
CITY OF PORT LAVACA

MEETING: JANUARY 8, 2024 **AGENDA ITEM** _____

DATE: 1.03.24

TO: HONORABLE MAYOR AND CITY COUNCIL MEMBERS

FROM: JODY WEAVER, INTERIM CITY MANAGER

SUBJECT: Amendment to Fee Schedule

As per the 4th Amendment to our contract with Republic Services, the rates will be increased effective February 1, 2024 by 4%. Residential Trash pickup will be increased from \$19.53/month to \$20.31/month. We are proposing to amend the Fee Ordinance to reflect this additional 4%.

In looking into this, I realized that we have been charging customers who need/want one or more additional carts, the same fee per cart as the required cart for service. Republic charges the City a lesser amount for additional carts.

The attached spreadsheet shows that if we increase both single carts and multiple carts to the \$20.31 and keep the City-wide cleanup fee at \$0.35, we generate about \$81,935 a month.

If we reduce the multiple cart fee to \$16.11 (what Republic charges us) then the reduction in revenue is \$1,268 a month. If we divide this among our customers it equals \$0.35. So, if we increased the City-wide Cleanup fee to \$0.70 across the board, we would generate the same revenue as if we charge the multiple cart customers the same for all carts.

We are asking Council to consider 2 options to amend the garbage rate: Both options will generate equivalent revenue. The difference is that in Option A, the additional revenue is collected from multiple cart customers, whereas in Option B, it is spread equally across all customers.

Option A:

Section Number	Subject	Current Fee	New Fee Amt	Increase Amt for Garbage Rate for 1 cart
38-29	Residential Rate Garbage/brush/bulk collection	\$19.53	\$20.31	
	Rate per Additional cart	\$19.53	\$20.31	
38-30	City-wide cleanups	\$0.35	\$0.35	
	TOTAL Residential Fee	\$19.88	\$20.66	\$0.78

CITY OF PORT LAVACA

Option B:

Section Number	Subject	Current Fee	New Fee Amt	Increase Amt for Garbage Rate for 1 cart
38-29	Residential Rate Garbage/brush/bulk collection	\$19.53	\$20.31	
	Rate per Additional cart	\$19.53	\$16.11	
38-30	City-wide cleanups	\$0.35	\$0.70	
	TOTAL Residential Fee	\$19.88	\$21.01	\$1.13

Note: Regardless of the number of carts, each customer is allowed the 12 cy of brush/bulk per month, same as a single cart.

On an additional note, I have looked through the City's records and I do not find that the City has historically charged any additional percentage or fee above what Republic charges to account as an administration fee. It looks like the additional City-wide cleanup fee has fluctuated over the years and is the only additional fee charged above what Republic charges the City.

Recommendation:

We are asking Council to consider that Option B is more equitable among all customers, and may help encourage customers that really need a second cart to do get one. It should also be noted that the Cleanup Fee has been over \$1.00 in the past. Seventy cents per customer per month will generate a little over \$30,000 to go toward costs associated with the annual spring cleanup as well as Code Enforcement efforts involved in brush/bulk and other clean-up complaints and issues.

Council's motion should approve the amendments to the City's Fee Ordinance for Solid Waste Sections 38-29 and 38-30 as shown in Option A or B.

OPTIONS TO AMEND GARBAGE RATES WITH REPUBLIC 4% INCREASE

Current Garbage Fee for 1 cart = \$ 19.88 Current Garbage Fee for 2 carts 39.41
 No. of customers with more than 1 cart = 245

Option A: Projected Monthly Revenue with add'l carts charged the same as the 1st cart

Total Garbage Fee for 1 cart =	\$ 20.66	Total Garbage Fee for 2 carts =	\$ 40.97
increase	\$ 0.78	increase	\$ 1.56

Totes	# customers	Base Cart		Additional Cart		Cleanup Rate	
		Rate	Total \$	Rate	Total \$		
6	2	\$ 20.31	\$ 40.62	\$ 20.31	\$ 203.10	\$ 0.35	\$ 0.70
5	2	\$ 20.31	\$ 40.62	\$ 20.31	\$ 162.48	\$ 0.35	\$ 0.70
4	17	\$ 20.31	\$ 345.27	\$ 20.31	\$ 1,035.81	\$ 0.35	\$ 5.95
3	9	\$ 20.31	\$ 182.79	\$ 20.31	\$ 365.58	\$ 0.35	\$ 3.15
2	215	\$ 20.31	\$ 4,366.65	\$ 20.31	\$ 4,366.65	\$ 0.35	\$ 75.25
1	3424	\$ 20.31	\$ 69,541.44	\$ 20.31	\$ -	\$ 0.35	\$ 1,198.40

3669 \$ 74,517.39 \$ 6,133.62 \$ 1,284.15 \$ 81,935.16
 difference between Option A and B \$ 1,268.40
 divide by # customers \$ 0.35
 So to generate this \$1,268 we can add \$0.35 to City cleanup fee

Option B: Projected Monthly Revenue with add'l cart fee = to Republic charge + incr City-wide cleanup fee

Total Garbage Fee for 1 cart =	\$ 21.01	Total Garbage Fee for 2 carts =	\$ 37.12
increase:	\$ 1.13	decrease:	\$ (3.85)

Totes	# customers	Base Cart		Additional Cart		Cleanup Rate*	
		Rate	Total \$	Rate	Total \$		
6	2	\$ 20.31	\$ 40.62	\$ 16.11	\$ 161.10	\$ 0.70	\$ 1.40
5	2	\$ 20.31	\$ 40.62	\$ 16.11	\$ 128.88	\$ 0.70	\$ 1.40
4	17	\$ 20.31	\$ 345.27	\$ 16.11	\$ 821.61	\$ 0.70	\$ 11.90
3	9	\$ 20.31	\$ 182.79	\$ 16.11	\$ 289.98	\$ 0.70	\$ 6.30
2	215	\$ 20.31	\$ 4,366.65	\$ 16.11	\$ 3,463.65	\$ 0.70	\$ 150.50
1	3424	\$ 20.31	\$ 69,541.44	\$ 16.11	\$ -	\$ 0.70	\$ 2,396.80
	3669		\$ 74,517.39		\$ 4,865.22		\$ 2,568.30

\$ 81,950.91

*This city-wide cleanup rate has been over \$1.00 at times in the past. It generates funds to help Public Works with the Spring Cleanup as well as Code Enforcement to handle brush/bulk issues. At \$0.70 that generates \$30,800 over a year.

ORDINANCE #G-1-24

AN ORDINANCE AMENDING THE ORDINANCE CODIFIED AND DESCRIBED IN THE CITY OF PORT LAVACA CODE OF ORDINANCES AS PART II, APPENDIX A – FEES, RATES AND CHARGES; AND PROVIDING AN EFFECTIVE DATE

ARTICLE I. GENERAL

WHEREAS, the City Council on March 12, 2012 approved and adopted Ordinance Number G-1-12 which is codified and described in the City of Port Lavaca Code of Ordinances as Part II, Appendix A – Fees, Rates and Charges; and

WHEREAS, the City of Port Lavaca staff has evaluated current fees, rates and charges and find the need to make some amendments and changes.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORT LAVACA, TEXAS:

ARTICLE II. FEES TO BE AMENDED

The fees, rates and charges to be amended are in the Chapters listed below and described in full in the attached Exhibit “A”. Text that remains unchanged will be in black-colored letters, text that is new will be identified by bold red-colored letters and all text to be deleted, if any, will be identified as blue-colored letters with strikethroughs, and both highlighted in yellow:

- Chapter 38: Solid Waste (Residential Rate)
- Sec. 38-29 Garbage/Brush Bulk Collection
- Sec. 38-29 Rate per Additional Cart
- Sec. 38-29 City-wide Cleanups

ARTICLE III.- EFFECTIVE DATE

This ordinance shall become effective upon adoption by City Council.

FIRST READING this 8th day of January, 2024.

Jack Whitlow, Mayor

SECOND AND FINAL READING this 12th day of February, 2024.

Jack Whitlow, Mayor

APPROVED AND ADOPTED this 12th day of February, 2024.

Jack Whitlow, Mayor

ATTEST:

Mandy Grant, City Secretary

APPROVED AS TO FORM:

Anne Marie Odefey, City Attorney

RECORD OF VOTE

First Reading	Second and Final	Passed and Approved
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Councilman Aguirre
Councilman Dent
Councilman Tippit
Councilwoman Padron
Councilman Ward
Councilman Barr

Record of approval by City Council: City Council Minute Records, Volume 3-I, Page _____.

EXHIBIT A

CHAPTER 38—SOLID WASTE

OPTION A:

Section Number	Subject	Fee Amount
38-29	Residential Rate	
	Garbage/brush/bulk collection	\$19.53 \$20.31
	Rate per Additional Cart	\$20.31
	City-wide cleanups	\$0.35
38-30	Commercial Rate	Per Contract
	Prices are per contract through the solid waste provider	

OPTION B:

Section Number	Subject	Fee Amount
38-29	Residential Rate	
	Garbage/brush/bulk collection	\$19.53 \$20.31
	Rate per Additional Cart	\$16.11
	City-wide cleanups	\$0.35 \$0.70
38-30	Commercial Rate	Per Contract
	Prices are per contract through the solid waste provider	

(Ord. No. G-5-93, §§ 12, 13, 9-30-1993; F-1-10 (New Solid Waste Ordinance); Ord. No. G-1-12, art. II, 3-12-2012; Ord. No. G-3-13, art. II, 9-9-2013; [Ord. No. G-10-16](#), art. II, 9-12-2016; Ord. No. [G-2-20](#), art. II, 4-13-2020; Ord. No. [G-3-21](#), art. II, 5-10-2021; Ord. No. [G-4-22](#), art. II, 5-9-2022)

END OF EXHIBIT A