

MUNICIPALITY OF ANCHORAGE
Summary of Economic Effects -- Utilities

AO Number: 2008-52(S) Title: An ordinance amending Anchorage Municipal Code chapter 26.70 to add a new section establishing variable garbage collection rates for automated collection routes

Sponsor: Mayor

Preparing Agency: SWS

Others Impacted: None

CHANGES IN REVENUES AND EXPENSES:	(In Thousands of Dollars)				
	FY08	FY09	FY10	FY11	FY12
Operating Revenues:					
	\$ 72 1)	\$ 433	\$ 963	\$ 963	\$ 963
TOTAL OPERATING REVENUES	\$ 72	\$ 433	\$ 963	\$ 963	\$ 963
Operating Expenses:					
	\$ 72 2)	\$ 432	\$ 959	\$ 959	\$ 959
TOTAL OPERATING EXPENSES	\$ 72	\$ 432	\$ 959	\$ 959	\$ 959
Non-Operating Revenues:					
	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL NON-OPERATING REVENUES	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Operating Expenses:					
	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL NON-OPERATING EXPENSES	\$ -	\$ -	\$ -	\$ -	\$ -
NET INCOME (REGULATED)	\$ -	\$ 1	\$ 4	\$ 4	\$ 4
POSITIONS: FT/PT and Temp	1	1	1	1	1

PUBLIC SECTOR ECONOMIC EFFECTS:

- 1) Revenues represent incremental increase generated by implementation of automated routes. Implementation will include 30% of eligible customers in October 2008, an additional 30% in June 2009 and full implementation in January 2010.
- 2) Operating expenses include incremental expense to provide pickup of recycled materials as automated routes are implemented.

PRIVATE SECTOR ECONOMIC EFFECTS:

Residential and commercial customers receiving "can and bag" curbside or alley garbage pickup currently pay \$16.35 per month for pickup of up to four 32-gallon garbage cans. This rate could rise to \$18 per month effective 7/1/2008. Rates will change from a flat monthly rate to a customer-selected rate based on anticipated garbage disposal needs as set out below. Implementation of automated collection routes is anticipated as 30% of eligible customers in October 2008, an additional 30% in June 2009 and full implementation in January 2010.

Proposed Rates:

Containers	(Gals.)	Rate
1 can	32	\$ 14.35
2 can	64	\$ 22.95
3 can	96	\$ 31.55

Add \$8.60 / mo. For each additional 32-gallon increment