

AGENDA

AGENDA OF THE WORK SESSIONS OF THE MAYOR AND COUNCIL OF THE CITY OF BISBEE, COUNTY OF COCHISE, STATE OF ARIZONA, TO BE HELD ON THURSDAY, JULY 26, 2018, AT 5:01PM IN THE COCHISE COUNTY BOARD OF SUPERVISORS HEARING ROOM, 1415 MELODY LANE, BUILDING G, BISBEE, ARIZONA.

THE MEETING WAS CALLED TO ORDER BY _____ AT _____ PM.

ROLL CALL

COUNCIL

Councilmember Anna Cline, Ward III
Councilmember Joan Hansen, Ward II
Councilmember Frank Davis, Ward I
Mayor David M. Smith
Councilmember Bill Higgins, Ward I
Councilmember Douglas Dunn, Ward II , Mayor Pro Tempore
Councilmember Gabe Lindstrom, Ward III

STAFF

Robert E. Smith, City Manager
Ashlee Coronado, City Clerk
Keri Bagley, Finance Director
Dan Duchon, Personnel Director
Dwayne Wallace, Interim Operations Manager
Albert Echave, Police Chief
George Castillo, Fire Chief

CITY ATTORNEY

Britt Hanson

THE FOLLOWING ITEM WILL BE DISCUSSED AND/OR CONSIDERED AT THESE MEETINGS:

1. Discussion on the Future of Bisbee Recycling.
David M. Smith, Mayor

ADJOURNMENT

Individuals with hearing disabilities can contact the City Clerk's Office (520) 432-6012 to request an Assisted Listening Device, at least 24 hours before the meeting.

Anyone needing special accommodation to attend this meeting should contact Ashlee Coronado at (520) 432-6012 at least twenty-four hours before the meeting.

Public documents referred to herein may be viewed during regular business hours at the City Clerk's Office at 1415 Melody Lane Bldg. G., Bisbee.

Pursuant to A.R.S. § 38-431.03(A) (3), the Council may vote to enter executive session at any point during this meeting for discussion or consultation for legal advice with its attorney(s), who may appear telephonically.



MAYOR & COUNCIL WORK SESSION FOR JULY 26, 2018

DATE ACTION SUBMITTED: July 19, 2018

DISCUSSION/PRESENTATION ONLY

SUBJECT: Discussion on the Future of Bisbee Recycling

FROM: David M. Smith, Mayor
RECOMMENDATION: Discussion Only
PROPOSED MOTION: WORK SESSION ONLY

DISCUSSION:

During the last two budget cycles, I have had difficulty reconciling a profit in recycling with the bottom line Profit and Loss for that program buried in the aggregated Sanitation and Streets funds. What I believe to be well intentioned constructive criticism regarding recycling has caused me to meet with CM Smith and ask for a detailed financial analysis of this program. Robert Smith and I have continued to meet toward this end and as a result, the following information is found and needs to be brought to Council for consideration.

The fact is, since recycling is not an Enterprise Fund, its costs, etc. are reflected within other budgets, i.e., Sanitation and Streets. After a careful and detailed analysis from finance, figures indicate that this program is not profitable and instead of a profit of \$33,000, we find a cost (loss) of \$161,000 annually. This number is a result of analyzing the financial data encompassing manpower and equipment, usage/maintenance and operating costs.

For Example: How much time are Sanitation crews picking up trash verses how much time are they picking up recycling materials, and what does the equipment, fuel, maintenance activities cost during that time? Staff's program and financial evaluation of recycling also analyses the money generated by selling the recycled material verses simply collecting it and paying to include it in the waste stream being tipped at the landfill. Recycling is a labor-intensive venture with approximately \$184,000 in annual salaries. In 2013 the Council passed an Ordinance that allotted 1.5% of the sanitation fee to the recycling operation. This presently amounts to approximately \$27,000 per year.

The takeaway from this analysis is WHAT DO THE CITIZENS WANT?

If recycling is an important issue are we/they willing to spend the money necessary to receive the service? A quick calculation indicates a charge of approximately \$8.50 per household per month is required for the program to break even and cover its own operating costs.

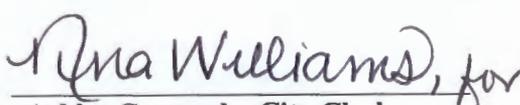
While we are looking at the real possibility of reducing the sewer fees as a result of our debt restructuring and upcoming fee analysis, I doubt that this reduction will be sufficient to offset the true cost of recycling.

FISCAL IMPACT: N/A

DEPARTMENT LINE ITEM ACCOUNT: N/A

BALANCE IN LINE ITEM IF APPROVED: N/A

Prepared by: 
 David M. Smith, Mayor

Reviewed by: , for
 Ashlee Coronado, City Clerk