



MEMORANDUM

Date: March 5, 2026

To: Honorable Mayor and Commissioners

Via: Brian L Barroso
City Manager

From: Matt Willman
Utilities Director

Subject: **An Ordinance Of The City Of Key West, Florida, Amending Chapter 58 Of The Code Of Ordinances, Entitled “Solid Waste” By Amending Section 58-66, To Amend The Dumping Fee Or Tipping Fee For Key West Residents, Commercial Establishments And Licensed Business; Providing For Severability; Providing For Repeal Of Inconsistent Provisions; Providing For An Effective Date (id # 26-5004)**

Introduction

Proposed Amendment to Code of Ordinance Chapter 58, Article III, Sec 58-66 shall adjust the City of Key West Transfer Station tipping fees for municipal solid waste (MSW (garbage, bulk household items), yard waste (YW), small volumes of construction and demolition (C&D) debris, single stream recyclables, and waste tires based on increased operational, hauling and disposal fees negotiated under Resolution 25-245 and Resolution 26-022.

Background

All self-hauled materials accepted at the city’s transfer station, are charged a tipping fee to cover operational, transportation, processing and disposal of the waste on mainland Florida. Examples of self-haul activity include residential and commercial dumping of landscape material, bulk household goods, appliances and debris from small construction and remodeling activities.

Effective January 1, 2026, the City Haul Out contract was approved with increases in hauling and disposal of single stream recyclables and waste tires. Restructuring and increasing tipping fees on specific waste types is necessary to cover operating costs while right sizing rates to limit the impact on rate payers.

At the fy27 Budget Workshop in July a presentation will be available delivering Recycling metrics over the past few years with some goals and forecasts going forward into the next few years.

The tipping fees are charged to cover 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 fee, up to or equal to the change in the CPI; however, it has been customary for staff to seek City Commission approval of an increase to the tipping fees. Staff believe 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”. While the tipping rates were adjusted based on the CPI model on October 1, 2025, the increase did not address increases negotiated in the Haul Out Contract and the final extension of the Curbside Collection and Transfer Station Operations Contract.

It is in the rate payers’ best interest to modify the tipping fee structure and rates to adequately cover increase costs and right size fees due to the negotiated contracts with an effective date of January 1, 2026.

The proposed tipping fees for the remainder of Fiscal Year 2025/26 are as follows:

Waste Type	Current Tipping Fee	Recommended remainder of FY 2026 Tipping Fee	Increase/Decrease
MSW, household items, garbage and C&D	\$182.34 per ton	\$182.34 per ton	0 No change
Yard Waste Fee	\$182.34 per ton	\$165.00 per ton	- \$17.34/ton -10%
Single Stream Recyclables Fee – Clean, dry glass and plastic jars and bottles, metal food containers, paper and cardboard	\$19.41 per ton \$3.00 minimum	\$80.00 per ton \$5.00 minimum	+\$ 60.59 +412%
Appliances & Metals Tipping Fee	\$19.41 per ton \$3.00 minimum	\$50.00 per ton \$5.00 minimum	+\$ 30.59 +257%
Waste Tires Tipping Fee	\$391.29	\$516.92 per ton	+\$ 125.63 +132%

Recommendation

The City Manager’s Office recommends the Mayor and City Commission approve revised Tipping Fee Schedule for the remainder of Fiscal Year 2025/2026 as per the table above.