



Cover Memorandum/Staff Report

File #: 21-1013

Agenda Date: 9/23/2021

Item #: 6.B.

TO: Mayor and Commissioners
FROM: Sammie L. Walthour, Director, Neighborhood and Community Services
THROUGH: Terrence R. Moore, ICMA-CM
DATE: September 23, 2021

RESOLUTION NO. 135-21: SANITATION RATES FY2022

Recommended Action:

Motion to approve Resolution No. 135-21 to implement a schedule of sanitation rates and fees in accordance with the City Code of Ordinances, Chapter 51, "Garbage and Trash", Section 51.70, "Regular Charges Levied; and to authorize the City of Delray Beach to collect the residential and commercial sanitation rates on the tax roll for Fiscal Year 2022.

Background:

The Solid Waste and Recycling rates in this resolution become effective October 1, 2021. Rates are adjusted in accordance with the Exclusive Franchise Agreement between the City of Delray Beach and Waste Management, LLC, with respect to changes in disposal, consumer price index (CPI) or fuel where applicable. The FY 2022 rate reflects a 4.0% increase from the FY 2021. Relevant historical background is included below.

On September 17, 1996, the City of Delray Beach (City) adopted Ordinance 33-96 establishing a sanitation rate and fees for residential and commercial properties within City limits. An Exclusive Franchise Agreement was entered into between the City of Delray Beach, Florida and Southern Waste Systems, LLC. for the Collection of Solid Waste and Recyclable Materials (Agreement). The Agreement was assigned to Waste Management, LLC on December 14, 2015, because of its acquisition of Southern Waste Systems, LLC. Section 38.3 of the Agreement states, "CPI Adjustments to Collection Component of Rates", require annual rate increases based on the CPI. The CPI is determined by tracking price changes in a market basket of consumer goods and services over a period of time and published by the Bureau of Labor Statistics.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

Finance has reviewed and concurs with the CPI increase and corresponding rate changes for residential and commercial services.

Timing of Request:

Timely approval will permit necessary preparation for rates to become effective October 1, 2021.