



TOWN OF KILL DEVIL HILLS

Land Where Flight Began

MEMORANDUM

May 11, 2020

TO: KDH Board of Commissioners

FROM: Debora P. Díaz, Town Manager

REF: New Business

1. Subscription type residential curbside recycling rate increase request (Attached NB-1)

Public Services Director Steve Albright's accompanying memorandum highlights the request by Bay Disposal for a subscription increase to \$12.76 per cart, per month. Although this is a 2.49% increase, it is only the third rate increase since the company entered into a franchise agreement with the Town in 2008. The last increase was in 2019, and like this request, is based upon increased operating costs.

Bay Disposal has been responsive and cooperative with Town Staff and its customers in Kill Devil Hills. The Town has enjoyed a 12-year relationship that has worked well in providing a convenient service to those who want it, without imposing it on those who continue to utilize the Town's Recycle Center, or do not recycle.

Staff recommends the Board of Commissioners approve the rate increase to \$12.76 per cart, per month for the subscription type residential curbside recycling program.

A motion will be in order.



TOWN OF KILL DEVIL HILLS PUBLIC SERVICES

Post Office Box 1719, 107 Town Hall Drive
Kill Devil Hills, NC 27948
Administration (252) 480-4080 Fax (252) 441-6136
Office Hours: 8:00 a.m. – 5:00 p.m. Mon. – Fri.
Water Plant (252) 480-4090
www.kdhnc.com

STEPHEN F. ALBRIGHT
Director

May 11, 2020

DEREK A. DAIL
Assistant Director

Memorandum

MARCIA K. OLLIS
Administrative Services

To: Debora P. Diaz, Town Manager

ALFRED W. BURTON
Water Plant

From: Stephen F. Albright, Public Services Director *SA*

WILLIAM H. WATERFIELD
Water Systems

Subject: Subscription Type Residential Curbside Recycling Annual Rate Increase Request

L. RANDOLPH TURNER
Streets

The Town updated the voluntary subscription curbside recycling program franchise agreement in May 2019 following over a decade of collections by Bay Disposal (formerly Outer Banks Hauling). The franchise agreement has provisions for an annual rate increase request.

LYNN E. LINDSEY
Solid Waste

Bay Disposal has requested a rate increase in the amount of \$12.76 per month per cart (a 2.49% increase from the current rate of \$12.45). Attached is the request from Bay Disposal dated April 21, 2020 requesting the rate increase and providing their justification. Bay Disposal staff has indicated that equipment, maintenance and labor costs continue to escalate. Bay also indicates that the recycling materials will continue to be hauled to the Wheelabrator waste to energy facility in Portsmouth, Virginia.

Thank you for your consideration of this request and assistance.



April 21st, 2020

Town of Kill Devil Hills
107 Town Hall Dr
Kill Devil Hills, NC 27948
ATTN: Steve Albright

Dear Mr. Albright,

Bay Disposal is requesting an annual price increase under Section XII Rate Review and Adjustment of the Franchise Agreement. The current price is at \$12.45 per home monthly.

Bay Disposal will continue delivering material to the waste-to-energy plant Wheelabrator, and continue with the current collection process in the town. The price would increase from \$12.45/mo. to \$12.76/mo. to cover increasing operating costs.

Once the Board approves the price increase, we will send over a draft letter to get the Town's approval before sending our customers the 30-day notice of the rate adjustment as required in the agreement.

If you have any questions please do not hesitate to reach out!

Thank you,

Joshua Smaltz
Site Manager