



To: Mayor and City Council
 From: Dylan Mulfinger
 Subject: Landfill and Recycle Fees
 Date: 5/22/2023

The City has the following problem according to the auditor:

Utility Billing and Delinquent Accounts – The City charges landfill and recycling rates based upon the number of individual recipients per household. This number is obtained when the customer fills out an application for services; however, documentation to support the number per household was inadequate to determine if the amounts that the City was using for utility billing were complete and accurate.

The auditor is stating we need to update these households annually or we need to create a new fee structure.

When new utility customers sign up for service, the city asks household numbers at the start of the service. Once this is asked, the city does not update or change unless they are notified. A family of five who has three children move away may never be changed. A couple having four children may never be updated. The city has two routes flat fee, or work on a process to annually review accounts. Below are some numbers for each idea:

Recycle Rate			Amount	Monthly Rate	Annual Rate	
County Payment	\$72,460.00	Residential	2,430	\$1.98	\$23.76	\$57,736.80
		Commercial	213	\$10.00	\$120.00	\$25,560.00
		Industrial	8	\$40.00	\$480.00	\$3,840.00
			2,651			\$87,136.80
					Difference	\$14,676.80

Recycling						
Person(s)	Month	Annual		New Charge	Annual	Difference
1	\$0.83	\$9.90		\$1.65	\$19.80	\$9.90
2	\$1.65	\$19.80		\$1.65	\$19.80	\$0.00
3	\$2.48	\$29.70		\$1.65	\$19.80	-\$9.90
4	\$3.30	\$39.60		\$1.65	\$19.80	-\$19.80
5	\$4.13	\$49.50		\$1.65	\$19.80	-\$29.70
6	\$4.95	\$59.40		\$1.65	\$19.80	-\$39.60
7	\$5.78	\$69.30		\$1.65	\$19.80	-\$49.50
8	\$6.60	\$79.20		\$1.65	\$19.80	-\$59.40



Commercial Recycling	Month	Annual
Business	\$2.80	\$33.60
1-30 Cubic	\$5.45	\$65.40
31-60 Cubic	\$11.00	\$132.00
61-91 Cubic	\$16.42	\$197.00
91-120 Cubic	\$22.00	\$264.00
121-150 Cubic	\$27.50	\$330.00
151-180 Cubic	\$32.95	\$395.40
Larger than 180	\$38.50	\$462.00

Trash			Amount	Monthly Rate	Annual Rate	
County Payment	\$197,313.00	Residential	2430	\$5.40	\$64.80	\$157,464.00
		Commercial	213	\$15.00	\$180.00	\$38,340.00
		Industrial	8	\$83.75	\$1,005.00	\$8,040.00
			2651			\$203,844.00

Trash						
Person(s)	Month	Annual		New Charge	Annual	Difference
1	\$2.25	\$27.00		\$5.40	\$64.80	\$37.80
2	\$4.50	\$54.00		\$5.40	\$64.80	\$10.80
3	\$6.75	\$81.00		\$5.40	\$64.80	-\$16.20
4	\$9.00	\$108.00		\$5.40	\$64.80	-\$43.20
5	\$11.25	\$135.00		\$5.40	\$64.80	-\$70.20
6	\$13.50	\$162.00		\$5.40	\$64.80	-\$97.20
7	\$15.75	\$189.00		\$5.40	\$64.80	-\$124.20
8	\$18.00	\$216.00		\$5.40	\$64.80	-\$151.20

		Month	Annual
Current Trash	96 Gallon	\$2.25	\$27.00
	Business	\$6.50	\$78.00
	1-30 Cubic	\$13.00	\$156.00
	31-60 Cubic	\$25.00	\$300.00
	61-91 Cubic	\$36.50	\$438.00
	91-120 Cubic	\$48.00	\$576.00
	121-150 Cubic	\$60.00	\$720.00
	151-180 Cubic	\$72.00	\$864.00
	Larger than 180	\$83.75	\$1,005.00



The main issue is the landfill charges on population. Other counties charge tipping fees. Other counties only charge the haulers and not the cities. The problem is we are charging per person and not on actual garbage. Going to a flat fee skews this process as persons or businesses with vastly different garbage needs are grouped together. The charts show how much one person increases and a family of eight decreases. If the city went in this direction, the fee schedule would need to have a lower fee for small trash cans. The city would also need to revamp their licensing with companies in town to get the list of trash bins sizes from haulers. The list from haulers would help us adjust commercial and industrial.

The second option is to have staff work each year to call and update each household. This could be done by doing a certain number of properties each month. The problem is, people could lie about their household size, and we would have no way to verify this number. This is a very labor-intensive process.

The best solution is for the Transfer Station to change how they charge, but that will never happen. The City Administrator is working with the auditor and needs council feedback before moving forward.