



# STAFF REPORT

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**MEETING DATE:** September 16, 2024

**MEETING TYPE:** City Council

**SUBMITTED BY:** Maria Joyner

**AGENDA CAPTION:** Discuss and consider Ordinance 2024-09-1199 OF THE CITY OF HUTCHINS, TEXAS, TO PROVIDE A RATE MODIFICATION FOR SOLID WASTE COLLECTION IN ACCORDANCE WITH THE MUNICIPAL SOLID WASTE COLLECTION AND DISPOSAL CONTRACT BY AND BETWEEN THE CITY OF HUTCHINS, TEXAS AND REPUBLIC WASTE SERVICES OF TEXAS, LTD.; AND PROVIDING AN EFFECTIVE DATE OF OCTOBER 1, 2024

Presented by: Maria Joyner, Director of Finance

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## **Background Information**

The City currently has a contract with Republic Services for sanitation which expires October 1, 2028. Republic has implemented a price increase annually since the beginning of the contract via the Consumer Price Index (CPI).

Per the 2024 contract renewal, Republic has requested a 4.6% increase in rates based on the CPI-U (CPI-U is based on US city averages for all urban consumers) effective October 1, 2024. Republic is proposing a base rate increase from \$14.31 to \$14.97.

Section A13.032 of the Code of Ordinances authorizes the City to charge an additional 7%. The current total rate is \$15.31 (Republic base + City). **In order to absorb the increase, the City is proposing an increase in the total rate from \$15.31 to \$16.02.** The increase proposed by the City is \$0.71 cents or 4.6%. The total proposed rate is an increase of \$0.71 cents per month for regular (non seniors) residential customers.

The rate increase for Seniors is also 4.6%. Republic is proposing to increase the Senior base rate to \$14.13 (from \$13.51). The total proposed senior rate of \$14.13 is 5.61% less than the regular residential rate.

Republic is proposing to increase the Commercial base rate by 4.6% from to \$23.69 (from \$22.65). Section A13.032 of the Code of Ordinances authorizes the City to charge an additional 7%. **In order to absorb the increase, the City is proposing an increase in the total commercial rate from \$24.24 to \$25.36.**

PROPOSED RESIDENTIAL AND COMMERCIAL HAND COLLECTION RATES				
RESIDENTIAL STANDARD			Polycart Service (Twice Per Week)	\$ 16.02
			Each additional Polycart	\$ 5.75
			Damaged/Replace Cart	\$ 66.29
			On-Call/Extra (per service)	\$ 9.05
RESIDENTIAL SENIORS			Polycart Service (Twice Per Week)	\$ 14.13
			Each additional Polycart	\$ 5.75
			Damaged/Replace Cart	\$ 66.29
			On-Call/Extra (per service)	\$ 9.05
COMMERCIAL HAND COLLECTION			Cart Service (Twice Per Week)	\$ 25.36
			Second Cart	\$ 30.49

### **Staff Recommendation**

Staff recommends that the City Council adopts the Ordinance providing for the rate changes

### **Supporting Documentation and Attachments**

Ordinance 2024-09-1199 Republic Services 2024 Rate Change