



## MEMORANDUM

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Date: August 6, 2025

To: Honorable Mayor and Commissioners

Via: Brian L. Barroso  
City Manager

From: Matt Willman,  
Utilities Director

Subject: **Authorizing a \$393.08 Annual Solid Waste Residential Non-Ad Valorem Assessment Charge for the City's FY 2026 Solid Waste Annual Rate Resolution.**

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### **Introduction**

The Annual Solid Waste Rate Resolution is required in the process of billing for the solid waste utility as non-ad valorem assessment on the property tax bill. The rate request is to establish an annual service charge of \$393.08.

### **Background**

The City Commission of Key West, Florida, enacted Ordinance No. 13-09, which authorizes the annual re-imposition of a Solid Waste Service Assessments for Solid Waste collection and disposal services, facilities or programs against real residential property specifically benefited by the City's Solid Waste Management Services.

Per Sec. 58.65 The City Commission shall establish solid waste rates for our residents each fiscal year. Staff along with our financial consultant, Raftelis Consulting, has analyzed in detail the solid waste utility financials.

Section 58-107 of the code requires the adoption of a final rate resolution. The preliminary rate of \$393.08 was approved by Resolution 25-140. Approval of this resolution is the second and final step in setting the annual rate assessment for residential solid waste services.

The general scope of services that is included in the annual assessment are:

- Residential curbside collection of solid waste, recycling and yard waste collection, and the hauling and disposal services from the Transfer Station to facilities on the mainland.
- Collection of bulk waste items when called for pick up by residents.
- Hazardous household waste collection each month at a predefined location
- Update the City of Key West's Recycling Plan to improve our recycling rate and better manage our utility. Along with administrative tasks of contract management, report auditing, and monthly transfer station billing.

A comparison of current rates vs. proposed is as follows:

	FY 2025 Budget (current)	Proposed FY 2026 Budget	Increase +\$9.9%
Residential Rate	\$357.59 (per year)	\$393.08 (per year)	+\$35.49/per year

### **Procurement**

After the preliminary assessment notice was approved, notices were sent by mail July 15, 2025, to Key West property owners who acquired new units or adjustments. These notices informed the property owners of the public hearing for final approval to be held at the August 6, 2025, City Commission Meeting. The rates included in the notices were:

FY 2026 - \$393.08

Max Rate FY2026 - \$393.08

They also included a maximum rate that could only be exceeded if approved by the Commission, and if notices were re-sent by mail to all those paying the user fee.

Max Rate for future years beginning FY 2026 of \$393.08

An advantage of having the solid waste fee on the property tax roll is that residents could receive a discount on their solid waste fees through early payment of property taxes.

### **Recommendation**

The City Manager's Office recommends the Mayor and City Commission approve the annual solid waste rate assessment of \$393.08 per year for Fiscal Year 2025-26.