



AGENDA MEMORANDUM

Ordinance for the City Council Meeting of August 29, 2023
Second Reading Ordinance for the City Council Meeting of Sept. 5, 2023

DATE: August 17, 2023

TO: Peter Zanoni, City Manager

FROM: David Lehfeldt, Director of Solid Waste Services
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Rate Increases for Solid Waste Services

CAPTION:

Ordinance amending various sections of the Code of Ordinances, Chapter 21, Solid Waste, by revising applicable rates, fees, and charges; and providing an effective date.

SUMMARY:

This ordinance increases the monthly solid waste collection charges for residential, commercial and ancillary collection services by 5%, resulting in net increases of 4.3% for residential customers and 4.5% for commercial customers. The Cefe Valenzuela Landfill disposal charges will increase 5%, and the JC Elliott Transfer Station commercial charges will increase 10%. Descriptions for collection service charges are amended to clarify that solid waste collection charges are attached to the customer's water meter account, or to a gas meter account if no water meter is present. The ordinance includes other minor verbiage changes to add clarity.

In addition, the ordinance also provides language to clarify that fees for apartment houses, travel trailer parks, manufactured parks, and , one-family dwelling, or two-family dwellings will be charged to the person on the account for the City water meter, or gas meter if no City water meter is present.

BACKGROUND AND FINDINGS:

The Proposed FY 2023-2024 Solid Waste budget includes estimated revenues generated with the proposed rate increases of 5% for residential and commercial accounts and ancillary collection services, 5% for Cefe Valenzuela Landfill disposal charges and 10% for JC Elliott Transfer Station commercial charge.

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 of providing collection and disposal services.

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

Residential Collection	October 2018
Commercial Collection	October 2022
JC Elliott Transfer Station	October 2022
Landfill	October 2022

ALTERNATIVES:

The alternative is to approve smaller increases, or no rate increases at all. This could impact the level of service the Solid Waste Department is able to provide.

FISCAL IMPACT:

The rate increases add an estimated \$1,622,000 in General Fund revenue to the Proposed FY 2023-2024 Budget, with \$1,276,000 from residential and commercial collection services, and \$346,000 from the JC Elliott Transfer Station and Cefe Valenzuela Landfill disposal services.

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.