



**STAFF REPORT**  
**6/12/2024**

**TO:** Honorable Mayor and City Council Members

**FROM:** Maritza Martinez, Public Works Director

**SUBJECT:** Adopt resolution setting a June 26, 2024 public hearing date for Municipal Solid Waste Rates for fiscal year 2024/2025.

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**STAFF RECOMMENDATION:**

Adopt resolution setting a June 26, 2024 public hearing date for Municipal Solid Waste Rates for fiscal year 2024/2025.

**BACKGROUND:**

The City of Coachella entered into a franchise agreement with Burrtec Waste and Recycling Services (Burrtec) in May 2006. Since 2006, Burrtec has been the provider for all solid waste disposal services for Coachella residents and businesses. City Council approved a first amendment to this agreement on May 27, 2009, which established the solid waste charges for residential customers would be collected through the county tax roll; commercial customers continue to be billed directly by Burrtec. City Council approved a second amendment on June 19, 2013 extending the term of the agreement through May 30, 2023 and third amendment was approved on January 17, 2018. A Fourth Amendment was approved on July 27, 2022 to include organics services as required by SB 1383.

**DISCUSSION/ANALYSIS:**

The Burrtec Agreement allows for rate increases based on two components of the rate 1) service component and 2) disposal component. Total increase will not exceed 10% in any given year.

1. The service component is capped at 5% and based on CPI
2. The disposal component is a pass through of the tipping fee adjustments at the landfill.

The current monthly residential rate is \$31.97. The proposed increase to the 2024/25 residential rate total \$1.11; the new proposed residential rate is \$33.08. As approved by voters on June 8, 2010, this rate is subject to a 5% Utilities Users Tax, which will bring the monthly charged rate to \$34.73.

The most common commercial service is a three-yard cubic bin, with one pick up per week. Currently, the commercial rate for this service is \$180.58. Based on the same factors noted above,

the increase for fiscal year 2024/2025 totals \$7.79; the new proposed rate for fiscal year 2024/2025 is \$188.37. As noted above, a 5% Utility Users Tax will be applied to this monthly service, which will bring the rate for a standard three cubic yard bin, with one pickup per week, to \$197.79.

The Proposition 218 noticing process for solid waste rates through July 1, 2026 was completed and adopted on July 27, 2022. Staff is recommending approval of the attached resolution setting a public hearing date for Municipal Solid Waste Rates proposed for fiscal year 2024/2025 on Wednesday, June 26, 2024 (6pm) at City Hall.

**FISCAL IMPACT:**

Setting the public hearing for this item will not have a financial impact.

Attachment:

Resolution

Exhibit A – Proposed Rates