



DATE: February 13, 2020
TO: Washington County Solid Waste Advisory Committee
FROM: Kathy Folsom, Senior Program Coordinator
RE: Commercial Food Scraps Collection Rates

Background and summary

This staff report provides recommendations for changes to existing commercial food scraps collection rates. These collection rate changes are being proposed to aid in the implementation of the County's Business Food Scraps Collection requirement. At its June 25, 2019 meeting, the Washington County Board of Commissioners (Board) approved Resolution and Order (RO) 19-64. RO 19-64 amends the Solid Waste & Recycling Administrative Rules by adding requirements that certain businesses collect food scraps separate from garbage beginning March 31, 2020. Specifics regarding the proposed rate changes are included below.

Following your committee's recommendation regarding the proposed rate changes, the next step will be to present your committee's recommendations to the Board for consideration.

Current Rate Setting – Commercial Food Scraps Collection

Commercial food scraps collection service is currently priced as a separate service at garbage rates subject to certain service collection limitations, as follows:

Receptacle Size:

- 60-65 gallon cart
- 1-3 yard container

Collection Frequency:

- Cart or container commercial food scraps collection service shall be provided, as requested by the customer, at either one or two pick-ups per week.
- Additional pick-ups may be provided at the discretion of the service provider; however, service providers are not required to offer more than two pick-ups per week. Additional collection pick-up frequency, if available, will be charged at the container or cart monthly rate.

Proposed Rate Setting – Commercial Food Scraps Collection

Staff recommends that beginning March 31, 2020, commercial food scraps collection be included as an additional component of the current bundled garbage and recycling collection service for (commercial) carts and containers, subject to the current service collection limitations. As of that date, urban commercial garbage collection rates will include garbage, recycling and food scraps collection as a part of regular service, with no change to existing garbage and recycling rates.

Staff considered many options for setting commercial food scraps collection rates. After analysis, it was determined that a bundled or inclusive rate model would be simpler for businesses to understand and implement and best aligns with RO 19-64.

The benefits of a bundled rate model include:

- Smaller cost increases for individual businesses, if needed
- Simpler for businesses to understand and take service
- Eases implementation of the food scraps collection requirement
- Consistent with treatment of recycling collection services
- Perceived as part of regular collection service making participation more appealing

Staff intends to use the normal rate review time period (March – June) to analyze the cost impacts of adding commercial food scraps to the current bundle of collection service. This will result in a single potential rate adjustment on July 1, 2020 as a result of the regular rate review and the inclusion of food scraps collection as a part of bundled collection service; instead of a potential adjustment in March 2020 and again in July 2020.

If approved, the current rate proposal would include:

Beginning March 31, 2020:

- Monthly commercial container/cart bundled garbage collection service will include food scraps collection in addition to recycling and garbage collection services
- No change to existing bundled collection service rates
- Separate food scraps collection service priced at garbage rates is deleted
- Urban only
- No change to currently provided commercial food scraps collection standards (receptacle size and frequency of collection)
- Everybody pays – all can participate

Rate Review Period (March – July 2020):

- Analyze cost impacts and effect of revenue change (no longer receiving food scraps collection revenue priced at garbage rates)
- Single rate change to bundled commercial collection rate (garbage, recycling, food scraps) – July 1, 2020, if needed

Washington County Hauler Association

Staff presented the proposed changes to the Washington County Hauler Association (WCHA) at its December 5, 2019 meeting. The WCHA did not present any opposition to Staff's proposal.

Staff recommendation

Based on the findings outlined above, staff recommends that the Solid Waste Advisory Committee favorably recommends to the Washington County Board of Commissioners that the following rate changes become effective March 31, 2020:

- 1) Remove current commercial food scraps collection rates from the Board-approved Rate Sheets.

- 2) Add commercial food scraps collection to the current urban commercial container/cart garbage collection rates. New bundle would include garbage, recycling, and food scraps collection.
- 3) Keep the current commercial food scraps collection standards (receptacle size and frequency of collection) as shown on the Board-approved Rate Sheet.