



CITY COUNCIL COMMUNICATION

DATE: January 17, 2022

FROM: Clayton Gray, Finance Director

AGENDA ITEM: Consideration and possible action on a 6.6% rate increase from Waste Connections, Inc. for solid waste and recycling services.

SUMMARY:

- The City entered into a five-year agreement with Waste Connections, Inc., effective January 1, 2019.
- Under Section 10 of the agreement, the service provider has the right to increase or decrease the rates in accordance with the CPI-U. The increase or decrease under this section shall equal the percentage that the CPI-U has increased or decreased over the previous twelve-month period.
- Per [§4.202](#) of the City's Code of Ordinances Appendix, utility customers are billed the actual cost of service plus a \$2.00 administrative fee.
- The current monthly charge for residential service is \$18.07 (\$16.07 actual cost plus \$2.00 administrative fee.) A 6.6% increase of \$1.06 will result in a new monthly charge for residential service of \$19.13 (\$17.13 actual cost plus \$2.00 administrative fee.)
- The increase will result in an increase of approximately \$43,000 in Sanitation Revenues and an offsetting increase of approximately \$43,000 in Sanitation Contractual Services.

FISCAL INFORMATION:

Budgeted: YES

Amount: \$0.00

GL Account: N/A

RECOMMENDED MOTION OR ACTION:

- Staff recommends approval.

ATTACHMENTS:

- Waste Connections Rate Request 2023