

SARASOTA COUNTY GOVERNMENT

Solid Waste

TO: Sarasota County Commission
THROUGH: Jonathan R. Lewis, County Administrator
FROM: Brian E. Usher, Director, Solid Waste
DATE: May 7, 2024
SUBJECT: Update to the Board for the Solid Waste Assessment Rate

RECOMMENDED MOTION(S) OR ACTION(S):

To approve proposed annual assessment rates for Solid Waste for Fiscal Year 2025.

BACKGROUND/ANALYSIS:

Chapter 106, Articles I and II of the County Code, Solid Waste Ordinance (“Ordinance”), regulates the collection, processing, and disposal of solid waste for residential and commercial customers in the unincorporated County through the creation of a Solid Waste Municipal Services Benefit Unit. The Ordinance establishes a Municipal Services Benefit Unit for Residential Waste and Recyclable Materials Collection in the County for purposes of funding the Collection from Annual Assessments. The Annual Assessment imposed upon Residential Real Property is intended to cover the costs of providing Residential Waste Collection, including disposal and/or processing costs, department administration, other Solid Waste programs and the cost of administering the Solid Waste Service Area(s) (“Areas”).

Differences exist between Residential Customers and therefore, two classes of properties are currently established within the Areas for the purpose of allocating the cost of providing service and establishing the appropriate assessments for those classes. While the contractual rates may be different in the Areas, Annual assessment rates will not differ for either Area due to having the same level of service.

Municipal Services Benefit Unit		
Current Annual Assessment	New Annual Assessment	Monthly Impact
Class I - \$233.59	Class I - \$263.96	\$2.53
Class II - \$197.65	Class II - \$223.34	\$2.14

On March 5, 2024, the Board approved new franchise collection agreements for garbage, recycling and yard waste. Sarasota County (County) engaged the services of Raftelis Financial Consultants, Inc. ("Raftelis") to complete a Solid Waste Rate Evaluation ("Evaluation") in February 2024. The Evaluation concluded that the Solid Waste Department rates were not sufficient to cover the projected revenue requirements for the forecast period of fiscal years 2024 through 2029 based on the new franchise agreements. Solid Waste was highly successful at mitigating the impacts of the contractual rates in the new franchise agreements falling well below market expectations. The new Franchise Agreements negotiated with the firms still yielded a net increase of 24% over current rates.

Solid Waste is proposing to split this increase over two years. The Evaluation recommended a 13% rate adjustment for FY2025 and an 11.5% rate adjustment for FY2026. An implementation of a 13% rate adjustment in FY2025 would provide the revenue necessary to meet FY2025 revenue requirements without the infusion of cash from fund balance as well as consideration for a lower increase in FY2026.

RELEVANT PRIOR BOARD ACTION:

1. March 5, 2024 – The Board approved Contract No. 2024-209 with Waste Pro of Florida, Inc. for solid waste, recyclable materials, and yard trash collection services (carried by a 5-0 vote).
2. March 5, 2024 – The Board approved Contract No. 2024-210 with FCC Environmental Services Florida, LLC for solid waste, recyclable materials, and yard trash collection services (carried by a 4-1 vote, Commissioner Rainford voted No).
3. April 23, 2024 – The Board authorized advertisement of public hearing to amend Chapter 106 of the County Code (5-0 vote).

OUTREACH:

Solid Waste Staff conducted four public workshops with the purpose of providing residents an opportunity to learn about updates to the solid waste collections program, the proposed assessment rates for 2025, collection service district splits as well as collection service changes. The public workshops were from 6 – 7 pm at the following locations:

- April 15, 2024 – William H. Jerve, Jr. Venice Library
- April 16, 2024 – Gulf Gate Library
- April 17, 2024 – Englewood Sports Complex
- April 18, 2024 – Betty J. Johnson North Sarasota Library

There were 118 participants, 78 questions, and 15 comment cards received which were addressed by Solid Waste staff.

PROCUREMENT ACTION:

N/A

FUNDING:

N/A

STRATEGIC PLAN ALIGNMENT:

Goal: Exceptional County Services Aligned with Resource

Objective: Deliver County services in the most cost-effective manner

NEXT STEPS:

Once approved, Solid Waste staff will proceed with the FY2025 Non-Ad Valorem Assessment budget process for implementation.

STAFF RECOMMENDATION(S):

Staff recommends considering the proposed rates for the Non-Ad Valorem Assessment approval at the budget hearing in September 2024.

ATTACHMENTS:

1. 2024 Fiscal Year Solid Waste Rate Evaluation Report