,919,899. The city has \$81,624,260 in total long-term debt. Of that amount, \$4,550,000 is subject to the legal debt margin.

Debt service funds increased by \$2,349,383; from \$12,700,227 to \$15,049,610.

The unrestricted net assets in the six proprietary funds total \$528,138. Four of the six proprietary funds have positive balances. The Community Center Operations Fund and Ambulance Service Fund have deficit balances.

The Employee Benefits Fund net assets decreased from (\$61,965) to (\$447,554). This trend is expected to reverse as the mandatory leave program has expired.

### **INTERNAL CONTROLS**

The City's Finance Department has undergone some significant personnel changes since the end of 2006. The five deficiencies noted in the 2009 audit were all addressed during 2010. Three deficiencies have been identified for 2010:

- A receivable from the Federal Government was not recorded on a street project in the amount of \$1,070,000. Staff does not anticipate overlooking these types of receivables in the future as we re-establish processes used in the past.
- A prior period adjustment related to a city street that was turned over to the state in 2007 needed to be made.
- Certain journal entries prepared by the Finance Manager were not subject to review and approval. The hiring of the new Assistant Finance Manager should eliminate this type of finding in the future.

### **RECOMMENDATION**

No action is requested at this time.