



Public Works Agenda Item

Meeting Date: September 10, 2019

Agenda Item: 5a. Johns Disposal recycle rate increase

Staff Contact (name, email, phone): Brad Marquardt, bmarquardt@whitewater-wi.gov, 262-473-0139

BACKGROUND

(Enter the who, what when, where, why)

Johns Disposal is requesting a rate increase to cover unpredictable plummeting recycling markets.

According to the Refuse and Recyclable Contract, Amendment No. 2, Section 19 b) Annual Rate Adjustments – For years 2020-2023, Rates will be negotiated but limited to the Consumer Price Index (CPI) for all urban consumers (all items) for Midwest City Class Size D. If the contractor requests an increase greater than CPI the City may terminate the agreement at the end of the current year.

The requested \$1 increase from \$2.59 to \$3.59 per unit per month represents an increase of 8%. The CPI in July was 1.4% for Midwest Size Class B/C (there is no longer a Class Size D as the Class designations have recently been updated).

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

The City Council approved Amendment No. 2 earlier in 2019.

FINANCIAL IMPACT

(If none, state N/A)

With an estimated 2,687 units in service the \$1 increase amounts to an additional \$32,244 for the 2020 budget.

STAFF RECOMMENDATION

It sounds as if this is a recurring theme throughout the state with increasing recycling costs. Due to this, staff is recommending approval of the increase.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. Johns Disposal request.
2. Refuse and Recyclable Contract Amendment No. 2