CAMBRIDGE MATTERS – 2022-08

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We often hear that history repeats itself. This morning someone told me that our City Council was in the process of revisiting the issue of private vs. public trash collection in the city that was addressed by the prior City Council. What follows is not about the fact that they are looking at an issue with what I call “New Eyes”, but rather it is about the importance of doing the research to determine if going back to a prior way of doing things is the right answer.

The issue appears to be about whether to continue to use a private contractor for picking up the household garbage from the residents or bring that job back in-house to have it done by City Staff. So that there is full disclosure, last year I urged the city to consider changing the current service provider because of their poor performance. Fortunately, they did not do that, as I have seen a positive turn around in the service being provided by Chesapeake Waste to the point that I would say that I am very satisfied with their performance. If you are as well or if you are not, please let City Council know as they consider a change. Just understand that those who complain are more likely to let their commissioner know; so, if you have a positive view, be sure to speak out.

During the last council term, this issue was researched and debated over a period of months, and the decision by City Council ultimately was to go to a private provider. The reasons were many. The attached staff reports will give you more detail than I will here but provide the staff research and reasoning for our decision.

One of the important issues was the deterioration of the trucks that the city owned and performed the service. They were breaking down to the extent that the city would have needed to purchase some new trucks at significant expense. As we now have a private provider, if the city goes back to having staff do the work, we will need to purchase new equipment that will be expensive. In addition, if that is done, the city should also put in place a budgeting practice of setting aside reserves each year to be in a position to replace older trucks through a cash purchase rather than financing them.

As we know from our failing to set aside any money for over 25 years to be ready to replace our ladder fire truck, the city and its prior leaders were not very good about setting aside monies for future capital expenses. In addition to these expenses, unless the city is prepared to pay some outside vehicle repair business to service and fix the vehicles, it will need to hire someone to maintain and fix them, which will be an added expense for the city.

Another important area of concern that we faced when making our decision years ago was the number of job injury claims that were being made by the staff that performed the trash pick-up. If I recall correctly, we had a remarkably high number of injury claims by people who were only on the job a few months. As a result, our Workman’s Compensation costs were high and heading higher. By hiring a private contractor, those costs were not part of an unknown city expense except as part of any renegotiation of the contract, where both the provider and the City could consider that particular issue.

One of the important benefits that the City provides its employees is a particularly good health insurance program where the city is the self-insurer of the first $100,000 of any employee or family member medical expense. While there have not been many employees or family members that went to that maximum payment, that is always something that must be considered. Were the city to hire five people that would include the mechanic I mentioned above and four staff people and they all had spouses or children that would total ten new people covered for health claims that would expose the city and its taxpayers to an additional $1 Million in potential health claims each year.

All of this is not to say that the city should or should not keep the private provider or find a new one or bring the service back under the city service umbrella. That is for the current or future City Councils to research, consider, and decide after a thorough investigation is done. That could well be one of the first tasks for our incoming City Manager.

Thanks for reading.

Steve