

Memorandum

To: Glenn Morrison

Submitted by: Councilman Steve Harris

Date: 13 April, 2015

Re: Solid Waste Incremental Rate Increase

Discussion: With the solid waste rates being approved for a 13% increase on 31 March, 2015 by a majority of the Killeen City Council. It was also established that an incremental increase of the same percentage would be implemented each new fiscal year based on the Consumer Price Index. With the current confirmation of the start date for the rate increase being publicized to begin in the month of April 2015, I now believe it is imperative for the council to specifically establish the starting date of the incremental increase to ensure consistency with the aforementioned 12 month increase period.

Rational: Due to the recent vote to increase the solid waste rates by 13% beginning in April, 2015 and the incremental increases of the same percentages based on the Consumer Price Index in Dallas, Texas, there is a legitimate concern that this incremental increase will occur by the beginning of October, or shortly after, which is the new fiscal year for government entities. With October only being less than 5 months away, it is imperative for the Killeen City Council to ensure that residents are not hit with a second rate hike during the same year; although, the argument may be made that it is a new fiscal year. The only right thing to do is to establish and ensure that the stated 12 month increase period is specific to the month that the rate-hike began and not the beginning of a fiscal year.

It is my opinion that the council should take a consensus to instruct the city manager, not to allow the first incremental rate increase to occur until the April of 2016 specifically, to avoid a double rate-hike on the citizens that could total a 26% increase. This will ensure that Killeen residents will not incur a sudden and burdensome increase in their expenses before having time to adjust. Even as our bond rating rebounded to a 2, to submit residents to a double-hike increase in less than a year, even if there is pro-rating involved in the initial stages, would be both gluttonous for money and irresponsible at best.