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CITY COUNCIL MEETING

July 7, 1982

Agenda Item K-6 - "Sanitary City Disposal Company rate increase" was introduced by Staff who apprised Council that the franchise agreement between the City and Sanitary City Disposal Company, Inc. requires an annual review of the costs of operation and proposed budget for the upcoming Year.

RATE INCREASE FOR  
REFUSE COLLECTION  
ORD. NO. 1264  
INTRODUCED

This information has been submitted and reviewed by a Committee comprised of members of the City Council and Staff. A brief report was presented to Council. Following discussion, Councilman Pinkerton moved for introduction of Ordinance No. 1264 increasing the rate schedule for commercial refuse collection fees by 5.5% and to establish a fee of \$4.05 for the first can and \$1.95 for each additional can for residential service on all bills prepared after the passage of this Ordinance. The motion

was seconded by Council Member Olson and carried by unanimous vote.

8-6  
**COUNCIL COMMUNICATION**

TO THE CITY COUNCIL and Honorable Mayor FROM THE CITY MANAGER'S OFFICE	DATE July 1, 1982	NO.
SUBJECT Rate increase for refuse collection		

Recommended Action:

Council increase the rate schedule for commercial refuse collection fees by 5.5% and to establish a fee of \$4.05 for the first can and \$1.95 for each additional can for residential service effective for all services rendered after July 1, 1982.

Background Information:

The franchise agreement between the City and Sanitary City Disposal Co., Inc. requires an annual review of the costs of operation and proposed budget for the upcoming year.

This information has been submitted and reviewed. There were some minor irregularities which have been corrected. The submitted budget reflects some significant changes in operation.

These changes revolve around 2 factors: The opening of the transfer station and, the recognition of some projected increased operating costs.

The opening of the transfer station has allowed the company to reduce manpower and equipment. This has resulted in reduced labor, interest and depreciation charges. Part of these savings have been offset by fees charged by California Waste to allow Sanitary City to use that facility.

Additional costs have been allowed to offset the cost of shop equipment, a head mechanic, a new pick-up system and some additional inter company charges.

The result of all the changes plus allowances for inflation is a requirement to provide an additional \$70,684 to Sanitary City Disposal Company during the period July 1, 1982 to June 30, 1983.

This additional money may be obtained by raising fees by 5.5%

It is therefore recommended the City Council adopt an ordinance which would set the following rules:

Residential

Single Can	\$4.05/month
Each Additional Can	\$1.95/month

Commercial

All rates to be increased by 5.5%

  
Jerry L. Glenn  
Assistant City Manager