

Council ponders changes in proposed trash contract

By Jeanne Davant

Negotiators working on the contract with Bestway Disposal for a single hauler trash and recycling service made a significant change last week, tying annual rate increases to the Consumer Price Index.

"The rates can go up to the rate of change of the CPI-U"—the Consumer Price Index for Urban Consumers, Finance Director Mike Leslie told Manitou Springs City Council at a work session Tuesday.

The CPI is a tool that measures inflation over time. It tracks the costs of an array of products that people in cities commonly buy. The Bureau of Labor Statistics calculates the CPI monthly, and the index is widely used to adjust prices, rents and other payments.

Council is considering the contract as part of a program under which a single hauler would exclusively provide trash and recycling services to single-family homes and multifamily residences with seven or fewer units.

Residents would not be required to participate, but if the program is adopted, a household using another trash service would have to switch to Bestway or find another way to dispose of trash.

The program has drawn opposition from a number of residents, who have objected to their choice in trash contractors being taken away. Others have said they are satisfied with their current provider and don't want to change. Some opponents have called for a vote on the issue.

Bestway was the only hauler to bid on the proposed five-year contract. It has proposed initial rates that range from \$16.25 per month for one 30-gallon bag provided by the customer, to \$18.25 per month for one 95-gallon trash cart provided by Bestway.

All rates include weekly trash and recycling collection and a recycling cart provided by the company. Collection day would be Tuesday.

Purposes of the program, which was developed by a citizens group, is to encourage recycling, reduce costs for most residents and cut down on wear and tear to the streets by reducing the number of heavy trucks.

Leslie said the five-year contract would allow Bestway to increase rates annually up to the amount of the annual increase in the CPI-U. That would let the company recoup additional costs if, for example, the CPI reflected a big jump in fuel prices. But the company could not increase rates if the CPI dropped.

According to the Bureau of Labor Statistics, that was the case this year. For 2010, the CPI-U fell about 0.4 percent from 2009. In 2009, however, the CPI-U increased about 3.8 percent over 2008. Over the past decade, it has risen about 1 to 3 percent a year.

Councilwoman Ingrid Richter said she thought the \$48,000 annual fee Bestway would pay the city should be adjusted as well.

"If the rate schedule goes up, we're still getting \$4,000 a month," she said.

Throughout discussions of the single-hauler program over more than a year, Council has been considering the idea of eventually taking over billing, which initially would be done by Bestway.

Leslie said part of the \$48,000 fee could be used to help fund the purchase of an upgraded computer program, which the city badly needs to replace its nearly 20-year-old billing software.

The new software could be used for all operations of the Finance Department, not just the trash program.

Under state law, any uses of the \$48,000 fee would have to be related to the trash program, Mayor Marc Snyder said. Those uses would include road repairs to keep streets accessible to trash trucks, enforcement of the contract provisions and software.

Councilwoman Aimee Cox said she is becoming increasingly uncomfortable with the numbers associated with the program.

While she supported buying the software, she said, "I'm not convinced we need to take on the billing for the trash hauler program" and added she thought many details needed to be worked out.

"A lot of people are very, very concerned about this," Cox said. "We need to be stepping in with baby steps and be able to reverse course if we have to."

Councilman Matt Carpenter, who has been involved in the negotiations, said the advantage of bringing billing in house would be cost savings to residents.

"The billing thing is important no matter what," Carpenter said.

Bestway has posted information about the proposed program on its Web site, www.bestwaydisposal.com, under a Manitou Springs tab.

Council will take another look at the contract and the ordinance authorizing the program at its May 4 meeting.

Fee changes and waivers

Council also discussed changes to fees for city parks and Memorial Hall and a new fee waiver policy.

A few minor changes have been made to the fee schedule since the last time Council discussed it, Carpenter said.

Council is struggling, however, with the fee waiver policy. The sponsors of several major events have traditionally been granted waivers of up to \$2,000 in fees and have said their events could be jeopardized if they had to pay the full amounts. But Council members were concerned that the city waived \$18,000 in fees in 2009, a year in which it faced a budget barely in the black. Council members also want to capture city costs, such as overtime pay for police patrols during events.

Council is considering a policy that would allow the city to waive at least some fees for "signature" events — budget permitting.

Richter said she would like to have a clear enough policy so that waiver requests would not have to come before Council, but Snyder said that could be difficult because each event is unique.

One possible avenue Council discussed would be requiring each sponsor seeking a fee waiver to submit a request by Aug. 31 for the following year's event so Council could weigh requests during its annual budget process.

Snyder volunteered to meet with new City Clerk Donna Kast to refine the draft policy. Council will vote on the fee schedule May 18 and will consider the waiver policy at a later date.

A tree grows in Manitou

Snyder said Tuesday that Manitou has won a Greenie Award from Veda for being the best community in the Pikes Peak region that recognizes environmental protection is integral for quality of life. The city received a first-place certificate and a Norfolk spruce tree.

[Return to Article Index](#)