

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: January 27, 2020

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution affirming Milwaukee County's commitment to environmentally sustainable practices through the reduction or elimination of the use of single-use plastic or polystyrene foam products in County-owned and operated facilities and requesting the Director of Sustainability to draft contract language for approval by the Milwaukee County Board of Supervisors directing Milwaukee County vendors and contractors to reduce or eliminate the use of single-use plastic or polystyrene foam products in County facilities.

FISCAL EFFECT:

- | | |
|---|--|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input checked="" type="checkbox"/> Existing Staff Time Required
<input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input checked="" type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input type="checkbox"/> Use of contingent funds |
|---|--|

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	See Narrative	See Narrative
	Revenue	\$0	\$0
	Net Cost	See Narrative	See Narrative
Capital Improvement Budget	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	\$0	\$0

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
 - B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
 - C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
 - D. Describe any assumptions or interpretations that were utilized to provide the information on this form.
- A. If adopted, this resolution would affirm Milwaukee County's commitment to environmentally sustainable practices through the reduction or elimination of the use of single-use plastic or polystyrene foam products in County-owned and operated facilities and requesting the Director of Sustainability to draft contract language for approval by the Milwaukee County Board of Supervisors directing Milwaukee County vendors and contractors to reduce or eliminate the use of single-use plastic or polystyrene foam products in County facilities. The resolution would establish a goal specifically for the Department of Parks, Recreation, and Culture to reduce its provision of single-use plastics and polystyrene foam products by 50 percent in 2020 and by 100 percent in 2021.
 - B. Over the past few years, the Parks Department began switching out plastic products with their non-plastic alternatives. Some of these changes include removing straws from Beer Gardens and Golf Courses, offering post-consumer recycled to-go containers, paper bags instead of plastic, paper cups instead of Styrofoam, and recycling of fryer oil. These changes have resulted in slightly higher commodity costs within the Department. In 2019, the Department's spending on these products was approximately \$3,000, according to staff, which was absorbed within their budget. This resolution, if adopted, would result in approximately \$5,000 to \$7,000 in increased costs to the Department for 2020 to meet the goal of a 50% reduction in single-use plastics and polystyrene foam, based on estimates provided by Parks' Administrative staff. It is anticipated that the Department will absorb these costs into their budget for 2020. If the costs cannot be absorbed within existing appropriations, a transfer

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

² Community Business Development Partners' review is required on all professional service and public work construction contracts.

from the Appropriation for Contingencies may be required later in the year to fulfill the policy directive of this resolution.

It should be noted that this fiscal note does not attempt to quantify the potential cost to Milwaukee County (in either increased expenditures or reduced revenues) for non-park entities to reduce/eliminate single-use plastic or polystyrene foam products. This resolution directs that contract language be developed for future agreements that could be used to ban the provision of single-use plastics and polystyrene foam and requests that eco-friendly products instead be used. The fiscal impact, if any, of changes to future agreements cannot be determined at this time.

The below chart illustrates the cost difference between plastic products and plastic-less options that the Parks Department is currently purchasing and using throughout its facilities:

Product	Cost per case	Cost per unit
Bag, plastic grocery	\$14.53	\$0.015
Bag, paper grocery	\$16.45	\$0.033
Container, hinged foam	\$17.71	\$0.089
Container, hinged natural	\$72.43	\$0.362
Hot cup, foam	\$32.31	\$0.032
Hot cup, paper	\$67.33	\$0.135
Plastic utensils	\$39.98	\$0.04
Eco utensils	\$74.61	\$0.08

C. In subsequent years, the Department anticipates \$5,000 to \$7,000 in increased spending on commodities to meet the goal of 100 percent reduction by the end of 2021. It is anticipated that these increased costs will be reflected in their 2021 Requested Budget.

D. No assumptions or interpretations were used.

Department/Prepared By Emily Petersen, Research & Policy Analyst, Office of the Comptroller
 Authorized Signature Emily Petersen

Did DAS-Fiscal Staff Review? Yes No

Did CDBP Review?² Yes No Not Required