



DATE: May 16, 2024
TO: Mayor and City Council
FROM: Ted Henry, City Manager
SUBJECT: Solid Waste and Recycling Increase

Summary:

Waste Connections is requesting a 2% increase of trash and recycling fees effective June 1, 2024.

Recommended Action:

Accept 2% rate increase from Waste Connections with no change to current City rate structure.

Future Actions:

I've instructed staff to look at a different approach to setting rates for trash and recycling.

Neighboring cities establish a set administrative fee that is added to the cost of services which then determines the trash and recycling rates. The admin fee would be used to offset the costs of staff time, billing expenses, and to support the annual transfer for street repairs.

Why?

City trash and recycling rates have historically been adjusted using various methods. The past few years Council has set rates by passing on the cost of the increase, and increasing the rate by the same percentage as the rate increased to the city which is more than the increased cost. The inconsistency of the method used to set rates has created a gap in the "profit". Currently the city gains a profit of \$2.52 or 28.67% for a small 65-gallon trash cart. A large 95-gallon trash cart profit is \$3.56 or 36.11%. Recycling services profit is \$.78 or 22.48%.

Establishing a set administrative fee, would close the gap and create a consistent method that would protect customers from unpredictable rate swings, plus remove the possibility of using multiple methods for setting rates. It would also create transparency with the customer.

Helpful Data

2024 Trash Rates			
City	95-gal Trash	Recycle	Total
Bel Aire-'23	\$ 13.42	\$ 4.25	\$ 17.67
Park City	\$ 13.68	\$ 4.48	\$ 18.16
Valley Center			\$ 18.57
Andover	\$ 12.54	\$ 6.88	\$ 19.42

Waste Mgt	\$ 23.12	\$ 11.53	\$ 34.68
Air Capital	\$ 25.00		
Waste Connections	\$ 22.00	\$ 14.00	\$ 36.00