


MEMORANDUM

7d

TO: The Honorable Mayor & City Council

FROM: Lacey G. Simpson, Assistant City Manager Initials: 

DATE: March 27, 2023 File #: MGR23-147

RE: **Approving Resolution No. 23-2875, Adopting A Solid Waste Collection Fee Schedule; And Establishing An Effective Date**

The motion detailed below was prepared at the request of Public Works Director Mark Hilson, who asked that it be placed before the City Council for consideration at its meeting of April 6, 2023. If adopted, Resolution No. 23-2875 sets forth a new solid waste collection fee schedule as outlined in Mr. Hilson's attached memorandum and appended to the proposed resolution. As indicated by Mr. Hilson, the operational costs of the Public Works – Solid Waste Division have rapidly increased in the past year due to a variety of factors. The division can no longer absorb these increased expenses while maintaining basic collection and disposal services, and adjustments must be made to the collection fees as proposed. The City's collection fees have not been increased since 2016.

The Public Works Director and Solid Waste Division Supervisor will be attending the meeting of April 6, 2023, in order to address any questions and/or concerns that Councilmembers may have.

**Recommended Motion:** I move the City Council approve Resolution No. 23-2875, adopting a Solid Waste Fee Schedule; and establishing an effective date.

**PUBLIC WORKS / ENGINEERING DEPARTMENT**  
**Mark Hilson, P.E., Public Works Director**  
Kara Jurczak, P.E., Assistant Public Works Director

**CITY OF KETCHIKAN**  
Administrative Offices  
PH: 907.228.4727  
FAX: 907.225.8721

## **MEMORANDUM**

**TO:** Delilah Walsh, City Manager

**CC:** Lacey Simpson, Assistant City Manager  
Michelle Johansen, Finance Director  
Mitch Seaver, City Attorney

**FROM:** Mark Hilson, P.E., Public Works Director  
Lenny Neeley, Solid Waste Supervisor

**DATE:** March 7, 2023

**SUBJECT:** **Resolution 23-2875 - Increase Rates and Fees for Solid Waste Collection**

In accordance with Ketchikan Municipal Code Section 7.16.072 City Council established fees for solid waste collection and disposal with the adoption of Resolution 20-2791. While this resolution increased disposal fees it did not increase collection fees (collection fees have not been increased since 2016). With the Federal Government's mandate regarding Commercial Driving License (CDL) training (not available locally), it has been difficult to staff collector positions, and as a result wages have had to increase in order to have staff to keep garbage moving. Also, wages in general have not been stagnant, with a 2% increase in the Collective Bargaining Agreement for 2022 and a 2.5% increase for 2023. Inflation has led to the cost of fuel and other items essential to our operations increasing substantially. We have been able to absorb these increases without raising rates due to Mr. Lenny Neeley's very successful streamlining of the Solid Waste Division. Unfortunately, it is no longer possible to cut costs and have the Solid Waste Collection Division absorb cost increases of this nature and remain solvent.

If adopted, attached Resolution No. 23-2875 provides for increasing a variety of non-disposal fees including increasing the Residential Collection Fee from \$10.69 to \$11.60 per month. New Non-Disposal Rates are included as Exhibit A to Resolution No. 23-2875. For reference, a comparison of current collection fees versus proposed fees is also attached to this memo.

In 2020, City Council recognized that significant automatic escalators prompting cost increases in transport and disposal would necessitate regular solid waste disposal fee increases. As a result, the City Council adopted Ordinance provisions to provide for annual adjustment of Solid Waste recycling and disposal fees in an amount equal to the increase in the city's

contractual costs for transport and disposal at an administrative level as approved by the City Manager. The 2023 transport and disposal fee increase is the subject of a separate memorandum and is planned to occur at the same time as the collection fee increases.

### **RECOMMENDATION**

It is recommended that the City Council approve Resolution No. 23-2875, adopting a Solid Waste Collection Fee Schedule and providing for an effective date.

**Recommended Motion:** I move the City Council approve Resolution No. 23-2875, adopting a Solid Waste Fee Schedule and providing for an effective date.

### **Attachments:**

Resolution 23-2875 with Exhibit A

Current Collection Rate Schedule With Proposed Fees

CITY OF KETCHIKAN, ALASKA

RESOLUTION NO. 23-2875

A RESOLUTION OF THE CITY OF KETCHIKAN, ALASKA;  
ADOPTING A SOLID WASTE COLLECTION FEE SCHEDULE AND  
ESTABLISHING AN EFFECTIVE DATE

BE IT RESOLVED by the Council of the City of Ketchikan, Alaska as follows:

Section 1: Solid Waste Fees. Pursuant to KMC Section 7.16.072 (a) the City Council hereby adopts the Solid Waste Collection Fee Schedule as set forth in Exhibit A to this resolution as the City's solid waste fees.

Section 2: Effective Date. This resolution shall become effective 30 days after City Council adoption.

PASSED AND APPROVED by a duly constituted quorum of the City Council for the City of Ketchikan on this \_\_ day of \_\_\_\_\_, 2023.

X

---

Dave Kiffer  
Mayor

ATTEST:

X

---

Kim Stanker  
City Clerk

## **EXHIBIT A**

### **SOLID WASTE COLLECTION FEE SCHEDULE**

#### **COMMERCIAL FEES**

Charges are based on the volume of **trash collected**, not on how many times trash is picked up.  
Commercial collection is based on how many 32 gallon cans are collected at the rate of \$3.75/can. There is a \$28.69 minimum charge if the monthly can count is below the \$3.75 can count.

**Collection is in a 96 Gallon Cart which = 3-32 gallon cans**

1-32 gallon can count	\$4.05
2-32 gallon can count	\$8.10
3-32 gallon can count	\$12.15

**Large Container Commercial Charges based on a 32 gallon can counts**

1 Yard Container	=6.66	Can Count	\$26.90
1 1/2 Yard Container	=9.99	Can Count	\$40.35
2 Yard Container	=13.33	Can Count	\$53.85

Example: 15-32 gallons collected in one month.  
The can count bill would be as follows: 15 x \$3.41= \$51.50

**Monthly container rental fee:**

96 gallon cart	\$3.00
1, 1/2, 2 yard container	\$14.35

#### **CONSTRUCTION BOX FEES**

Construction Boxes shall be charged the Landfill Per Ton Charge of \$192.10 Per Ton

**13 yard box pull rate**

City limits South, North to Wolf Point	\$62.55
North of Wolf Point to end of City limits, Saxman Seaport	\$125.10

**Rental Rate:**

Daily	\$17.00
Weekly	\$50.00
Monthly	\$200.00

**20 yard box pull rate**

City limits South, North to Wolf Point	\$78.20
North of Wolf Point to end of City limits, Saxman Seaport	\$156.40

**Rental Rate:**

Daily	\$34.00
Weekly	\$100.00
Monthly	\$400.00

**RESIDENTIAL FEES**

<b>Collection Rate Per month</b>	Includes 96 gallon cart	\$11.60
<b>Area Wide Fee, Disposal Fee</b>	Owners or occupants of residential dwelling units pay a solid waste transport and disposal fee	\$22.45

## **CURRENT COLLECTION RATE SCHEDULE WITH PROPOSED FEES**

### **SOLID WASTE COLLECTION FEE SCHEDULE**

#### **COMMERCIAL FEES**

Charges are based on the volume of **trash collected**, not on how many times trash is picked up.

Commercial collection is based on how many 32 gallon cans are collected at the rate

of \$3.75/can. There is a \$28.69 minimum charge if the monthly can count is below the \$3.75 can count.

##### **Collection is in a 96 Gallon Cart which = 3-32 gallon cans**

##### **PREVIOUS RATE**

1-32 gallon can count	\$4.05	\$3.75
2-32 gallon can count	\$8.10	\$7.50
3-32 gallon can count	\$12.15	\$11.25

##### **Large Container Commercial Charges based on a 32 gallon can counts**

1 Yard Container	=6.66	Can Count	\$26.90	\$24.98
1 1/2 Yard Container	=9.99	Can Count	\$40.35	\$37.46
2 Yard Container	=13.33	Can Count	\$53.85	\$49.99

Example: 15-32 gallons collected in one month.

The can count bill would be as follows: 15 x \$3.41= \$51.50

##### **Monthly container rental fee:**

96 gallon cart	\$3.00	\$3.00
1, 1/2, 2 yard container	\$14.35	\$12.00

#### **CONSTRUCTION BOX FEES**

Construction Boxes shall be charged the Landfill Per Ton Charge of \$192.10 Per Ton

<b><u>13 yard box pull rate</u></b>	\$62.55	City limits South, North to Wolf Point	\$57.60
	\$125.10	North of Wolf Point to end of City limits, Saxman Seaport	\$115.20

##### **Rental Rate:**

Daily	\$17.00	\$17.00
Weekly	\$50.00	\$50.00
Monthly	\$200.00	\$200.00

<b><u>20 yard box pull rate</u></b>	\$78.20	City limits South, North to Wolf Point	\$72.00
	\$156.40	North of Wolf Point to end of City limits, Saxman Seaport	\$144.00

##### **Rental Rate:**

Daily	\$34.00	\$34.00
Weekly	\$100.00	\$100.00
Monthly	\$400.00	\$400.00

<b><u>RESIDENTIAL FEES</u></b>			
			<b><u>PREVIOUS RATE</u></b>
<b>Collection Rate Per month</b>	\$11.60	Includes 96 gallon cart	\$10.69
<b>Area Wide Fee, Disposal Fee</b>	\$22.45	Owners or occupants of residential dwelling units pay a solid waste transport and disposal fee	\$20.50