VOTER APPROVAL:
A SIMPLIFIED APPROACH TO OVERCOME FINANCING OBSTACLES

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ABSTRACT
This paper describes the successful utilization of in-house talents for a mass educational program to gain voter approval in a unique Special Election held in five cities and necessitating voter approval in every city, for a millage increase necessary to finance installation of air pollution control equipment on incinerators out-of-operation since December 31, 1982.

INTRODUCTION
The Central Wayne County Sanitation Authority's municipal incinerator plant, owned by the cities of Dearborn Heights, Garden City, Inkster, Wayne, and Westland, is located in Wayne County in southeastern lower Michigan. The owner communities encompass a 50 square mile area with a 1984 State Equalized Valuation of $1,864,871,970. Most of the residents of the owner communities live in single homes which they own or are buying on contract.

The Authority's incinerator plant operated successfully for 18 years in the safe disposal of the solid waste generated by not only the 268,000 residents of its owner communities, but the 77,500 residents of another community as well, who had contracted with the Authority. In addition, the Authority disposed of solid waste for private haulers, banks, local, state, and federal agencies.

In December of 1982 the Authority's furnaces were shut down by court order for noncompliance with local county codes and in order to be in compliance with the Federal Clean Air Act. By virtue of this fact, 50% of its plant employees were laid off, and the Authority had to utilize its transfer station to dispose of the municipal solid waste from its owner communities.

The Authority worked diligently for years to solve the problem of complying with the standards and time limits imposed by the Clean Air Act. However, all of their efforts were to no avail due to many factors, the most important of which was their inability to market successfully any security in the depressed general economic climate in this area. Two primary economic problems were as follows:

(a) The State of Michigan appeared to be in serious financial difficulty and, in fact, raised the State Income Tax 38% in order to reverse its position.
(b) The County of Wayne was also in serious financial straits and, in fact, took drastic cost cutting measures to alleviate their financial stress.

A contributing factor to the above was the fact that the automobile industry was in the throes of a recession, and unemployment in the State of Michigan was at all time highs.

The Authority also completed a feasibility study
financed through a grant from the U.S. Department of Energy for "Cogeneration From an Existing Municipal Incinerator Plant." They completed the engineering for air pollution control equipment with provision for waste heat boilers, up to and including contractors' bid package. The project would not only solve the meeting of the standard but would also enable them to produce steam and electricity. Their only problem, at that point, was the method of financing the project.

**QUEST FOR FINANCING**

The Authority, after investigating many different avenues of financing the project, concluded that it would not, at that time, be economically feasible without some type of funding support from federal, state, county, or other sources. They continued with their pursuit of such funding support. However, at that time, there was absolutely no program available.

A major "stumbling block" in any financing decision by the Authority was the November 1978 voter-approved amendment to the Michigan Constitution, commonly referred to as the Headlee Amendment, which restricted the owner communities' ability to increase taxes. Under the Headlee Amendment, the owner communities were prohibited from pledging their full faith and credit and unlimited taxing power behind their contractual pledge to pay the Authority. The owner communities could only pledge their limited taxing power to meet their contractual payment to the Authority. The owner communities were all faced with extremely tight general budgets, and many were at their charter tax limit. This meant that any increase in charges for use of the incinerator would require cutting some other function out of their general fund. Therefore, it was determined that the best approach would be to go for a vote of the people. Also, voter approval would almost assure a more favorable interest rate on any bond sale.

**LAYING THE NECESSARY GROUNDWORK**

As far back as mid-1983, the Authority presented a position paper to the City Councils of each of the five owner communities entitled "We Do Not Want Someone Else's Refuse Buried Here." The paper brought them up-to-date on the status of the incinerator plant, including the Authority's efforts to seek financial assistance. It stressed the fact that even though the furnaces were not operating, the disposal of the solid waste was being handled in a smooth, orderly, and efficient manner, due to the foresight of the owner communities in adding a Transfer Station in 1971, which enabled them to continue to maintain control of their solid waste disposal. The position paper brought to light the following areas of concern:

(a) The rise in landfill costs over a 20 year period amounted to 2150% versus a rise of 300% in incineration costs for the same period.

(b) The remaining life expectancy of landfills in Wayne County was 7 years.

(c) The cost to communities to dispose of refuse in landfills could become staggering when area landfills become saturated. One community in Northern Michigan travels 300 miles round trip to the closest landfill to dispose of its refuse.

(d) New state regulations for existing landfills now call for more stringent requirements, such as geological surveys, monitoring wells, etc. Also, to site a new landfill could conceivably take as long as 5 years, due to these regulations.

(e) If the Authority ever closed its incinerator plant, it would be next to impossible to ever reopen due to Michigan's State Implementation Plan which would consider the incinerator plant as a new source and, as such, would be subject to a very complicated system of credits.

(f) The importance of the continuance of the Authority for control by the owner communities of their solid waste disposal by taking whatever steps were necessary to install the air pollution control equipment with provisions for steam and electric generation, to enable them to comply with the air pollution control regulations and again incinerate their wastes.

The position paper posed the following questions:

(a) What will it cost the owner communities if they do not take these steps?

(b) Are they developing serious problems for the next generation by dumping into landfills?

(c) What future liability are they creating?

(d) Can the owner communities afford to allow their costs to be controlled by private companies?

(e) Can the owner communities afford to relinquish control of their solid waste disposal?

In mid-1984, the Authority mailed a follow-up to their position paper, in an effort to keep the City Councils of the owner communities apprised of the status of the incinerator plant and the ongoing investigation of different avenues for some type of financial assistance. It advised them that, in any event, the Authority was anticipating moving forward with their project, hopefully, by the year's end, at which time they would advise the City Councils of the steps which had to be taken by them, in order to bring this project to fruition.
In August of 1984, the Authority made a decision to advise the residents of the owner communities of the problems facing them and the alternative available to them. This was accomplished by publishing an "Open Letter to the Residents of the Cities of Dearborn Heights, Garden City, Inkster, Wayne and Westland," in newspapers of general circulation. The letter informed them of the status of the incinerator plant, the status of landfills, and the fact that we all had to do whatever was necessary to obtain financing to equip the Authority's furnaces to enable them to again incinerate the solid waste generated in our communities. The Authority listed the options to consider and the approximate costs involved, in the following manner:

(a) Equip two of the three furnaces with the necessary new air pollution control equipment which would amount to approximately $3.50 per person per year.

(b) Equip all three furnaces with the necessary new air pollution control equipment and install boilers to produce steam and generate electricity which would amount to approximately $21.60 per person per year.

(c) Equip all three furnaces with the necessary new air pollution control equipment with provision for the addition of the boilers at a later date which would amount to approximately $5.20 per person per year.

It should be noted that the Authority used a cost per person per year approach as best to explain to the general public based solely on the fact that it was easier for the average person to relate to. Also, the Authority felt that an open letter to the residents was not the place to explain total project costs or necessary millage increases inasmuch as they would be informed of this information at a later date.

The Authority's telephone number was listed with the request that residents call to register their opinions. It was a very pleasant surprise when all responses received were in the affirmative and most chose option No. 2. All were in favor of reopening the incinerator plant. The important message received by the Authority was that the public, while not necessarily well versed on their city owned incinerator plant, were very much aware of the current status of landfills.

In October of 1984, the Authority made a decision to consider installation of air pollution control equipment on two furnaces only, at an approximate cost of $11.2 million dollars, with space for the addition of waste heat boilers at a later date. This approach would enable the Authority to serve, first and foremost, the owner communities. At a later date, the Authority will install the air pollution control equipment on the third furnace and retrofit for steam and electric generation, when the necessary guaranteed additional waste stream can be attained from other communities which will be faced with staggering landfill costs. Also, there is state legislation in the works which, if successful, could offer funding assistance in the form of matching grants for retrofit projects. It is the Authority's understanding that this would be retroactive, thereby enabling the Authority to be given credit for their current investment.

The next step to be taken was setting up study sessions with the City Councils of the owner communities to apprise them of the preliminary cost estimates and millage increases necessary for financing the installation and obtaining their approval to hold a Special Election. July 30, 1985 was targeted as the date for the Special Election to be held in each community. Several of the owner communities had "the room" in their millage limitations to handle an increase without going for a vote of the people. However, the majority were fast approaching or had already reached their limitation. Therefore, it was deemed, in the best interests of all five owner communities, to go for a vote of the people with a like ballot proposal in each city, for an increase of up to one mill for 15 years. The Authority purposely chose July 30th as the date for a Special Election, knowing that most of the owner communities had Primary Elections in September and General Elections in November, so that this issue would not be politicized. The Authority received approval from all five City Councils to hold the Special Election in their cities.

**EDUCATING THE PUBLIC**

In September of 1984, anticipating the possibility of going for a vote of the people, the authors, well versed in the solid waste disposal field, each with 20 years employment with the Authority, embarked on a project to develop an audio/visual presentation as a tool for educating the general public.

It was decided that the audio/visual presentation should be no longer than 15 min and should be as non-technical as possible so that it would be easily understood by everyone. The first step was the preparation and refining of a script depicting the past, present, and future of the Authority's incinerator plant. The next step was the researching of files for old photographs which had to be made into 35 mm slides. New photographs were taken by the authors to depict the present and future. The audio/visual presentation encompasses a period of 32 years in a span of less than 15 min. The theme of the presentation is "The Conservation of This Beautiful Land of Ours." The taping
was done in the Authority offices with narration by
the principal author. The only cost to the Authority,
at that point, was the cost of the film. The presentation
was made first to the Authority Board of Directors in
December of 1984. Their response was unanimous that
this film should be used as the major tool for educating
the general public. The presentation was also made to
each City Council of the owner communities as an
integral part of the Study Sessions held with them in
early 1985.

STRATEGY PLAN

Since the shut down of the Authority's furnaces in
December of 1982, they were successful in garnering
periodic coverage of the plant in local newspapers,
including a roving reporter type of interview which
asked the question, "Would you vote for a one mill
tax levy to help finance pollution control equipment
for the incinerators?" The majority of people queried
indicated "yes."

A strategy Plan was developed, beginning in May
of 1985, as follows:

(a) Local Cable Television coverage. The format
used was a hosted show with questions and answers
by the Authority representatives and included the air­
ing of the audio/visual educational presentation. This
show was repeated by the cable company all the way
up to the end of July.

(b) In mid-May, the audio/visual presentation was
made by Authority representatives to groups such as
The League of Women Voters, local Chambers of Com­
merce, Rotary Clubs, Kiwanis Clubs, Political Clubs,
Senior Citizens Clubs, etc., for the purpose of the ed­
ucational process, answering questions and last, but
not least, seeking endorsements from these groups, as
leaders in the communities.

(c) The Authority developed and printed an edu­
cational brochure for delivery in mid-July to every
address in the five owner communities. The brochure
emphasized the pros and cons of incineration versus
landfilling, depicting recent newspaper headlines con­
cerning both methods of disposal and informed the
public of the Special Election to be held on July 30,
1985.

(d) During the month of July, the educational au­
dio/visual presentation was made in each of the owner
communities, to the general public. The locations for
these presentations were in council chambers, local
recreation complexes, and the auditorium of the largest
shopping complex in this area. The dates and times of
these presentations were advertised in the local news­
papers and on cable televisions.

(e) A mass media blitz was scheduled for the last
10 days prior to the election.

An oversized Calendar of Events was made and posted
in the office of the principal author, in order that
everyone involved was kept constantly apprised of the
activities. All presentations arranged by city officials
were coordinated with the Authority office, in order
to avoid overlapping or duplication of dates. Members
of City Councils, members of the Authority Board of
Directors, and Authority staff all participated in the
presentations. An oversized Press Coverage Board was
posted in the office of the principal author in order
that everyone involved would be kept apprised of the
media coverage. The press coverage of general news
items and editorials concerning the Authority were all
favorable.

The Authority mailed requests for endorsements of
the project to all elected officials of the owner com­
unities as well as county, state, and federal repre­
sentatives. Endorsements were received from every
level.

A committee was formed of citizens from each of
the owner communities and was successful in its efforts
to solicit contributions and endorsements to encourage
a "yes" vote at the polls. On the 25th of July, 1985,
a rally was held at the incinerator plant with all sup­
porters invited. This was also covered by the press,
newspapers, and local television stations. The evening
before the election, Authority staff made telephone
calls to friends, neighbors, and relatives urging them
to get out to vote. On July 30, 1985, the voters in the
five owner communities "told the story" with a re­
sounding "Yes" vote at the polls.

The following facts are of particular interest:

(a) In the 20 year history of one of the owner com­
communities, voters have never approved a millage in­
crease. This one was approved by them.

(b) In another of the owner communities, for merely
the second time in their history, not only did all of
their elected officials and department heads publicly
endorse the project, but opposing candidates for elected
offices in their city also endorsed the project.

(c) A local county taxpayers association, who are
traditionally anti-tax, publicly endorsed the project.

(d) This is the first time in Michigan history that
five separate cities approved a Special Election to be
held on the same day with a like ballot proposal which
necessitated passage in all five cities.

CONCLUSIONS

Elections, particularly millage elections, can be sur­
prising. You can predict the outcome of some with
reasonable certainty. However, the July 30, 1985 property tax increase beat the odds. Homeowners voted overwhelmingly in favor of boosting their taxes for 15 years to allow an incinerator to reopen. Even millage proposals with some appeal, like those for schools, libraries, roads, or parks, have a hard time getting past money-conscious voters. However, the Central Wayne County Sanitation Authority may have written suburban political history. From the start, the Authority's Board of Directors and supporters had obstacles to overcome. Since the closing of the furnaces in December of 1982, the Authority was forced to bury rubbish in landfills. The Authority is in the business of burning rubbish, not burying it. The Authority's Board of Directors and staff felt bad about laying off approximately half of the 28 person work force when the incinerators were shut down, so they set out to develop a way to reopen the incinerator plant and lessen their dependency on landfills which, in this county, are fast being filled to capacity.

The tax increase, necessary to finance the project, would be a maximum of $1 per $1000 of state equalized valuation or approximately $20 per year for an average homeowner. The Authority Board of Directors and staff and the City Councils of the owner communities, armed with the educational audio/visual presentation, and the sole purpose of reaching all of the residents of the five owner communities, succeeded. The message was simple and to the point. The group had a plan that worked and they worked the plan.

ACKNOWLEDGEMENTS

The authors wish to thank the Board of Directors and the City Councils of the owner communities for their faith and confidence in using this approach to overcome the financing obstacles and for their unselfish participation in these endeavors. We also wish to express gratitude to the employees of the Central Wayne County Sanitation Authority for their support in these endeavors, the members of the Incinerator Millage Committee, whose help we could not have done without and last, but not least, all of the voters in the five owner communities who had enough faith, trust, and confidence in the Authority to cast their “Yes” vote at the polls on July 30, 1985.