

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



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Bill Type and Number: Ordinance 2023-18

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: January 10, 2023

Committee(s) of Reference: F, TEU

Date of Analysis: January 12, 2023

Type of Action: Appropriation

Bill Summary: The bill appropriates \$6,490,322 in American Rescue Plan (ARP) funds from the ARP Contingency account to the Public Works Department's contract garbage and recycling budget to offset the FY22-23 budget impact resulting from the 2022 rate review of two residential solid waste contract haulers.

NOTE: see companion ordinances 2023-22 and 2023-23 for details on waste hauler contract revisions.

Background Information: A Rate Review Committee was appointed in 2022 to conduct a full rate review of two waste hauler contracts as is required every 3 years by Sec. 382.309, *Ordinance Code*. The Committee made a number of recommendations relative to the contracts with each hauler including adjustments to the base rate component and projected expenses, a mark-up on gross profit margins, setting of fuel usage caps, and updates to the premises count for each contract. The combined impact of the review process is an increase in costs to the City of \$2,781,251 for Waste Management Inc. and \$3,709,071 for Waste Pro for a total impact of \$6,490,322. These costs are an eligible use of federal American Rescue Plan funds.

Policy Impact Area: Solid waste operational costs

Fiscal Impact: The bill appropriates \$6,490,322 in American Rescue Plan funds from the ARP Contingency account.

Analyst: Clements