



City of Broken Arrow

Request for Action

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**Broken Arrow Municipal Authority
Meeting of 7-3-2017**

To: Chairman and Authority Members
From: General Services Department
Title:

Approval of the Waste Management landfill tipping (dumping) fee increase for refuse and wastewater treatment plant sludge

Background:

On October 18, 2016, the Broken Arrow Municipal Authority entered into a contract with Waste Management for disposal of the City's solid waste not taken to the Covanta Energy from Trash Plant and for wastewater treatment plant sludge. The tipping fee for refuse was established at \$22.00 per ton and \$25.00 per ton for wastewater treatment plant sludge.

The contract provides for annual tipping (dumping) fee cost increases from Waste Management based on the Consumer Price Index (CPI) for all Urban Consumers, Water, Sewer and and Trash Collection, as the basis for the rate increase. The rate increase for this year is 3.17%

The rate for refuse will increase from 22.00 per ton to \$22.69 and the rate for waste water treatment plant sludge will increase from \$25.00 per ton to \$25.79. The \$1.25 per ton fee imposed by the State of Oklahoma will be in addition to the rate. Attached is a letter from Waste Management and the CPI index data detailing the increase. The new rates become effective July 1, 2017.

Cost: An annual increase of approximately \$1,035 for refuse (Based on a projected 1,500 tons for Fiscal Year 2018) and an increase of \$4,740 for sludge (Based on a projected 6,000 tons for Fiscal Year 2018)

Prepared By: Lee Zirk General Services Department
Reviewed By: Water Department
Finance Department
Assistant City Manager - Operations
Assistant City Manager - Administration
Legal Department

Approved By: Michael L. Spurgeon, City Manager

Attachments: Annual Rate Adjustment Letter from Waste Management, 6-14-17
Consumer Price Index data, Garbage and Trash Collection

Recommendation:

Approve the landfill tipping (dumping) fee increase for refuse and wastewater treatment plant sludge.