

2021 Solid Waste Rate Study and Tempe City Code Chapter 28 Revisions

Public Meeting
August 20, 2021





Safe & Secure
Communities

1.27 - City Infrastructure and Assets



Strong Community
Connections

2.02 - Customer Service Satisfaction



Sustainable Growth
& Development

4.04 - Solid Waste Landfill Diversion

4.12 - Composting



Financial Stability
& Vitality

5.01 - Quality of Business Services



Rate Study Introduction



Elements of the Rate Study



Revenue requirements

- Operating costs
- Capital costs
- Financial policies
- Level of service



Cost allocation

- Evaluate available data
- Service delivery model
- Review billing units
- Compare results to current revenue



Rate design

- Evaluate objectives
- Identify structures
- Customer impacts

Public involvement and community engagement

Community Engagement



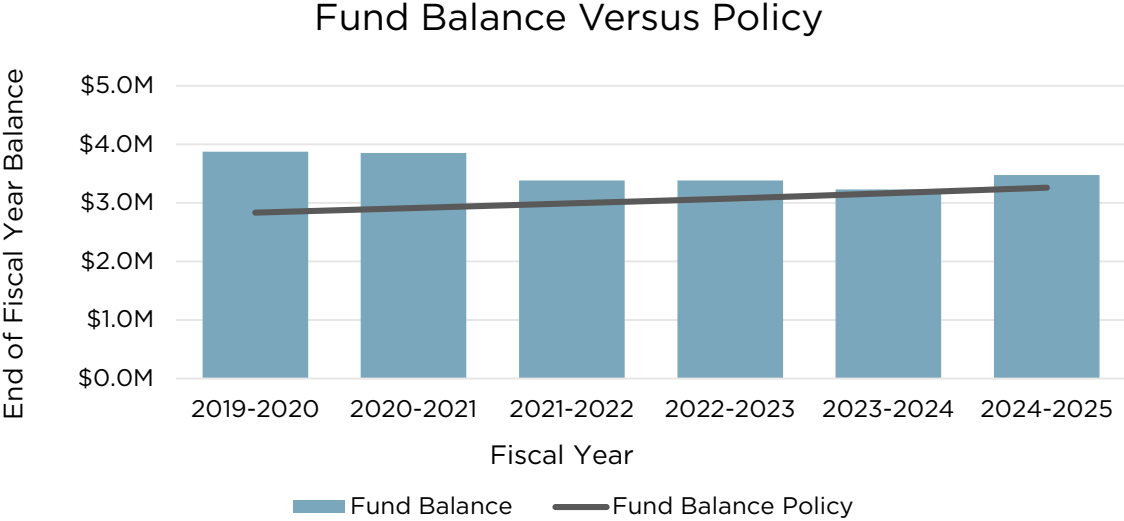
- Phase 1, May 8 – April 8, 2021
- Phase 2, August 12 – September 12, 2021



Rate Study Recommendations



Levelized rate increase of three (3) percent per year, over the next several years.



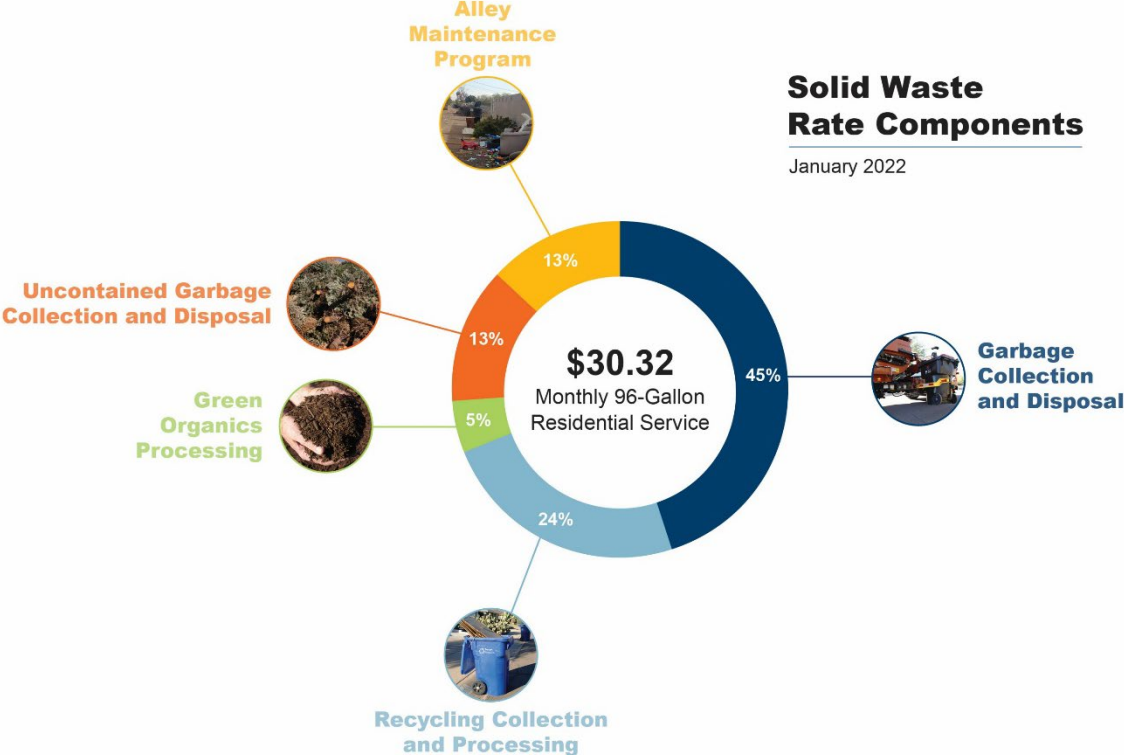
Recommended Residential Rate Adjustments



Residential Solid Waste Service Options	Current Rate	Recommended Rate
96-gallon or shared 300-gallon garbage, 96-gallon recycling	\$29.57	\$30.32
65-gallon garbage, 96-gallon recycling	\$25.63	\$27.72
48-gallon garbage, 96-gallon recycling	\$23.47	\$26.30
Additional 96-gallon garbage container	\$18.28	\$20.17
Additional 96-gallon recycling container	--	\$13.98



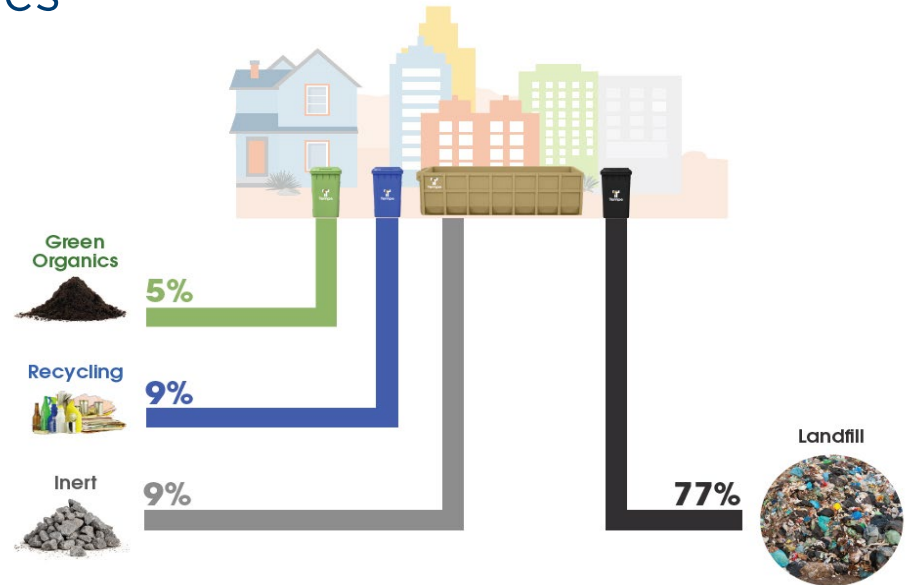
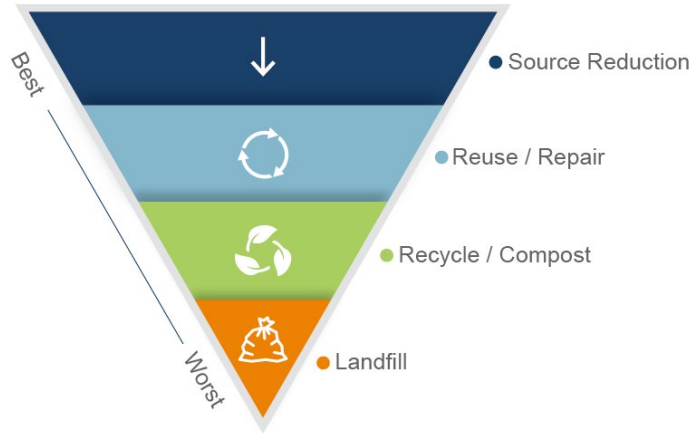
Residential Monthly Rate Components



Landfill Diversion

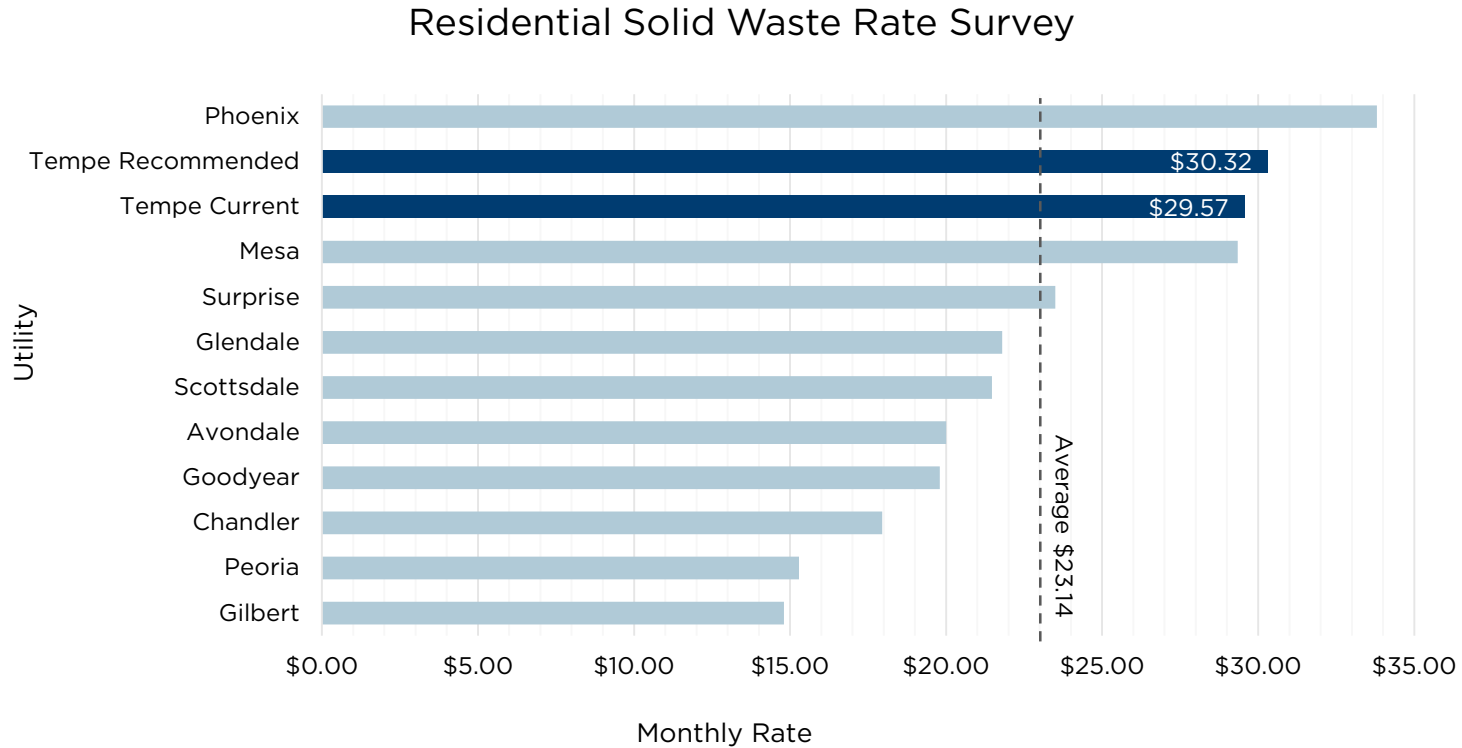


- Tempe's Solid Waste Services are built to reflect community values





Residential Solid Waste Rate Comparison



Residential Solid Waste Service Comparison



Utility	Phoenix	Tempe \$30.32 (Recommended)	Mesa	Surprise	Glendale	Scottsdale	Avondale	Goodyear*	Chandler*	Peoria	Gilbert
Monthly Rate	\$33.80	\$30.32 (Recommended)	\$29.34	\$23.50	\$21.80	\$21.51	\$20.00	\$18.80	\$17.95	\$15.29	\$14.80
Volume Based Containers	X	X	X							X	X
Uncontained (Bulk) Garbage	Four per year	Six per year	**	Two per year	Twelve per year	Twelve per year	Twelve per year	Twelve per year	Every six weeks	Two per year	Ten per year
Uncontained (Bulk) Green Organics		Six per year								Two per year	
Self-haul at no added cost	X	X	**	X	X	X			X		
Household Hazardous Waste Facility		X	X					X	X		X
Zero Waste Day		X					X			X	
Green Organics Collection	**	**	**								
Compost/Inert Facility	X*	X									
Alley Maintenance	2	3	1	4	1	1	1	1	1	1	4

* = Third party.

** = Not included in the standard residential solid waste rate; available at an additional fee.

1 = Funded by General Fund. Executed by Streets/Transportation.

2 = Primarily funded by General Fund, exceptions funded by Solid Waste Fund. Executed by Streets/Transportation.

3 = Funded by Solid Waste Fund. Executed by Solid Waste.

4 = No alleys.

Green Organics Collection and Processing



- Conclude pilot and establish pricing.
- Market competitiveness.
- Future operations.



Recommended Commercial Rate Adjustments



- No rate adjustments to single container front load garbage or roll-off collection service.
- Reduce multiple container discount for front load garbage.
- Volume-based rate structure for front load recycling container sizes.



Tempe City Code Chapter 28 Revisions



- Responsibility for maintaining alleys.
- Licenses for private entities.
- New and updated definitions.



Rate Study Timeline



Conclusion



tempe.gov/UtilityRateStudy