

Trustees favor 10-year trash deal

Written by MARK JAEGER
Wednesday, 31 July 2013 15:42

Despite DPW director's concerns about risk of long-term contract, board drawn to projected savings

The Village of Saukville's Finance Committee gave tentative approval last week to a 10-year extension of its waste-collection contract with Advanced Disposal.

Trustees put off a final vote until a contract is available, but agreed to terms with Advanced Disposal representative Jason Johnson.

The disposal company offered options for five, seven and 10-year contracts.

According to the company, the village would save \$36,712 if it chooses a seven-year contract over a five-year agreement, and \$46,224 if it goes with a 10-year contract over the seven-year deal.

The 10-year Advanced contract follows the pattern of a number of local communities, including the City of Port Washington and the town and village of Grafton.

However, it goes against a recommendation from Public Works Director Roy Wilhelm, who advocated a more cautious approach to the agreement.

Wilhelm recommended the village back a five-year agreement, rather than the seven or 10-year options offered by the hauler.

"Seven to 10 years is a long time. A lot of things can go right or go wrong in seven to 10 years," he said.

Disposal technology could change dramatically in that time, Wilhelm said, including the possibility of waste being incinerated to generate energy.

"That could result in the elimination of tipping fees at the landfill and a lot more profit for the company. Nobody knows what direction this will go," he said.

Johnson said the company has a long-term commitment to use the Glacier Ridge landfill in Horicon, making dramatic changes in how the business operates unlikely.

"We are the only ones facing a risk. Garbage is a very local business. It has to be collected from your curbside," he said.

Advanced Disposal, and its predecessor Veolia, have offered automated waste collection using a cart system in the village for nearly five years.

"Their service has been acceptable but not stellar in regards to their timeliness and (there have been) more frequent lapses in collection in the last two years," Wilhelm said.

Trustees favor 10-year trash deal

Written by MARK JAEGER

Wednesday, 31 July 2013 15:42

Despite those concerns, trustees said the savings the village would see by going with a long-term contract were too substantial to pass up.

If the village chooses the 10-year contract, Johnson said, the company would waive scheduled fee increases for the remainder of 2013 and 2014 that are in the village's current contract.

To further sweeten the pot, he said the company would not assess a fuel surcharge for the first five years of the new contract. In addition, it would offer a rebate to the village if fuel costs drop below \$3 a gallon during the final five years of the agreement.

The hauler also agreed not to charge the village for waste collection at six village-owned properties, which would save a reported \$472 a month.

With prices fixed for the first five years, Johnson said the village's budget process would be simplified under the long-term contract.

"With the 10-year contract, your budget will be in place for the next five years," he said.

Trustees were still reluctant to endorse the 10-year contract, until Village President Barb Dickmann did some fast negotiating.

Although the proposed contract called for consumer-price index adjustments of up to 3.5% during each of the last five years, Dickmann asked that the adjustment be reduced to 3%.

Johnson said the company would make that reduction, which prompted Dickmann to ask if a lower CPI rate was possible.

He said 3% was as low as the company would go.

The 10-year contract will be presented for board action in August.