

CITY OF EL PASO, TEXAS
AGENDA ITEM DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Environmental Services Department
AGENDA DATE: 12/22/09
CONTACT PERSON/PHONE: Ellen Smyth, 621-6719
DISTRICT(S) AFFECTED: Citywide

SUBJECT:

Discussion and action for Council to provide policy direction on vacant residential homes.

BACKGROUND / DISCUSSION:

The Environmental Services Department is requesting a policy direction for a reduced rate for solid waste fees on vacant residential homes. There are no provisions in the City Ordinance to waive solid waste fees. The Ordinance states that once residential refuse service is initiated in the customer's name, the fees established shall be charged to the customer during such times as they, or the building in which they are situated, is occupied or is connected to an active water meter. On November 12, 2009, the ESD Legislative Review Committee discussed the item and made recommendation to forward the item for full Council review.

PRIOR COUNCIL ACTION: N/A
December 1, 2009

AMOUNT AND SOURCE OF FUNDING: N/A

BOARD / COMMISSION ACTION: N/A

*****REQUIRED AUTHORIZATION*****

LEGAL: (if required) _____ **FINANCE:** (if required) _____

DEPARTMENT HEAD: _____
(Example: if RCA is initiated by Purchasing, client department should sign also)
Information copy to appropriate Deputy City Manager

APPROVED FOR AGENDA:

CITY MANAGER: _____ **DATE:** _____



ENVIRONMENTAL SERVICES

December 22, 2009

Vacancy Rate Agenda Item

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Initiation of Collection Service Chapter 9.04.400.D

Current Practice:

Once residential refuse service is initiated in the customer's name, the fees established shall be charged to the customer during such time as they, or the building in which they are situated, is occupied or is connected to an active water meter.

Current Billing Rate:	\$16.00 / month
Vacancy Rate:	none



Proposed Change:

- Vacant homes would be entitled to a reduced rate of \$10 per month, set by Council, instead of the full \$16 per month.
- Homeowners qualify with utility bills showing no/low activity for 60 days or more.
- Homeowners retain possession of container and initiate return to full service.
- Reduction available in current month, not retroactive.
- Limit to one-year and reapply
- Estimate 2000 homes participating.



Reduced Collection Billings	-12,000
Reduce Monthly Revenues	\$12,000
Direct wages	-3,305
Indirect costs	-1,182
Vehicle, maintenance, fuel	-240
Monthly Costs	\$ 4,727
Budgetary Impact:	
Monthly	\$16,727
Annually	\$200,724



Analysis

- Increased administrative responsibilities/costs
- Decreased revenues
- Burden shared by other rate payers
- Potential for loss
 - Lost Containers
 - Delayed billing restarts



ESD Recommendation

Costs for the City to provide service continue regardless of whether the Department services an individual customer. It is difficult and expensive to track the status of part-time residents. The Environmental Services Department recommends that the City does **not establish a reduced rate** for solid waste fees on vacant residential homes.