



STAFF REPORT
5/26/2021

TO: Honorable Mayor and City Council Members

FROM: Maritza Martinez, Public Works Director

SUBJECT: Adopt Resolution No. 2021-31, setting a July 28, 2021 public hearing date for Municipal Solid Waste Rates for fiscal year 2021/2022.

STAFF RECOMMENDATION:

Adopt resolution to setting a July 28, 2021 public hearing date for Municipal Solid Waste Rates for fiscal year 2021/2022.

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.

DISCUSSION/ANALYSIS:

The agreement allows for rate increases based on two components of the rate 1) service component and 2) disposal component. The proposed rate increase is based on the following increases to those two components and includes a second monthly street sweeping service cost:

- 1) 10.8% (\$1.06 per month) increase to the service component
 - a. (based on increased published Consumer Price Index and includes the additional second monthly street sweeping service)
- 2) 17.7% (\$2.09) increase to the disposal component

The current monthly residential rate is \$24.59. The proposed increase to the 2021/22 residential rate total \$3.58; the new proposed residential rate is \$28.17. 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 \$29.58.

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 \$137.16. Based on the same factors noted above, the increase for fiscal year 2021/2022 totals \$14.16; the new proposed rate for fiscal year 2021/2022 is \$151.29. 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 \$158.85.

Staff is recommending approval of the attached resolution setting a public hearing date for Municipal Solid Waste Rates proposed for fiscal year 2021/2022 on Wednesday, July 28, 2021 (6pm) at City Hall.

FISCAL IMPACT:

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

Attachment:
Resolution