



AGENDA MEMORANDUM

One Reading Ordinance for the City Council Meeting of September 6, 2022

DATE: August 30, 2022
TO: Peter Zanoni, City Manager
FROM: David Lehfeldt, Director of Solid Waste Services
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Rate Increases for Solid Waste Services
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CAPTION:

One Reading Ordinance amending various sections of the Code of Ordinances, Chapter 21, Solid Waste, by revising applicable fees, rates, and charges.

SUMMARY:

This ordinance increases the monthly solid waste collection charges for residential, commercial and ancillary collection services by 5%, Cefe Valenzuela Landfill disposal charges by 7.5%, and the JC Elliott Transfer Station commercial charges by 15%. The Municipal Solid Waste System Service Charge (MSWSSC) increases from \$0.31 per cubic yard to \$0.91 per cubic yard for dumpster service, and from \$0.82 to \$2.40 per cubic yard for roll-off service, for customers who are billed by solid waste haulers without City disposal contracts, such that the per cubic yard rate for the MSWSSC is uniform for haulers with and without City disposal contracts.

BACKGROUND AND FINDINGS:

The Proposed FY 2022-2023 Solid Waste budget includes estimated revenues generated with the proposed rate increases of 5% for residential and commercial accounts and ancillary collection services, 7.5% for Cefe Valenzuela Landfill disposal charges and 15% for JC Elliott Transfer Station commercial charge. Included with the proposed rate changes are increases to the MSWSSC of 60 cents per cubic yard for dumpster service customers and \$1.58 per cubic yard for roll-off service customers, applied to customers who utilize the services of solid waste haulers without City disposal contracts. The increases standardize MSWSSC rates, such that customers are assessed the same MSWSSC when using the services of haulers with or without City disposal agreements.

Inflationary factors have substantially impacted costs within the Solid Waste industry. Labor, fuel and equipment have been subject to double digit inflation over the past year. The recommended rate increases are needed to offset anticipated costs in providing collection and disposal services.

The last effective dates for past rate increases are shown below:

Residential Collection	October 2018
Commercial Collection	October 2021
JC Elliott Transfer Station	October 2021
Landfill	October 2021
MSWSSC	August 2009

ALTERNATIVES:

The alternative is to approve smaller increases, or no rate increases at all. This would reduce the level of service able to be provided by the Solid Waste Department.

FISCAL IMPACT:

The rate increases add an estimated \$1,839,000 in General Fund revenue to the Proposed FY 2022-2023 Budget, with \$1,259,000 from Residential and Commercial Collection, \$484,000 from the JC Elliott and Landfill disposal charges, and \$96,000 from the MSWSSC.

FUNDING DETAIL:

Fund: n/a
Organization/Activity: n/a
Mission Element: n/a
Project # (CIP Only):
Account: n/a

RECOMMENDATION:

Staff recommends amending the Ordinance as presented.

LIST OF SUPPORTING DOCUMENTS:

Sections of Ordinance with old rates lined through and new rates underlined.