

MEMORANDUM

TO: Claire Powell, City Manager

VIA: Aaron Russell, P.E., Director of Public Services

FROM: Jason Hunt, Environmental Quality Manager

DATE: October 2, 2023

SUBJECT: **Consideration of a Resolution Acknowledging the 2023 Community Waste Disposal, L.P. Cost of Service Rates; and Consideration of an Ordinance Amending the Fee Schedule of the City of Lewisville by Amending Fees Related to Franchised Residential Solid Waste and Recycling Services in the Properties Which Were Annexed Into the City on November 15, 2021.**

BACKGROUND

On November 15, 2021, the city assumed an exclusive franchise agreement for residential solid waste collection and disposal and recyclable material collection and processing by Community Waste Disposal, L.P. (CWD) for the Castle Hills area. Per the agreement, the cost of service rates are to be adjusted annually by the Consumer Price Index for water and sewer, and trash for all Urban Consumers as published by the U.S. Department of Labor, Bureau of Labor Statistics in addition to a fuel adjustment based on a fuel surcharge. Last year, the rate was increased by 14.4 percent. Adjustments take effect on October 1 of each contract year.

ANALYSIS

The current Consumer Price Index for water and sewer and trash for all Urban Consumers as published by the Bureau of Labor Statistics reflects an increase of 5.8 percent, and the fuel surcharge calculation shows a 6 percent increase. Accordingly, Community Waste Disposal cost of service rates will be increased by 11.8 percent effective October 1, 2023. The cost increase impacts all residential rates. The average home, having one trash cart and one recycle cart, will see a monthly increase of \$2.69 on their utility bill.

CITY STAFF'S RECOMMENDATION

That the City Council approve the resolution and ordinance as set forth in the caption above.