
City Council Regular Meeting

DEPARTMENT: Finance

FROM: Kevin Hennessey, Director of Finance

MEETING: September 8, 2026

SUBJECT:

Consider and take possible action on an ordinance providing Fiscal Year 2026-2027 rates for collection and disposal of residential and non-residential solid waste, recyclables, and trash. (First Reading) (*Staff Contact: Kevin Hennessey, Director of Finance*)

STRATEGIC PRIORITY AND GOAL(S):

Strategic Priority	Strategic Goal
 High Performing City Organization Providing Exceptional, People Focused Services	1.4 Be a responsible steward of the city's financial resources by providing rates and fees that represent a strong value to our citizens; providing timely, accurate and transparent financial reporting; and utilizing long-range planning.

SUMMARY:

The City has contracted with Waste Connections, Inc. for solid waste and recycling collection services since 2019. The current agreement was renewed in May 2023 and extends through September 2029. Under the agreement, Waste Connections may request a base-rate adjustment no more than once annually, with any approved adjustment taking effect in October.

The annual adjustment is calculated based on changes in the Consumer Price Index and fuel costs, measured by comparing June of the current year with June of the prior year. Waste Connections initially requested a 4.50% base-rate increase for Fiscal Year 2026-2027. At staff's request, Waste Connections agreed to reduce the proposed increase to 4.25%.

On August 3, 2026, the City Manager formally filed the proposed annual budget for Fiscal Year 2026-2027 and provided a copy of the proposed budget to the City Council in accordance with the City's annual budget development and adoption process. The proposed budget establishes the financial framework for providing municipal services, funding operational priorities, and implementing the City Council's strategic objectives during the upcoming fiscal year.

At the August 10, 2026, Special City Council meeting, the City Manager presented the proposed budget to the City Council and members of the public. As part of the City's consideration of the proposed budget and property tax rate, the City Council voted to establish a proposed maximum tax rate for Tax Year 2026. Establishing the proposed maximum tax rate identifies the highest property tax rate the City Council may consider for adoption as the budget and tax rate process moves forward. The City Council may ultimately adopt a tax rate that is lower than the proposed maximum tax rate but may not adopt a rate exceeding the proposed maximum without restarting the applicable statutory process.

RECOMMENDATION:

Approve the ordinance providing Fiscal Year 2026-2027 rates for collection and disposal of residential and non-residential solid waste, recyclables, and trash.

PRIOR ACTION/INPUT (Council, Boards, Citizens):

At the August 3, 2026, City Council meeting, the City Council authorized the 4.25% contractual rate adjustment, effective October 1, 2026. The proposed ordinance will set rates for the collection and disposal of residential and non-residential solid waste, recyclables, and trash for Fiscal Year 2026-2027.

At the August 10, 2026, Special City Council meeting, the City Manager presented the proposed budget to the council and members of the public.

REFERENCE:

N/A

FISCAL IMPACT:

N/A

STAFF CONTACT:

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