

# SULTAN CITY COUNCIL

## AGENDA ITEM COVER SHEET

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**ITEM NO:** Public Hearing  
**DATE:** December 11, 2008  
**SUBJECT:** Public Hearing – Garbage Rate Increase  
**CONTACT PERSON:** Connie Dunn, Public Works Director

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**ISSUE:**

Conduct the Public Hearing to increase the Garbage Rates for 2009 until a Garbage Rate Study can be completed mid 2009. Garbage utility fees will be included in the City of Sultan Fee Schedule. Ordinance No. 1007-09 First and Second Reading will occur in January 2009 to increase. The new fees would take effect February 1, 2009.

**STAFF RECOMMENDATION;**

City staff recommends the City Council take comment during the public hearing regarding increasing garbage rates by Ordinance 1007-09 to generate revenues to meet increasing expenditures relating to Garbage Service and Rates.

**BACKGROUND:**

The garbage rates were last set by Ordinance 849-04 effective July 1, 2004. Refer to Attachment A with legislative mark ups.

Since that time:

- The cost to purchase of dumpsters has doubled in price,
- The cost of fuel has doubled since 2004,
- Employee wages have been rising by the cost of living annually
- Health care benefits have increased over the last several years,
- The cost of maintaining dumpsters and the garbage truck have increased, and
- Allied Waste increased recycling rates by 20% effective January 1, 2009.

During the October 18, 2008 Council Budget Retreat an interim rate increase of 20% was a proposed option until the City can complete a garbage rate study in mid to late 2009.

Below is a garbage analysis:

Year	Actual Budget 2005	Actual Budget 2006	Actual Budget 2007	Adopted Budget 2008	Estimated Actual Budget 2008	Proposed Budget 2009
Revenues	540,128	579,658	561,326	573,198	559,350	683,402
% increase/decrease		6.8%	(3.3%)	2.6%		16.1%
Expenses	487,270	477,298	595,585	556,027	509,921	685,902*
% increase/decrease		(2.1%)	19.9%	7.1%		18.9%

**2005-2009 Average percentage increase**

Revenues 5.55%  
Expenditures 7.40%

The 2009 proposed garbage fund budget includes:

- Vehicle operation and maintenance cost increase of \$20,000.00 for fuel, oil, tires, electronic and hydraulic repair as necessary.
- Fifteen and twenty-four hundredths percent (15.24%) increase in tipping fees payable to Snohomish County, \$105.00 per ton.
- Recycling cost increase of 20%

**FISCAL IMPACT:**

The cost for a customer with one can a week service will be increased by \$3.10 from \$15.50 to \$18.60 per month. Other increases are listed in Attachment A. The Senior Citizen rate will not increase for garbage. The proposed increases will generate approximately \$100,000 per year above the existing rate revenue.

Snohomish County Solid Waste Division sent a letter informing the City of an increase of tipping fees from \$89.00 to \$105.00 per ton effective January 1, 2009.

The City received notice from Allied Waste in October 2008 that recycling rates will increase by 20% to the City per customer on January 1, 2009. The City encourages recycling by having this cost as a pass through cost increase.

**RECOMMENDED ACTION:**

Conduct the Public Hearing during the regular City Council Meeting to receive public comment make any recommendations to staff to incorporate into Ordinance No.1007-08 to be ratified through first and second readings in January 2009.

**ATTACHMENTS:**

Attachment A Proposed Garbage Rate Increases, with legislative markups

**GARBAGE RATES**

**PER ORDINANCE 849-04 (Effective July 1, 2004)**

MUST HAVE NAME AND ADDRESS LABELED ON CAN, BE NO LARGER THAN 32 GALLONS WITH A TIGHT FITTING LID AND WEIGH NO MORE THAN 60 LBS. ALL GARBAGE MUST BE CONTAINED INSIDE THE CAN.

**All Rates include a 3.6% State Utility Tax  
All Rates Subject to a 6% City Utility Tax**

**Residential (Per Dwelling Unit Per Month)**

Twice a week pickup	.....	\$35.00	\$42.00
Once a week pickup	.....	\$15.50	\$18.60
Twice a month pickup	.....	\$9.00	\$10.80
Once a month pickup	.....	\$5.75	\$6.90
Extra Garbage (Each - Regardless of Size)	.....	\$8.75	\$10.50
Qualified low income senior citizen once a week pickup	.....	\$7.20	\$8.64
Senior Citizen/low income annual application must be made at City Hall	.....		Free

**Recycling and Yard Waste or as per negotiated agreement with vendor (Per Dwelling Unit Per Month)**

Single family detached and multi-family units (duplex, triplex, and fourplex)	.....	\$3.50	\$4.50
Multi-family units of five units or larger	.....	\$3.50	\$4.50
Qualified low income senior citizens	.....	\$3.50	\$4.50

**Commercial**

Once a week pickup (per unit)	.....	\$15.50	\$18.60
Each additional can or bag	.....	\$8.75	\$10.50
Pickup of 1 yard dumpster bi-monthly	.....	\$28.75	\$34.50
Pickup of 1 yard dumpster one time per week	.....	\$57.50	\$69.00
Pickup of 1 yard dumpster two times per week	.....	\$113.75	\$136.50
Pickup of 2 yard dumpster bi-monthly	.....	\$57.50	\$69.00
Pickup of 2 yard dumpster one time per week	.....	\$113.75	\$136.50
Pickup of 2 yard dumpster two times per week	.....	\$228.75	\$274.50
Pickup of 3 yard dumpster bi-monthly	.....	\$86.25	\$103.50
Pickup of 3 yard dumpster one time per week	.....	\$171.25	\$205.50
Pickup of 3 yard dumpster two times per week	.....	\$343.75	\$412.50

Mobile home courts garbage rates will be in accordance with separate agreements with the City of Sultan

**CALL BACK - due to garbage not placed out in time or obstructed**

Can pickup charge	.....	\$17.50	\$21.00
Dumpster pickup charge (Equal to 3 extra can charge)	.....	\$30.00	\$36.00

**Temporary Dumpsters (Maximum use is 15 days as defined in SMC 13.16.055)**

Damage Deposit (Required to be paid before delivery)			
1 yard dumpster	.....	\$100.00	
2 yard dumpster	.....	\$150.00	
3 yard dumpster	.....	\$200.00	
Delivery/Pickup (each service)	.....	\$105.00	
Pickup of 1 yard dumpster (each time)	.....	\$33.75	\$40.50
Pickup of 2 yard dumpster (each time)	.....	\$67.50	\$81.00

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Pickup of 3 yard dumpster (each time).....~~\$101.25~~**\$121.50**

*ALL GARBAGE MUST BE CONTAINED INSIDE DUMPSTER  
24 HOUR NOTICE REQUIRED BEFORE PICKUP  
CALL BACK CHARGES APPLY WHEN NECESSARY*

**Dumpster Leases**

All multi-family units within the City of Sultan will be required to have a dumpster(s) sized to meet the requirement of SMC 13.16.050(A). No permanent dumpsters are allowed at single-family or duplex units.

Dumpsters shall be owned by the City and leased to the users. Maintenance and repair shall be the responsibility of the City.

**Deposit:**

1 yard dumpster.....\$105.00  
2 yard dumpster.....\$150.00  
3 yard dumpster.....\$180.00

**Monthly lease (billed monthly)**

1 yard dumpster.....~~\$11.25~~**\$11.90**  
2 yard dumpster.....\$19.50  
3 yard dumpster.....\$54.75  
Pick Up/Delivery Fee (each service).....\$105.00

PROPOSED RATE INCREASE

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