



City Council Memo

Date: January 27, 2014

From: Bart Stepp, PE, Public Works Director

To: City Council, Mayor, and Department Heads

Subject: Solid Waste Issues and Waste Control

Headquarters Landfill Costs

On August 14th, 2013 I attended a meeting of the Cowlitz County Solid Waste Advisory Committee. The primary purpose of the meeting was to receive an update on the Headquarters Landfill Acquisition and Re-permitting Project and to make an advisory recommendation to the Cowlitz County Commissioners on a rate increase to support the purchase and operation of the new Headquarters Landfill. At that meeting the committee voted to increase the tipping fee from \$37.30/Ton to \$49/Ton. This was discussed back at the August 26th, 2013 workshop.

The current tipping fee that the City of Woodland pays to Cowlitz County is \$37.30/Ton of Municipal Solid Waste (MSW). This is the cost to process waste at the transfer facility and to dispose of it at the landfill. The variable cost between the Cities is the cost to collect MSW and haul it to the transfer facility for processing.

The Tenant Way landfill closed in December of 2013. Since then solid waste has been taken to the Headquarters Landfill. The increase in fees associated with moving to the Headquarters Landfill includes needing to pay for the debt on the \$35 Million Bond to purchase the landfill, a \$10 Million project to install a leachate line from the landfill to the Three Rivers Treatment Plant, other capital upgrades, as well as the additional hauling costs to transport MSW to the Headquarters Landfill from the Waste Control Transfer Station. At the rate of \$49/Ton the price is still the cheapest of any county in Western Washington. Clark County is at \$87.31/Ton, Lewis \$84.95/Ton, Skamania \$150/Ton, and Wahkiakum \$140/Ton. The alternative to purchasing the Headquarters Landfill was long hauling the waste by train to Eastern Washington which was substantially more expensive than the landfill.

While the tipping fee increase is over 32%, residents will not see that level of increase in their bills. This is because the tipping fee is only a portion of the costs to determine garbage rates. The spreadsheet on the next page shows the increase to the resident to pay for the tipping fee. At the August workshop a cost increase of 4.4% was projected based on 2012 revenues and

expected 2013 tonnage which was the best available data at the time. The proposed increase to be voted on in March is 5.8%. This is based on more accurate numbers of comparing actual 2013 revenue with actual 2013 tonnages.

Impacts to Woodland Solid Waste Rates		
2013 Residential Garbage Rate:	\$ 10.96	per month
Woodland Municipal Solid Waste Handled:	2,187	tons in 2013
Revenue from rates:	\$ 504,669	\$ in 2013
Increase in revenue needed:	\$ 25,588	(=2,187 tons*\$11.70)
15% Administration Fee	\$ 3,838	Existing percentage
Total New Revenue Needed	\$ 29,426	
Percentage increase in revenue:	5.8%	(= \$29,426/\$504,669)
Rate increase needed:	\$ 0.64	(=\$10.96 *5.8%)
Rates after new tip fee	\$ 11.60	(=\$10.96 + \$0.64)
The 5.8% increase would apply equally to all residential and commercial rates.		

Schedule for implementation of rate increase

Below is the schedule for notice and voting on the rate increase.

1/27/2014	Council workshop to review proposed rate increase
1/31/2014	Notice to paper
2/5 & 2/12/14	Publish notice for two consecutive weeks
2/25/2014	Notice in Utility Bills for effective date of April 16 th or April 25 th billing
3/3/2014	Council meeting – ordinance 1 st Reading
3/17/2014	Council meeting – ordinance Final Reading
3/21/2014	Notice of ordinance / rate increase to paper
3/26/2014	Publish date of ordinance
3/31/2014	Effective date actually would be 4/16/2014 to coincide with billing

Staff considers the proposed rate increase reasonable and recommends approval. Not approving the increase would be in violation of our contract with Waste Control.

Sincerely,

Bart Stepp

Bart Stepp, PE
 City of Woodland
 Public Works Director