



MEMORANDUM

Date: September 3, 2025

To: Honorable Mayor and Commissioners

Via: Brian L. Barroso
City Manager

Cc: Michael Turner
Assistant City Manager

From: Matt Willman
Utilities Director

Subject: **Annual Adjustment by Resolution of Tipping Fees at the City of Key West Transfer Station, located on Rockland Key for Fiscal Year 2025/2026.**

Introduction

Approval of this resolution will adjust the tipping fees for municipal solid waste (MSW), yard waste (YW), small volumes of construction and demolition (C&D) debris, bulk household items, appliances, metals, single stream recyclables and waste tires by the June 2025 CPI increase of 2.7% at the City of Key West Transfer Station located on Rockland Key.

Background

All self-hauled materials accepted at the city's transfer station, are charged a tipping fee for transportation, processing and disposal of the materials on mainland Florida. Examples of self-haul activity include dumping residentially and commercially generated landscape material, bulk household goods, appliances and debris from construction and remodeling activity.

In FY 2025 the City included nominal tipping fees for single stream recyclables, appliances, metals and a Special Waste tipping fee for waste tires to place the financial burden on the waste generator. These fees were added to avoid raising the overall tipping fee on all accepted waste types. Chapter 58 of the Code of Ordinances entitled "Solid Waste" Section 58-66 was amended to reflect these tipping fee additions.

The tipping fees are charged to support the following costs:

- Transfer station staffing and operations for city staff and Transfer Station Operations Contract staff.
- Hauling and disposal costs from the transfer station to mainland Florida facilities.
- Capital improvements to the transfer station.
- Generate and maintain adequate reserve capital for future use.

Procurement

Section 58-67 of the Code of Ordinances authorizes the City Manager to administratively adjust the tipping fees; however, it has been customary for staff to seek City Commission approval of an increase to the tipping fee. Staff believes that this practice provides adequate oversight and transparency.

As per the Code of Ordinances, the tipping fee may be “adjusted by a percentage equal to the change in the Consumer Price Index (CPI) published by the Bureau of Labor Statistics of the United States Department of Labor for June of the current year of adjustment, compared with the index for June of the preceding year”. The CPI-U from June 2024 to June 2025 is 2.7%.

The city’s rate model consultant conducted rate studies for solid waste expenses as well as revenue anticipated to be generated into the next fiscal year. The solid waste rate model for the upcoming fiscal year projects that a rate increase of 2.7 % is adequate to meet the objectives of the fees. The proposed fee increases are within the limits prescribed by city ordinance.

The proposed tipping fees for Fiscal Year 2025/26 is as follows:

	FY 2025 Current Tipping Fee	Recommended FY 2026 Tipping Fee
Tipping Fee (MSW, YW, C&D, bulk household items)	\$177.55 per ton	\$182.34 per ton
Recyclable Materials Tipping Fee (Appliances, Metals, Single Stream Recyclables)	\$18.90 per ton	\$19.41 per ton
Waste Tires Tipping Fee	\$381.00 per ton	\$391.29 per ton

Recommendation

The City Manager’s Office recommends the Mayor and City Commission approve an increase in the Tipping Fees for Fiscal Year 2025/2026 as per the table above.