

NANCY WUERFEL, [REDACTED]

August 9, 2016

Jennifer Johnston, Chair, Refuse Collection & Disposal Rate Board
Todd Rydstrom, Member, Refuse Collection & Disposal Rate Board
Michael P. Carlin, Member, Refuse Collection & Disposal Rate Board

RE: Comments and Revised Resolution for Consideration at the 8/10/16 Rate Board

Dear Rate Board Members:

At the December 16, 2016 rate board hearing, Board Member Carlin proposed the only fair and appropriate use of the existing Special Reserve Fund money: 1) to fully fund the New Special Reserve fund with \$10 million, thereby eliminating the need for the one per cent surcharge; 2) to authorize \$12 million for the payment of extraordinary expenses to Recology; and 3) to leave the balance of approximately \$7.6 million in the existing Fund to pay for future liabilities.

As a ratepayer, I fully support these uses and monetary allocations of the Special Reserve Fund with the additional recommendation: *That within five years of the expiration of the current Waste Disposal agreement, the entire unexpended balance of the Fund shall be closed out and transferred to the new Reserve Fund so that there will be no future need to create a one per cent surcharge unless so ordered by the Rate Board.*

As an advocate for government accountability and timely transparency, I call to your attention the following deficiencies in the June 24, 2016 report from the Department of Environment:

1. There is no evidence to justify NOT fully funding the New Special Reserve Account right now, since the money was charged to ratepayers for exactly this purpose.
2. There is no evidence to justify leaving \$13 million in the existing Fund for five years, when the total payout for claims over the past 20 years has been \$8.6 million AND there are no new claims being made by Waste Management.
3. There is no evidence to justify reinstating a surcharge on the ratepayers at the next rate setting to fund the new Reserve, when full funding is possible now.
4. There should be no "new proposed uses" of this reserve money other than to fund the new Reserve which is the only reason why the surcharge was authorized to begin with. This surcharged money should not become a slush fund in the future for "new uses!"

Because the proposed Resolution is seriously flawed as described above, I submit to the Rate Board a revised Resolution for your consideration. The revised Resolution deletes original language with strikeouts, and adds new language with underlining and highlighting.

Sincerely,

Nancy Wuerfel

Cc: Mohammed Nuru, Director, Department of Public Works
Jack Macy, Department of Environment
Enc. Proposed Revised Resolution