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MEMORANDUM

TO: Board of County Commissioners
Gary Schmidt, County Administrator

FROM: Dan Johnson, DTD Director

DATE: February 9, 2021

RE: COVID Emergency Declaration – Solid Waste Collection

In 2020, the Board of Commissioners, alongside many state and local agencies, adopted several emergency provisions to help address the public health and economic impacts of the Covid-19 pandemic. On April 9, 2020, with agreement from solid waste collection franchisees, the Board determined to maintain garbage and recycling collection service for any customer failing to pay monthly fees as a result of the pandemic. Effectively this meant that a garbage and recycling company could send past-due notices but would not terminate service, which is typically done after an extended period of nonpayment. Specifically, the Board adopted paragraph 7 of Addendum No. 2 to the County's emergency declaration Resolution 2020-14, which directed garbage and recycling collectors to (1) maintain collection service for any customer who fails to pay collection fees during the period covered by the emergency, and (2) suspend new or additional late fees for non-payment.

The collectors have continued to carry the accumulating arrears of some customers since April. In all cases, the collectors make every attempt to secure a partial payment, or create a payment plan from the customers, short of threatening to terminate service.

As of November/December 2020, a review of a group of collectors revealed franchisees carrying as much as 1% of their invoiced revenue in receivable accounts. Most of these accounts now exceed 90 days. In contrast in 2019, 'bad expenses' were 0.20% of the total amount invoiced in the County.

The Solid Waste Commission met November 23, 2020 to discuss the issue. The Commission recommended removal of paragraph 7 from the emergency declaration, Resolution 2020-14. Discontinuing this portion of the emergency declaration will allow franchisees to return to typical practices in collecting outstanding balances. In most cases, this involves a three-month process prior to termination of garbage and recycling service. Accordingly, staff supports the recommendation the removal of paragraph 7 from the emergency declaration.

Other jurisdictions in the tri-county region adopted similar agreements with franchisees; they have now allowed franchisees to resume normal billing practices. Terminating service is not the desired outcome of this change; encouraging customers to engage with their service provider is the goal. Collectors will continue working with their customers to develop payment plans and ensure service is continued.

RECOMMENDATION: Staff respectfully recommends that the Board strike Paragraph 7 of Addendum No. 2 to Resolution No. 2020-14, effective immediately