



Sustainability in Action

MEMORANDUM

TO: Meridian City Council
FROM: Margaret Mingura, Finance Manager, Republic Services of Idaho
DATE: August 25, 2026
SUBJECT: Annual Rate Adjustment for Solid Waste Collection Services

Introduction

Annually, solid waste collection rates are adjusted in accordance with Section 21 of our contract with the City of Meridian with an effective date of October 1st.

High-level Summary by Category:

- CPI Adjustment Methodology – 3.454% increase, 90% of CPI
- Disposal – No Change
- Recycling Service Charge – 5.134% increase
- Volumetric Excise Tax Credit (VETC) – \$0.12 increase to residential rates

CPI Adjustment Methodology

Our contract allows non-disposal costs to be adjusted annually based upon Ninety (90) percent of the net percentage change for May in the Consumer Price Index (CPI) for Garbage Trash. This year's change in CPI (at 90%) is 3.454%. The average CPI adjustment is \$0.69 per household per month plus tax. The commercial and industrial impact varies and is based on container size and frequency of collection.

Disposal

Historically, annual disposal increases were based on Ada County Landfill's annual rate change. Ada County Commissioners are expected to increase rates by 3.030% (from \$33 to \$34 per ton) effective October 1st, 2026.

However, through the availability and leverage of Sawtooth Regional Landfill, Republic Services presents no disposal change for FY 2027. This represents \$0.11 savings per household per month for residential customers with 95-gallon carts.

Recycling Service Charge

The recycling processing fee increased 5.134% (from \$128.95 to \$135.57) per ton and reflects the current economic impact on the recycling sector (i.e., commodity market, increased transportation and labor costs). Republic Services sustained unreimbursed recycling cost of \$540,069.00 for Meridian City's residential recycling program over the prior 12 months (May 2026 TTM). Republic Services requests to increase the per household per month rate for residential by \$0.07. These charges include related Meridian City franchise fees based on the total amount billed to customers and have been reviewed with the Meridian City staff.



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Volumetric Excise Tax Credit (VETC) on CNG Powered Trucks

The Federal Government's alternative fuel tax credit for compressed natural gas was shared with Meridian City residents as a credit to the monthly rate. This tax credit expired on December 31, 2024. Consequentially, Republic Services no longer receives a tax credit to apply to customer rates. The result is a \$0.12 per month increase to residential rates.

Residential Impact Per Customer

The total proposed monthly increase for residential customers with 95-gallon carts is \$0.93 comprised of:

- CPI – increased \$0.74
- Disposal – no change
- VETC – increased \$0.12
- Recycling processing fee pass through – increased \$0.07

Proposed Residential Collection Rate Structure CHANGE - FY 2027			
	48-gal	65-gal	95-gal
Service Cost	\$0.57	\$0.58	\$0.58
Disposal	\$0.00	\$0.00	\$0.00
Transfer Station	\$0.00	\$0.05	\$0.10
VETC	\$0.12	\$0.12	\$0.12
Carts	\$0.06	\$0.06	\$0.06
Recycling	\$0.07	\$0.07	\$0.07
Customer Rate	\$0.82	\$0.88	\$0.93