
From: MWinter
To: PBorn
Cc: TAWhitmer
Subject: FW: Paul Rioux with the Times Picayune 352-2545
Attachments: Discrepancy in User Service Fees & Payments to WM Due to CPI.Explanation to Council.08.28.08.doc

Pat,
See attached memo. Can you find a T-P article that says what garbage service fee will be?

From: MWinter
Sent: Tuesday, June 23, 2009 4:10 PM
To: TAWhitmer
Subject: FW: Paul Rioux with the Times Picayune 352-2545

I am getting ready to call this guy about garbage collection.

We are paying WM \$8.99/unit.
Residents are actually paying \$9.57/unit.

We will be paying IESI \$13.30/unit starting July 1st.

I am going to tell him the cost now is \$9.57 and will go to \$13.30. I'm not going to go into the whole different CPIs were used on what we pay Wm & what residents pay, resulting in 2 different #s. You had talked about reducing that \$13.30 by using what we charged residents above what we paid WM. When is that going to kick in? What will we be charging residents on water bills starting July 1st?

From: CCumpton
Sent: Tuesday, June 23, 2009 11:45 AM
To: MWinter
Cc: PBorn; RCollins; VReno; BSmith; KCostanza
Subject: Paul Rioux with the Times Picayune 352-2545

Hey Marnie,

Paul Rioux with the Times Picayune is working on an advanced story about item #168 on the agenda for tomorrow. It pertains to the land field service with River Birch and would like to speak to you on this matter.

Also, he would like to speak to you about the new garbage collection that is to take effect on July 1st. If there will be any major changes along with that. Please call him at 352-2545 and let someone in this office know once completed.

Thanks for your help!
Bay

Bay Cumpton
Public Information Office
Jefferson Parish President's Office
1221 Elmwood Park Blvd., Ste. 1002
Jefferson, LA 70123

(504)736-6410 Fax: (504)736-6413
ccumpton@jeffparish.net

Jefferson Parish Department of Environmental Affairs

INTER-OFFICE COMMUNICATION

TO: Hon. John F. Young, Jr., Council Chairman
Hon. Thomas J. Capella, Councilman-at-Large
Hon. Chris Roberts, Councilman, District 1
Hon. Elton Lagasse, Councilman, District 2
Hon. Byron Lee, Councilman, District 3
Hon. Louis Congemi, Councilman, District 4
Mr. Robert Hinyub, Councilmanic Aide, District 5

FROM: Marnie Winter, Director, Department of Environmental Affairs

DATE: August 28, 2008

RE: Explanation of Discrepancy between Monthly Service Fees and Contract Payments to Waste Management for Garbage Collection Resulting from the Annual CPI Adjustment Being Applied to Service Fees Only in 2005

It has recently come to our attention that monthly service fees for garbage collection services (the amount users are charged on their water bills) have been higher per month than the amount the Parish paid to Waste Management (WM) beginning in Jan. 2005, when the service fees were adjusted for that year's consumer price index (CPI), but no such CPI adjustment was applied to WM invoices until Jan. 2006. The following explains how this occurred.

Section 16-41 of the Jefferson Parish Code of Ordinances (attached) established a system of charges for the operation of a parish wide curbside garbage collection program. The ordinance states that the base charge for the operation of the garbage collection program will be adjusted annually beginning January 1, 2001 based on the percentage change in the Consumer Price Index. The service charge shall be collected regularly on the same billings of the waterworks of the parish.

The current contract with Waste Management (WM) for solid waste collection had as a starting date, July 1, 2004, with the first CPI adjustment being applied on Jan. 1, 2006, and then on Jan. 1 every year thereafter.

Thus, in Jan. 2005, the service fee on the water bill was CPI adjusted per Sect. 16-41 of the Code of Ordinances; however, the amount that the Parish paid WM was not CPI adjusted per their contract, which did not call for a CPI adjustment until Jan. 2006. As a result, customers paid a higher service fee/unit/month in 2005 than the unit charge/month that was actually paid by the Parish to WM. Consequently, when CPI adjustments were applied in Jan. 2006, 2007, 2008, and will be for the first 6 months of 2009, to both customer service fees and monthly unit cost payments to WM, the discrepancy between the two grew each year as the customer fee started at a higher number than the WM charge in Jan. 2005 (see attached table for differences by year).

The end result is that, between Jan. 1, 2005 and June 30, 2009, each unit will have paid approximately \$11.28 more than what the Parish paid WM during that same period of time.

In order to correct for this, the Parish will use the excess service fees collected to offset the cost of the new contract with IESI/Coastal Waste, which will start July 1, 2009. Beginning in July 2009, the estimated \$11.28 overcharge will be amortized over the next 5 years of the new contract (July 1, 2009 through July 1, 2014) to bring down the rates that customers are charged.

If you have any questions or need further information, please call me at 736-6443 or 913-6443 (cell).

cc: Hon. Aaron F. Broussard
Mr. Tim A. Whitmer
Mr. Tom Wilkinson
Ms. Gwen Bollotte