



TO: Elizabeth A. Pauli, City Manager
FROM: Michael P. Slevin III, P.E., Director, Environmental Services
Lewis Griffith, Division Manager, Solid Waste Management *js for MDS*
COPY: City Council and City Clerk
SUBJECT: Request for Ordinance Amending Chapter 12.09 of the Municipal Code related to
Solid Waste Rates for the years 2019 and 2020 – November 13, 2018
DATE: October 18, 2018

SUMMARY:

An ordinance amending Chapter 12.09 of the Municipal Code, relating to Solid Waste, Recycling, and Hazardous Waste, to adjust rates and charges for services provided by the solid waste utility for the years 2019 and 2020.

STRATEGIC POLICY PRIORITY:

- Strengthen and support a safe city with healthy residents.
- Assure outstanding stewardship of the natural and built environment.
- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

The proper collection and disposal of solid waste maintains the environmental health of the community by preventing the accumulation of solid waste and debris in the local environment. The proper handling of solid waste helps keep the City clean and maintain the quality of life for all residents. By ensuring adequate solid waste management is in place to provide necessary services to businesses and residents, this utility promotes the growth and development of a vibrant economy.

BACKGROUND:

The Environmental Services Department, working with the Environmental Services Commission (ESC), has updated its multi-year rate plan and developed proposed general revenue increases for the 2019-2020 biennium for Solid Waste Management (SWM) customers. Consistent with the recommendation from the ESC, a 3 percent increase in 2019 and 2020 respectively is proposed.

The low income elderly/low income disabled discount has been maintained at 30 percent.

The Environmental Services Department delivered presentations to the Neighborhood Councils, the Government Performance and Finance Committee, and to the City Council at the October 16, 2018 study session.

ISSUE:

Adequate funding of the solid waste utility is necessary to fund the expenditures of the utility, and continue the mission to provide necessary services to the rate payers.

ALTERNATIVES:

The alternative to the proposed action is no increase in rates or revenues. A majority of SWM's operating costs support revenue generating activities, so it would further compromise SWM's financial position to cut those activities. If revenue increases are not approved, a combination of cuts to activities that do not generate revenues or important non-operating projects would be required. Some services that do not generate revenue, such as household hazardous waste,



would be reduced; and other facilities, such as the Recovery and Transfer station, may see a reduction in operating hours to reduce costs. In addition, a reduction in capital spending would be implemented, which would delay the conversion of the SWM fleet to cleaner burning vehicles.

RECOMMENDATION:

An ordinance amending Chapter 12.09 of the Municipal Code, relating to Solid Waste, Recycling, and Hazardous Waste, to adjust rates and charges for services provided by the solid waste utility for the years 2019 and 2020.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
TOTAL			

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
ES Solid Waste Fund 4200	512000	Various	\$9,800,000
TOTAL			\$9,800,000

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: None

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes