

AGENDA ITEM SUMMARY

City Council



STAFF

Josh Birks, Deputy Director, Sustainability Services
Megan DeMasters, Manager, Environmental Sustainability
Emily Wenger, Lead Specialist, Environmental Sustainability

SUBJECT

First Reading of Ordinance No. 195, 2025, Amending Section 12-32 of the Code of the City of Fort Collins to Update the Residential Waste Collection Program.

EXECUTIVE SUMMARY

The purpose of this item is to update City Code to modify the Contracted Residential Waste Collection Program to give the City Manager the authority to approve annual rate increases above 3% that are agreed upon following the method established in the contract and to set a deadline for annual rate increase approval.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

The first annual rate increase for the Residential Trash and Recycling Collection Program went into effect on September 30, 2025. During the rate increase evaluation and approval process, staff identified the need for additional clarity in the code regarding approval authority for rate increases and timing requirements for completing negotiations. Recommended changes to City Code Section 2-32 provide this additional clarity.

Approval authority for annual rate increases above 3%:

- **What:** This amendment to the Code gives the City Manager explicit authority to approve annual rate increases above 3% when the contractor follows the methodology established in the contract for rate increases above 3%.
- **Context:** While the contract anticipates an annual 3% increase, the contractor may petition annually for rate increases above 3% due to uncontrollable cost changes (disposal/processing tip fees or regulatory changes). Petitions must document how tip fee changes justify the increase, using twelve-month average tip fees to account for market volatility.

The City Manager currently has express authority to execute amendments to the contract when the amendments do not increase costs to program customers without a commensurate service improvement,

substantially modify the purposes of the contract, or increase the obligations and responsibilities of the City as set forth in the contract.

- **Why:** This change streamlines procedures by allowing staff to apply contractual methodology without requiring Council approval for regular annual increases. It also aligns the City Manager's approval authority with other contract-related duties.

Deadline for approval of annual rate increases:

- **What:** This amendment sets a deadline of 45 days before the anniversary date of the service commencement date (September 30, 2024) for annual rate increases to be approved.
- **Why:** This deadline ensures that rate negotiations conclude with sufficient time to communicate rate increases to residents

CITY FINANCIAL IMPACTS

None.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

The City contractor was engaged and has no concerns with the addition of a deadline to complete negotiations to code.

ATTACHMENTS

1. Ordinance No. 195, 2025