



Staff Report

City of Manhattan Beach

TO: Honorable Mayor Tell and Members of the City Council

THROUGH:  David N. Carmany, City Manager

FROM: Bruce Moe, Finance Director
Jim Arndt, Public Works Director 

DATE: January 3, 2012

SUBJECT: Report on Refuse Operation Review for Potential Cost and Rate Reductions
(Efficiency Study)

RECOMMENDATION:

Staff recommends that the City Council receive and file this report.

FISCAL IMPLICATION:

There is no fiscal implication associated with the recommended action. However, The City Recovery Cost (CRC) charge is currently set at a level that is not recovering all costs, resulting in a subsidy of rates utilizing existing Refuse fund balance. Current estimates indicate that the CRC charge will generate approximately \$600,000 in revenue in FY 2011-2012 compared to the City's estimated CRC costs of \$643,909. Future CRC charges and/or expenses will ultimately need to be adjusted to gain parity and end the subsidy.

BACKGROUND:

At the March 15, 2011 meeting, the City Council directed staff to undertake an "efficiency study" of the refuse operation. The purpose of the study was to identify potential cost savings that may be achieved in the provision of the services that may then be passed along to the end users in the form of rebates or reduced service fees.

The Finance Subcommittee reviewed the study results at their September and November meetings, including the possible service level reductions presented on Attachment "A." After reviewing the City Cost Recovery (CRC) components, the Finance Subcommittee voted 3-0 in favor of recommending no changes in rates or CRC at this time. Further, they requested that this City Council report include a chart illustrating the makeup of the CRC by dollars and percentages (e.g., administrative costs, materials, supplies, memberships, etc.) which is presented as Attachment "D."

DISCUSSION:

Review of Rate Setting

The City Council approved a new contract with Waste Management which took effect June 1, 2011. At the same time, Council adopted new refuse rates to be paid by the end users. For residential customers, the rates are now tiered, "pay as you throw," meaning the less refuse produced and more recycling performed, a resident can reduce costs through opting for smaller (less costly) refuse bins. This differs from the prior method where all residents paid the same basic fee regardless of amount of solid waste collected.

The adopted rates were designed to reflect all of the City's costs associated with providing the service. The major portion of the service charges are for the cost of the contract with Waste Management (WM) (originally estimated before award of contract at \$3.5 million, but currently estimated at \$3,211,135 – further discussed below). Additionally, the City recovers our costs by adding the "City Recovery Cost" (CRC). The CRC includes such costs as staffing, overhead, consumables, capital needs, etc. (see attached budget line item detail). These costs are allocated as a percentage of the refuse contract with WM, and is currently set at 18.2%. That percentage may change based on cost reductions/increases (within limits) and the resulting total cost as a ratio to the expected revenues. Please note that the CRC now appears on the refuse bill as a separate line item.

The biggest portion of the \$643,909 CRC charge is the Administrative Service Charge (ASC) of \$359,111. This amount is the City's overhead related to operating the Refuse function and includes the fully-burdened costs for staffing/activities including Finance (billing), City Attorney, City Council, Code Enforcement, Public Works (with the exception of the dedicated individuals directly charged to the program), Human Resources, etc. The remaining components of the CRC are listed on Attachment "D."

The ASC was created through a comprehensive Cost Allocation Plan (CAP) study in 2010 (this is done by policy every three years and is next scheduled for 2013). That process involves an outside cost allocation expert conducting interviews with employees involved in specific program services. Through those interviews, the consultant determined how much time, on average, the affected employee spends on a program and then applies an hourly rate that includes all overhead costs such as building depreciation, support costs from other city departments (i.e., HR costs may include recruitment costs for employees working in the refuse function), utilities, etc. That hourly rate is then applied to the hours the employee spends on the function to determine the total to be charged to a particular program service. The CAP for the Solid Waste (Refuse) program is included as Attachment "C."

Assuming staffing levels remain constant, to the extent service level reductions are made to reduce overall Refuse costs, those staffing costs are then shifted from Refuse to another enterprise, or to the General Fund, depending upon how the employee time is then spent. Any significant changes in staff time would require an update to the CAP at a cost of approximately \$30,000.

Cost Reduction Options

In an effort to reduce costs, staff reviewed various options including reductions in direct staff time, supplies, memberships, equipment replacement, and other budgetary line items. From that, we identified \$104,900 in potential reductions (see attachment "A"). These reductions include reallocating staff time, eliminating special event refuse collection and advertising, and composting bin subsidy. It also includes the elimination of popular programs such as the Mutt Mitts.

The other major option staff explored was outsourcing of the billing to Waste Management. Staff met with WM in July and received a proposal (attachment "B"). The cost for a complete billing service is over \$200,000 per year. However, outsourcing the processing does not result in significant City savings because the City issues a consolidated refuse-water-sewer-street sweeping bill and would still issue the bills for the remaining services. The City has already incurred the costs of the computer systems used in issuing bills, and the incremental cost savings of eliminating the refuse portion is offset by the added expense of WM billing.

The 18.2% CRC was originally calculated by taking the ratio of total City costs of \$643,909 against the then-estimated total cost of the Waste Management contract (\$3,533,000). All residential and commercial refuse bills have the 18.2% applied to it. However, residents are opting for smaller containers at a lower cost, translating to a lower total value of the contract (e.g. less revenue) for Waste Management, now estimated at \$3.3 million. As a result, the 18.2% being collected represents a shortfall in recovery of City costs of approximately \$44,000. This will lead to further use of fund reserves subsidizing the cost of service.

After reviewing the options with the Finance Subcommittee, no changes to the CRC and rate structure were recommended. Further, while staff identified potential cost reductions, the fact remains that if costs are reduced, it will not necessarily result in a lower refuse rate since the current CRC of 18.2% is insufficient to fully recover City costs. The shortfall in CRC revenue (estimated to be \$44,000) is a result of a lower overall value of the WM contract due to residents opting for smaller, less expensive refuse carts. To fully recover current costs the CRC would need to be set at 19.5%. Alternatively, costs would need to be reduced by approximately \$44,000 to fully recover costs with an 18.2% CRC.

CONCLUSION:

The Finance Subcommittee reviewed the potential adjustments to service levels, cost structure and rates, and recommended no changes at this time. The imbalance in revenues from the CRC vis-à-vis City costs will need to be addressed in the near future either through an adjustment in rates or a reduction in costs, or both. The Refuse Fund has sufficient balance to continue the subsidy in the short term if necessary to provide the current level of service. However, the use of refuse Fund balances may affect the completion of refuse related CIP projects such as the City-owned refuse enclosures planned for fiscal years 2013-2014 and 2014-2015. Staff will continue to monitor the situation and make further recommendations in the future.

- Attachments:
- A. Potential cost reductions in Refuse program
 - B. Waste Management Proposal
 - C. Cost Allocation for Solid Waste Program
 - D. CRC by Object and Category

(A)

September 2, 2011

510-18-411-4100 Refuse Management

Line Item Cuts/Transfers

<u>Account</u>		<u>Savings</u>
510-18-411-4101 to 4211	Salaries/Benefits	
100% to 75% Sr. Management Analyst	} Transferred	\$ 32,000
20% to 10% GIS Technician		
510-18-441-5101	Contract Services	
Line Item #5 - Special Event Refuse Collection	} Eliminate	\$ 16,000
Line Item #7 - Composting Bin Subsidy		\$ 1,870
Line Item #8 - Worm Bin Subsidy		\$ 2,030
510-18-411-5207	Advertising	
Line Item #1 - Advertising to Promote Composting Classes	} Eliminate	\$ 8,000
510-18-411-5217	Departmental Supplies	
Line Item #1 - City Refuse/Recycling Containers Maintenance (Reduce by 50%)		\$ 7,500
Line Item #2 - Promotional/Educational Items (Eliminate)		\$ 5,500
Line Item #3 - Container Replacement (Reduce by 50%)		\$ 15,000
510-18-411-5611	Warehouse Purchases	
Line Item #2 - Mutt Mitt Program (Eliminate)		\$ 17,000
TOTAL		\$104,900

distribution, product use and reuse, and recycling or disposal. In summary, Zero Waste focuses on refusing waste into the stream through environmental purchasing, reuse and repair, recycling, then disposal.

The Solid Waste Division includes the City's street sweeping program. Under a competitively bid contract, residential streets are swept once per week, while many streets with commercial uses are swept two or more times each week. Additionally under this contract, the Strand is swept twice per week and the Pier is swept daily. The result of these contract services is cleaner streets, a cleaner Strand and Pier and less trash flowing into storm drains and the ocean.

BUDGET DETAIL

Solid Waste Management		2009-2010	2010-2011	2010-2011	2011-2012	% of
Object	Description	Actual	Budget	Y/E Est	Adopted	Total
4101	Salaries & Allowances	\$87,361	\$111,927	\$115,514	\$118,399	2.6%
4111	Overtime Regular Employees	-	-	70	-	-
4114	Overtime Special Events	-	2,760	2,760	2,760	0.1%
4201	Group Medical Insurance	13,775	20,698	19,840	20,400	0.4%
4202	Medicare Contributions	1,237	1,623	1,617	1,717	0.0%
4204	401A Plan City Contributions	1,727	1,719	2,496	3,356	0.1%
4206	Medical Retirement Contributions	2,282	2,496	2,496	2,496	0.1%
4211	PERS Regular Contribution	12,957	17,075	16,589	20,256	0.4%
Total Salaries & Benefits		\$119,340	\$158,298	\$161,382	\$169,384	3.7%
5101	Contract Services	\$3,626,047	\$3,598,198	\$3,600,000	\$3,910,718	86.0%
5202	Membership & Dues	7,124	8,100	5,759	6,000	0.1%
5203	Reference Materials	69	180	-	150	0.0%
5204	Conferences & Meetings	1,222	800	693	800	0.0%
5205	Training	-	200	-	200	0.0%
5206	Uniforms/Safety Equip	-	650	650	650	0.0%
5207	Advertising	5,440	8,000	8,000	8,000	0.2%
5217	Departmental Supplies	14,261	50,500	100,000	50,500	1.1%
5225	Printing	-	1,000	7,000	1,000	0.0%
5231	Bank Service Charge	-	-	7,345	7,345	0.2%
5501	Telephone	321	350	387	350	0.0%
Total Materials & Services		\$3,654,484	\$3,667,978	\$3,729,834	\$3,985,713	87.6%
5601	Administrative Service Charge	\$410,580	\$410,580	\$410,580	\$359,111	7.9%
5611	Warehouse Services	11,689	17,000	17,000	17,000	0.4%
5631	Insurance Allocation	77,280	18,840	18,840	18,420	0.4%
Total Internal Services		\$499,549	\$446,420	\$446,420	\$394,531	8.7%
Total Operating Expenses		\$4,273,373	\$4,272,696	\$4,337,636	\$4,549,628	100.0%
6141	Computer Equipment & Software	\$6,696	-	-	-	-
6212	CIP Bldg & Facilities - CYr	-	-	97,500	-	-
Total Capital Projects & Equipment		\$6,696	-	\$97,500	-	-
Total Capital Expenditures & Debt Service		\$6,696	-	\$97,500	-	-
Total Expenditures		\$4,280,068	\$4,272,696	\$4,435,136	\$4,549,628	100.0%
Source of Funds						
Refuse		\$4,280,068	\$4,272,696	\$4,435,136	\$4,549,628	100.0%
Total		\$4,280,068	\$4,272,696	\$4,435,136	\$4,549,628	100.0%

(B)



Bruce Moe
Finance Director
City of Manhattan Beach
1400 Highland Avenue
Manhattan Beach, CA 90266

July 29, 2011

RE: Considerations for Assuming Billing Services in the City of Manhattan Beach

On July 1, 2011, the City of Manhattan Beach and Waste Management met to discuss the prospect of Waste Management assuming responsibilities for residential and commercial refuse billing in the City. At the meeting, the City explained it is exploring opportunities to increase efficiencies and reduce costs incurred by the City associated with its municipal solid waste and recycling collection. The City also requested that Waste Management provide information and follow up on a list of questions pertaining to its ability to provide billing services for all commercial and residential accounts in Manhattan Beach.

The purpose of this report is to provide information requested and sample proposed rates for Waste Management to provide billing services currently provided by the City. All information provided should be considered exploratory. Should the City chose to move forward with this opportunity by requesting a more formal proposal to provide billing services, Waste Management reserves the right to update information and pricing provided in this document before amendments are made to the current franchise agreement.

Should you have any additional questions or concerns regarding this report, please contact Vickie Wippel, Special Programs Manager at [310-984-4501](tel:310-984-4501)/vwippel1@wm.com or Doug Corcoran, Director of Operations, at dcorcora@wm.com/ [818-252-3147](tel:818-252-3147).

Responses the City's Questions Re: Customer Billing

1. *Partial list of cities locally where we currently bill:*

Jurisdiction	Population	Contact Person Phone #	Contract Start Date
Agoura Hills	21,005	Louis Celeya (818) 597-7314	07/01/07
Arcadia	55,900	Tom Tait (626) 305-1386	08/17/99

Baldwin Park	80,300	Michael Solas (626) 960-3993	1988
Calabasas	20,033	Robert Yalda (818) 878-4225	1989
Citrus	23,000	Cheryl Wyche (626) 458-3516	11/1/07
County of Ventura	10,200	Bruce Beiluschi (805) 658-4311	03/01/04
Diamond Bar	59,500	David Liu (909) 839-7041	8/1/2009
El Monte	111,889	Rene Bobadilla (626) 580- 2090	12/18/2007
Hidden Hills	1,959	Cherie Paglia (818) 888-9281	01/01/07
Lancaster	133,703	Richard Long (661) 510-4460	1/1/97
Malibu	12,515	Jennifer Voccola (310) 456-2489 x 275	PERMIT
Moorpark	34,887	Shaun Kroes (805) 517-6257	12/31/99
Paimdale	136,734	Ben Lucha (661) 267-5308	1/1/05
Rolling Hills Estates	3,500	Greg Grammer (310) 377-1577	4/05
Santa Clarita	162,700	Travis Lange (661) 255-4337	4/1/04
Simi Valley	117,983	Pat Pieres (805) 583-6762	08/13/03
Thousand Oaks	123,986	Stan Hakes (805) 449-2472	06/13/06
Westlake Village	8,368	Bob Theobald (818) 706-1613	08/01/05
Whittier	88,207	Steve Helvey (562) 464-3301	07/01/01

2. *Sample bill pay language from other contracts*

Below, please find sample contract language from three cities in the Los Angeles Market Area.

City of Baldwin Park

Section 16 Termination of Collection " Any premises in the City where the Refuse Service Rate is due and uncollected for a period of 12 days may have Service discontinued pursuant to Paragraph 4 of this Agreement"

Section 20 Billing and Collection of Accounts

"A. One-family Dwellings- For services made available to One-family Dwellings under the Agreement, Franchisee shall bill the Customer of such Premises at the address shown on the Office of the County Assessor, or at the address such Customer may designate, every two months in advance. To facilitate education and publicity programs, billing cycles shall be organized according to zip codes. Mailing labels, based on billing data, shall be provided to the City upon request of the Director.

Payment for two months Service shall be due at the beginning of such two- month service period. If not paid within ten days of due date, the bill will be considered late and a late charge will be collected along with the charge for Service.

Notwithstanding or forgoing, Franchisee and the Customer may agree upon terms other than those set forth in the preceding sentence. All bills rendered by the Franchisee shall contain the following:

1. Name of the person or entity to whom the bill is directed
2. Address of Premises
3. Amount due
4. Due Date
5. Period covered by the bill
6. A description of the delinquency charge that may be imposed by the Franchisee, pursuant to this Paragraph; and;
7. Such other information as may be required by other provisions of this Agreement.

B. Bills of Service to Premises Other Than One-family Dwelling. Franchisee shall render bills for services of all Premises other than One-family to the Customer monthly, in advance, except when the Franchisee and Customer may agree upon a different billing arrangement. Payment with respect to each such bill shall be due on or before the first service day for which the bill is rendered; thereafter, the bill shall be considered delinquent, and Franchisee may charge interest therein at the annual rate of 10% for such charges after the due date. Franchisee's billing notices shall contain statement advising the bill's recipients of Franchisee's right to charge interest on delinquent bills and/or discontinue service as provided herein."

City of Palmdale

5.1.2 Billing

A. Company must provide services pursuant to this Agreement at rates it sets, charges to, and collects from its customers; provided, however, Company's rates must not exceed those set forth in the Attached Exhibit 1, which specifies the maximum rates that may be charged by the Company for the various service options that may be offered. These maximum rates may be adjusted from time to time in accordance with the terms of this Agreement. Company must provide all customers with itemized bills that detail charges for all services, including charges for late payments, as well as the period of service to which the bill applies. Company acknowledges that it, and not its customers, is obligated to pay the City franchise fees and other fees set forth herein as consideration for this Agreement. Accordingly, Company's bills must not include any separate itemization of a "franchise fee," or similar designation, that the Company is required to pay the City.

B. Billings to all residential accounts may be sent on a quarterly basis in advance. Residential customers ordering service after the first day of any calendar month will be charged on a pro-rated daily basis, and Company must reimburse customers that pay in advance for service not used, on a prorated basis, within 30 days after the customer terminates service. City is not responsible for, nor will it participate in, efforts to collect amounts due from customers, and Company must resolve issues relating to customer non-payment in accordance with Subsection 5.1.4

C. Billings to commercial accounts may be sent in advance on a monthly basis for those accounts receiving bin service and commercial curbside service, but not earlier than the tenth day prior to the first day of the service period covered by the billing. The past due payment shall not be earlier than the last day of the period for which services are provided. Billings to commercial accounts may be sent in arrears from time to time for those accounts receiving roll off service.

5.1.4 Suspension of Service Due to Non-Payment; Reactivation Fee

A. Once a payment is 90 days past due, Company must send the customer a notice that service will be suspended if payment is not made within an additional 30 day period. Company may suspend a customer's service only after compliance with the provisions in this subsection. City is not responsible for, nor will it assist with, the collection of delinquent accounts. Company is authorized to charge late fees not to exceed 2% per month. Company may send reminder notices during the initial 90-day delinquency period.

B. Company may charge a restart fee in accordance with the approved rate schedule in Exhibit 1 only if bins have been removed due to non-payment. Notwithstanding the above, and solely in the event of a billing dispute, and in order to avoid negatively impacting the public health and safety, Company will continue to provide service to the customer, if directed to by the City, without regard to the status of that customer's account. Payment for such continued services will be negotiated by the City.

City of Rolling Hills Estates

Article 3- Service Provided by the Contractor

3.03 Responsibility for Service Billing and Collection

The Contractor shall be responsible for the billing and collection of payments for Collection Services within the Service Area. Notwithstanding the preceding provision, the Contractor shall not bill for Collection Services provided to the City Service Units, except Manure Collected at City Facilities listed in Exhibit 7.

4.01 Collection Services

The Contractor shall be responsible for the billing and collection of payments for all Collection Services. The Contractor shall charge Service Recipients the service rates established in Exhibit 1 which is included and attached to this Contract. Contractor

shall not charge for collection services provided to CITY service units, except Contractor shall charge for manure collection from City Facilities as included in Exhibit 7.

4.01.1 Partial Month Service

If, during a month, a Service Unit is added or deleted from Contractor's service area, the Contractor's billing shall be pro-rated based on the weekly service rate (weekly service rate shall be the service rate established in Exhibit 1 divided by four times the actual number of weeks in the month) that service was provided to the Service Unit.

4.01.2 Production of Invoices

The Contractor shall produce an invoice, in a form and format that is approved by the Contract Administrator, for services received under this Contract in advance but no less than four times per year. The Contractor's invoice shall be remitted to the Service Recipient no later than the 20th day of the month proceeding the period for which the service is being billed.

4.01.3 Delinquent Service Accounts

The Contractor shall report to the Contract Administrator, on a monthly basis, all Service Recipients, who have received Collection Service and whose account is over 120 days past due. The Contractor may take such action as is legally available to collect or cause collection of such past due amounts. However, in no event, except upon notice in writing by the Contract Administrator, shall the Contractor cease provision of Collection Services to any Service Recipient due to non-payment.

3. *Information on franchise fees other cities charge*

Typically, franchise fees are 10-11% of gross revenue; some are 17-18% and go as high as 27%.

4. *Information on who provides water/sewer billing for cities where we bill*

In many cases, when Waste Management bills for service the City's water department, or its water company, bills for water and sewage. For sewer billing, cities that are part of the County Sewer District may be able to bill through the property tax bill. For more information, please contact cities listed above.

5. *Proposed billing schedule*

WM proposes our standard billing, which, for residential customers is quarterly advance billing with due upon receipt terms. A finance fee would be assessed if no payment is received within 30-days of the invoice Commercial accounts would be billed monthly in advance of service. A finance fee would be assessed if no payment is received within 30-days of the invoice.

6. *Options for pre-pay, electronic invoicing, automatic payment, and pro-rated bills:*

Waste Management provides several convenient bill payment options, including:

- a. Web payment- Customers can save time and money by paying their bill online at wm.com via WM ezPay. WM ezPay allows customers to either make one-time online payments or sign up for automatic, reoccurring payment via checking or savings accounts.
- b. Remit Check via Mail- Customers can use the payment coupon included with their invoice to submit payment via check. Customers are asked to mail payment at least 5 days prior to the due date to avoid past due charges.
- c. Pay by Telephone- Customers can make one-time payments over the telephone by calling the number listed on the front of your invoice during regular business hours (Monday-Friday 8:00 a.m. to 5:00 p.m.) or by calling our automated IVR system at 866- WMI-2PAY (866-964-2729). The IVR system is available 24 hours a day, 7 days per week. (*Payment handling fee of \$8.00 may apply—subject to change.*)
- d. Pro-rate- WM is able to pro-rate commercial and residential bills from the date of the service change request.

- e. Pay in person- WM contracts with Retail Provider Check Free Pay to allow customers to pay on sight. A list of all 33 sites within 10 miles of the City is attached. There is a \$1.00 convenience fee for the service.

7. *What credit cards do you accept?*

VISA, MC, AMEX

8. *What percent of customers chose paperless billing option?*

WM can only provide this information regionally. Below, please see participation rates For our North, East, South, and West regions of the LA Market Area as well as Ventura County:

144A-Los Ang North Active Haul			
	TOTAL ACTIVE	AUTOPAY	% ON AUTOPAY
COMMERCIAL	22095	1450	6.6%
ROLLOFF	2592	30	1.2%
RESIDENTIAL	152109	9414	6.2%

144B-Los Ang East Active Haul			
	TOTAL ACTIVE	AUTOPAY	% ON AUTOPAY
COMMERCIAL	12879	597	4.6%
ROLLOFF	1147	13	1.1%
RESIDENTIAL	269288	11414	4.2%

144D-Los Ang South Active Haul			
	TOTAL ACTIVE	AUTOPAY	% ON AUTOPAY
COMMERCIAL	22005	1056	4.8%
ROLLOFF	3629	27	0.7%
RESIDENTIAL	167114	5791	3.5%

144F-Ventura Active Hauling			
	TOTAL ACTIVE	AUTOPAY	% ON AUTOPAY
COMMERCIAL	6051	383	6.3%
ROLLOFF	520	21	4.0%

11. *Proposed fees for billing services*

Should WM assume billing responsibilities from the City, we would charge a fee of approximately \$4.14 per invoice to cover all associated costs. Waste Management will charge

the same cost/ unit for each invoice generated. The rate mentioned is based upon Quarterly Advanced Residential and Monthly Advanced Commercial with the previously mentioned delinquent account collections process.

12. Discussion of security, privacy, and encryption

Waste Management is concerned with the security of the data and information we collect and, we use commercially reasonable physical, electronic and procedural safeguards to help ensure the security, integrity and privacy of all personal information.

In regards to system security, all payment data is handled by 3rd-parties, encrypted and their systems are PCI compliant. Any information sent to a 3rd-party in the normal course of business is encrypted.

No payment credit card or bank account numbers are on our billing system. Our billing system uses a network infrastructure with passwords and firewalls, is managed by a leading network infrastructure management company, is Sarbanes-Oxley compliant and is audited annually by Ernst & Young, CPAs and our internal audit team.

13. Any statistics on number of MB calls we currently receive; Information on recording calls

To provide a snapshot view of typical call volume for the City of Manhattan Beach, WM has compiled a report of all calls from the City to the WM Call Center from June 2010, which was before the new contract roll out. Calls from more recent months do not accurately represent typical call volume, since calls have increased dramatically due to the roll out process, cart exchange, etc.

Due to privacy concerns, representatives from the City will not be able to listen in on recorded calls. However, we can provide call log, or narratives of recorded calls as appropriate to assist with billing inquiries or disputes.

Call Type	CM	RO	RS	Total
<i>Billing</i>	5	3		8
<i>Bulks</i>	2		96	98
<i>Change Order</i>	1		12	13
<i>Complaint</i>	1		6	7
<i>Container Activity(Del, Rem, Swap)</i>	8	4	72	84
<i>Extra Pick Ups</i>	22			22
<i>Increase/Decrease Service Change</i>	7		15	22
<i>Misc Updates</i>			4	4
<i>Missed Pick Up</i>	6		32	38
<i>Service Inquiries</i>	23	6	27	56
<i>Time of Service Inquiries</i>	5		19	24
TOTAL	80	13	283	376

14. Our preferred language to assist with late payments and avoiding bad debt

WM will provide this language at a later date should the City chose to move forward with a formal proposal for billing services.

15. Costs and parameters for any bill inserts that City may want to include:

Costs for bill inserts have varying factors, however, a typical insert will cost approximately \$0.15 unit to print, insert, and mail in a residential bill.

CITY OF MANHATTAN BEACH
Final Allocation Detail Report - Total
FISCAL YEAR 2009-2010



Suborg #: 510-18-411

Suborg Name: SOLID WASTE MGMT

Ref. #	Department	Subpool	Allocation
CAP-001	CITY COUNCIL	LEGISLATIVE SERVICES	\$9,216.48
CAP-006	CITY MANAGER	REFUSE SUPPORT	\$17,392.71
CAP-007	CITY TREASURER	CITY TREASURER SERVICES	\$424.07
CAP-009A	CITY CLERK	RECORDS MANAGEMENT	\$870.55
CAP-010	CITY CLERK	CONFLICT OF INTEREST	\$243.24
CAP-016	CITY ATTORNEY	REFUSE SUPPORT	\$43,447.32
CAP-022	FINANCE - ADMIN.	REFUSE SUPPORT	\$12,877.18
CAP-024	FINANCE - ADMIN.	BUDGET SUPPORT	\$1,386.55
CAP-025	FINANCE - ADMIN.	CASH MANAGEMENT	\$2,782.24
CAP-027	FINANCE - ADMIN.	AUDIT/CAFR SERVICES	\$1,451.93
CAP-028	FINANCE - ADMIN.	GENERAL ACCOUNTING	\$164.09
CAP-031	FINANCE - REVENUE	REFUSE SUPPORT	\$109,274.20
CAP-042	INFORMATION SYSTEMS	REFUSE SUPPORT	\$44,468.24
CAP-043A	INFORMATION SYSTEMS	CABLE TV SUPPORT	\$986.04
CAP-0436	INFORMATION SYSTEMS	WEBPAGE SUPPORT	\$2,214.17
CAP-046	FINANCE - ACCOUNT.	REFUSE SUPPORT	\$11,057.46
CAP-052	FINANCE - ACCOUNT.	CASH MANAGEMENT	\$221.19
CAP-053	FINANCE - ACCOUNT.	PAYROLL SERVICES	\$564.97
CAP-055	FINANCE - ACCOUNT.	AUDIT SERVICES	\$1,700.55
CAP-056	FINANCE - ACCOUNT.	ACCOUNTS PAYABLES	\$1,951.47
CAP-058	FINANCE - GENERAL SERVICES	PURCHASING SERVICES	\$8,701.53
CAP-059	FINANCE - GENERAL SERVICES	CENTRAL STORES	\$1,924.74
CAP-060	HUMAN RESOURCES ADMIN	HUMAN RESOURCES SERVICES	\$4,256.30
CAP-060A	RISK MANAGEMENT	HUMAN RESOURCES SERVICES	\$493.95
CAP-062	HUMAN RESOURCES ADMIN	LIABILITY CLAIM ADMIN	\$352.53
CAP-062A	RISK MANAGEMENT	LIABILITY CLAIM ADMIN	\$6,050.74

CITY OF MANHATTAN BEACH
Final Allocation Detail Report - Total
FISCAL YEAR 2009-2010

Suborg #: 510-18-411

Suborg Name: SOLID WASTE MGMT

Ref. #	Department	Subpool	Allocation
CAP-068A	P&R-ADMINISTRATION	CITY RECEPTION SERVICES	\$416.75
CAP-076A	CODE ENFORCEMENT	REFUSE SUPPORT	\$38,784.64
CAP-076C	BUILDING	REFUSE SUPPORT	\$6,604.62
CAP-081	PUBLIC WORKS ADMIN	PUBLIC WORKS ADMIN	\$6,412.88
CAP-081A	CIVIL ENGINEERING	PUBLIC WORKS ADMIN	\$535.71
CAP-086	PUBLIC WORKS ADMIN	REFUSE SUPPORT	\$32,193.36
CAP-086B	STREET MAINT.	REFUSE SUPPORT	\$29,317.54
CAP-086C	BUILDING & GROUNDS MAINT.	REFUSE SUPPORT	\$952.69

\$399,693.23

Add Risk Mgmt Support AND
Info Systems Support from Gen. Fund
Allocable to Solid Waste

+ 13,640

359,111

City Recovery Cost (CRC) Components

Attachment "D"

<u>Expenditure Object</u>	<u>Amount</u>	<u>% of Total</u>
Administrative Service Charge	\$ 359,111	55.77%
Salaries & Allowances	\$ 111,927	17.38%
Supplies	\$ 50,500	7.84%
Contract Services (excluding WM, Athens)	\$ 20,880	3.24%
Group Medical	\$ 20,698	3.21%
PERS Regular Contribution	\$ 17,075	2.65%
Insurance	\$ 18,840	2.93%
Warehouse Purchases	\$ 17,000	2.64%
Advertising	\$ 8,000	1.24%
Memberships and Dues	\$ 8,100	1.26%
401(a) Plan	\$ 1,719	0.27%
Overtime	\$ 2,760	0.43%
Medical Retirement Contribution	\$ 2,496	0.39%
Medicare	\$ 1,623	0.25%
Printing	\$ 1,000	0.16%
Conferences and Meetings	\$ 800	0.12%
Uniforms and Safety Equipment	\$ 650	0.10%
Telephone	\$ 350	0.05%
Training	\$ 200	0.03%
Reference Books and Periodicals	\$ 180	0.03%
Grand Total	\$ 643,909	100%
<u>By Category</u>		
Salary and Benefits	\$ 158,298	24.58%
Administrative Charge	\$ 359,111	55.77%
Materials, Supplies and Services	\$ 107,110	16.63%
Internal Charges	\$ 19,190	2.98%
Grand Total	\$ 643,709	100%



