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April 26, 2022

MEMORANDUM

TO: Board of County Commissioners
FROM: Dan Johnson, DTD Director; Cheryl Bell, DTD Assistant Director
CC: Eben Polk, Manager, Sustainability & Solid Waste
RE: Policy Session Request on County Garbage and Recycling Collection Costs

In accordance with the fee-setting authority given to the Board in County Code Chapter 10.03.340, the annual review of garbage and recycling collection costs is underway. We expect some increased costs related to fuel, labor, disposal fees and, potentially, inflation. Staff will present the review findings to the Solid Waste Commission on May 12, and requests a Board Policy Session in late May to present the results of the review to the Board. Staff are available for informational updates to any Commissioners who may have questions or would like a deeper look at the process before the policy session.

About the Fee Review Process

Management of the county's garbage and recycling system includes an annual review of the costs of service of our eight franchised collection companies, conducted by the Sustainability & Solid Waste Program with a third party accountant with solid waste expertise. The review helps ensure that garbage and recycling service is provided to residents and businesses cost-effectively, safely, and efficiently, while supporting the environmental and financial benefits of recovering and recycling materials.

Detailed cost reports from our collectors are used to calculate a per customer 'composite' or average cost. As outlined in County Code, fees are established to cover the per customer cost of providing the variety of services required by the County, plus a reasonable return and franchise fees that allow the County to manage the program, oversee the service and meet state, regional and local requirements in garbage, recycling and waste reduction.

The review encompasses residential, commercial, and drop-box service, in multiple fee zones (urban, rural, distant rural, and mountain). If an adjustment to fees or services is warranted, it has been the Board's practice to make July 1st the effective date.