



City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 28-19

City Council

9/26/2019

LEGISLATIVE ACTION ITEM

SPONSOR: Grover C. Robinson, IV, Mayor

SUBJECT:

PROPOSED ORDINANCE NO. 28-19 - AMENDMENT TO CITY CODE SECTION 4-3-97 - SANITATION COLLECTION FEE AND EQUIPMENT SURCHARGE.

RECOMMENDATION:

That City Council adopt Proposed Ordinance No. 28-19 on second reading.

AN ORDINANCE AMENDING SECTION 4-3-97 OF THE CODE OF THE CITY OF PENSACOLA, FLORIDA; PROVIDING FOR INCREASE IN SANITATION COLLECTION FEES AND THE SANITATION EQUIPMENT SURCHARGE; PROVIDING FOR SEVERABILITY; REPEALING CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

HEARING REQUIRED: No Hearing Required

SUMMARY:

Section 4-3-97 of the City Code provides for an automatic adjustment to the monthly sanitation rate each October 1st in accordance with the Consumer Price Index (CPI) for the twelve month period ending March 31st of the current year. The CPI for that period was +1.9% which amounts to an increase of forty-seven cents and would set the new rate at \$25.11 per month. This increase would allow for full funding of the Sanitation Services operation as budgeted in the FY 2020 Proposed Budget.

In accordance with the rate study completed in 2016, City Council approved the implementation of a sanitation equipment surcharge to fund capital equipment replacement. The surcharge was initially set at \$1.00 effective June 1, 2017 with an increase to \$2.00 scheduled for October 1, 2018. Beginning October 1, 2019 and each October 1 thereafter, this surcharge will be adjusted based on changes in the CPI. The CPI was +1.9% which allows for a 4 cent increase bringing the new rate to \$2.04.

PRIOR ACTION:

September 12, 2019 - City Council voted to approve Ordinance No. 28-19 on first reading.
September 13, 2018 - City Council adopted Ordinance No.16-18 adjusting the monthly sanitation rate

to \$24.64 and increasing the sanitation equipment surcharge to \$2.00.

FUNDING:

N/A

FINANCIAL IMPACT:

Approval of the proposed ordinance would set the sanitation rate at \$25.11 per month, a \$.47 per month increase and would set the sanitation equipment surcharge at \$2.04 per month, a \$.04 per month increase; both rate increases are based on the 1.9% CPI, effective October 1, 2019 upon adoption on second reading. The increase in the sanitation rate is projected to generate an additional \$225,700 annually in additional Residential Refuse Container Charges and the sanitation equipment surcharge is projected to generate an additional \$15,500 annually for capital equipment expenditures both of which have been incorporated in the FY 2020 Proposed Budget.

CITY ATTORNEY REVIEW: Yes

9/3/2019

STAFF CONTACT:

Christopher L. Holley, City Administrator
Richard Barker, Jr., Chief Financial Officer
John Pittman, Director Sanitation

ATTACHMENTS:

- 1) Proposed Ordinance No. 28-19

PRESENTATION: No