



Action Requested/Required:

- Vote/Action Requested
- Discussion or Presentation Only
- Public Hearing
- Report Date: _____
- Hearing Date: _____
- Voting Date: _____

Department: City Management **Presenter(s) & Title:** Nathan Ingram, Assistant City Manager
Jerry Harrison, Division VP Waste Pro

Agenda Item Title:

Discussion and Possible Approval of Fuel Surcharge on Sanitation Rates for the July through September Quarter - Waste Pro

Summary:

Given the current economic environment and the rising costs of fuel, Waste Pro has approached the City with a request to add a 'Fuel Surcharge' on residential sanitation charges throughout the City. Waste Pro has indicated not only the rising cost of fuel, but also the fact that landfills have been adding a fuel surcharge to their dumping charges, as two significant reasons for this request. Standard curbside rate is just less than \$20/month. Therefore, a 10% fuel surcharge would increase the monthly cost ~\$2 for a typical residential customer.

I have attached an email from Jerry Harrison w/ Waste Pro. They have agreed to come before Council each quarter to update and request extensions, should further surcharge be needed. Also, they have provided some information as to their surcharges on surrounding customers/accounts, as well as a disclosure on surcharges that can be found on their website.

Budget Implications:

Budgeted? Yes No N/A

Total Cost of Project: Check if Estimated

Fund Source: General Fund Water & Sewer Sales Tax Other:

Staff Recommendations:

Staff asks for Council to consider: Motion to approve for Waste Pro to implement a 10% Fuel Surcharge for residential Sanitation Fees within the City of Canton

Reviews:

Has this been reviewed by Management and Legal Counsel, if required? Yes No

Attachments:

Email from Waste Pro with additional information requested by Council.

From: Jerry Harrison <jharrison@wasteprousa.com>
Sent: Monday, June 1, 2026 9:54 AM
To: Nathan Ingram <nathan.ingram@cantonga.gov>
Subject: RE: Fuel Surcharge

I apologize, I could not make the last meeting, I did send the best person in our of our division in my place, Josh will be the Division Manager here at our division very soon. I will still be the VP over this market area and he will assume the day to day duties for Jasper division.

I would like to ask council's permission to add fuel surcharge for **next quarter billing and then we will revisit it each quarter prior to billing to get the blessings of council before the billing takes place.**

As it stands currently, we have implemented the Fuel surcharge of at least 10% billing to **Waleska, Adairsville, Jasper and Kingston** in this market. We are still working on Ball Ground. I am working to get some examples from other municipalities from other states that we have also implemented this. We have also implemented it on all commercial accounts unless the contract prohibits it. **Commercial accounts range from 10%-29.7%** of total invoice, defined by contract terms. The current variable rate this month based off OPIS is 29.7%.

On most contracts that have it built in, it states that if fuel goes above the \$4 per gallon mark, we are allowed to implement a surcharge to recover some of the additional cost, and it would drop off when fuel drops below that \$4 mark.

Below is from our web site and explains the fuel surcharge calculation we use.

HOW ARE MY FUEL CHARGES CALCULATED?

The cost of fuel has a tremendous impact on our industry. The Fuel Surcharge allows Waste Pro to keep up with, recover and offset the cost of diesel, natural gas (“CNG”) and other fuels that Waste Pro collectively uses to operate its fleet of trucks, dispose of waste, and otherwise operate its businesses. The Fuel Surcharge is a fluctuating percentage of all invoice charges, including fees but excluding taxes. The percentage of the Fuel Surcharge changes on a bi-monthly basis as the cost of diesel fuel changes (unless your service agreement specifies otherwise). The percentage of the Fuel Surcharge is based on the Weekly Retail On-Highway Diesel Prices chart that the Energy Information Administration of the U.S. Department of Energy publishes on its website which reflects the national average price of diesel fuel. Click on this link to view the [U.S. Department of Energy Website](#) and refer to the Lower Atlantic, Midwest, and Gulf Coast section labeled U.S. On-Highway Diesel Fuel Prices. Waste Pro uses the national average price of diesel fuel on this chart to calculate the percentage of the Fuel Surcharge on a bi-monthly basis as set forth in its Waste Pro Index Chart [available here](#). For example, if the Energy Information Administration/Department of Energy Fuel Rate is \$5.04, then the Fuel Surcharge will be 28.22%, as reflected on the Waste Pro Index Chart. As the national average price of diesel fuel increases, the percentage of the Fuel Surcharge will increase on a bi-monthly basis; as the national average price of diesel fuel decreases, the percentage of the Fuel Surcharge will decrease on a bi-monthly basis (unless your service agreement specifies otherwise). At any given point in time, Waste Pro does not necessarily pay the national average price of diesel fuel and the Fuel Surcharge does not reflect the price Waste Pro pays for fuel nor does it represent the direct or indirect costs to service a specific customer or route. Instead, the Fuel Surcharge helps support our company-wide costs to operate our collection, recycling, landfill and transfer station facilities. Not all of the revenue received by Waste Pro from the Fuel Surcharge is necessarily for cost recovery and some of the revenue from that charge may contribute to Waste Pro’s profits.

Jerry Harrison

Divisional Vice President

Waste Pro Ga