

CHAPTER 5

SOLID WASTE COLLECTION

This chapter describes refuse collection systems and provides criteria to evaluate the collection system of the three waste management systems in terms of their ability to meet existing and projected needs within the framework of the Plan’s goals.

5.1 Goals

Pierce County and the SWAC established the following goals for refuse collection.

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| <p>Goal: To ensure that all residents of Pierce County have access to refuse collection services.</p> <p>Goal: To ensure the compatibility of collection service levels with the other elements of the solid waste system established by the Plan.</p> |
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5.2 Legal Authority

Unincorporated Pierce County: Regulation of solid waste and recycling collection differs between incorporated and unincorporated communities, between residential and commercial sectors, and between the type of material handled. Tables 5.1, 5.2, and 5.3 illustrate the many options available and compare city and

county legal authority. Table 5.1 depicts how waste collection is presently regulated within unincorporated areas by the Washington Utilities and Transportation Commission (WUTC).

In addition to basic collection regulations outlined in the matrix, State law allows counties to:

- author comprehensive solid waste management plans (RCW 70.95) which include service level policies;
- form solid waste collection districts in which garbage collection would be mandatory (RCW 36.58A);
- collect garbage within collection districts if WUTC-regulated haulers are unable or unwilling to provide that service (RCW 36.58A);
- form solid waste disposal districts through which counties (other than King County) may levy a tax on district residents and businesses to fund disposal activities (RCW 36.58.1110-.150);
- impose fees upon solid waste collection services to fund compliance with comprehensive solid waste management plans (RCW 36.58.045);
- formally submit comments on collection service matters to the WUTC. These comments “Shall become part of the record of any rate, compliance, or any other hearing” by the WUTC (RCW 81.77.120).

The WUTC Option--- Pierce County’s Recycling Minimum Service Levels:

In 1989, the Plan set as one of its goals the “use of private industry expertise to carry out components of the solid waste management plan.” Also in 1989, the County Council

Table 5.1 County Authority (unincorporated areas)	Residential Collection Service	Non-residential Collection Service (commercial)
Garbage	<p>The County does not regulate the collection of garbage. The Washington Utilities and Transportation Commission (WUTC) regulates residential and non-residential garbage collection in unincorporated areas (RCW 81.80, WAC 480-70).</p> <p>In Pierce County, three companies hold five solid waste collection permits assigned by the WUTC. Murrey’s Disposal holds two (Murrey’s Disposal and American Disposal, subsidiaries of Waste Connections); Harold LeMay Enterprises holds two (Pierce County Refuse and Lakewood Refuse); and University Place Refuse has one. These permits (commonly referred to as franchises) are a property right, which may be bought or sold but are otherwise held in perpetuity. Franchise districts are designated service areas in the unincorporated county which do not overlap in Pierce County.</p> <p>The WUTC enforces service and safety standards and sets rates for the services offered by these companies. The WUTC sets rates based on a “cost of service” principle. Rates approximate how much it costs to offer a particular service to a particular customer class. There is minimal cross-subsidization between residential and non-residential service. Certificates may have terms and conditions attached and may be revoked or amended after a hearing held by the WUTC.</p>	
Recycling	<p><u>County Contract Option</u> Counties may contract with private vendors to provide recycling services to residences. Counties that choose this option assign service territory, establish and enforce service standards, and set rates.</p> <p><u>The WUTC Option</u> Counties may notify the WUTC to carry out and implement the provisions of the waste reduction and recycling element of a comprehensive solid waste management plan. If a county chooses this option, WUTC-regulated haulers will provide the recycling services specified in the solid waste plan, but under the economic and service regulation of the WUTC. (Pierce County chose this option.)</p>	<p><u>Open Market.</u></p> <p>The Federal Government has pre-empted state and local government regulation of commercial recycling collection.</p>

directed the solid waste staff to work with existing haulers to design a recycling collection system that the haulers could implement. To both these ends, the Plan and related implementation ordinances established minimum levels of service for: a single-family residential curbside recycling program; a recycling program for multi-family complexes, condominiums, and mobile home parks; and a residential yardwaste collection program.

The 1989 Plan and the ordinances also stated that the service cost of subscribing to garbage collection alone should be more than the cost of subscribing to garbage collection and recycling; in effect, providing a financial incentive to participate in the recycling programs. The Minimum Service Levels and the suggested rate structure are enforced by the WUTC when it audits the haulers and sets rates.

Incorporated cities and towns: The cities and towns of Pierce County have three options available to them when it comes to deciding how to regulate the collection of waste and recyclables within city / town limits. The matrix in Table 5.2 illustrates the cities' many options to contract, collect, or choose WUTC oversight.

Cities do not have to choose the same option for garbage collection and recycling. Some cities (outside Pierce County) contract with multiple haulers for different services. Cities may declare participation in garbage collection mandatory and may impose utility taxes on top of service fees.

Cities' recycling services: The 19 cities using the Pierce County disposal system have adopted and implemented recycling collection programs similar to the County's Minimum Service Levels. In effect, the recycling system is countywide.

Cities in the county that contract for garbage collection also contract for recycling. Those cities which have chosen to be under the WUTC franchise system (Edgewood, Fife, Gig Harbor, South Prairie, Wilkeson) receive the same service as unincorporated areas. Tacoma, Ruston, and McChord AFB have similar but separate curbside recycling collection programs. Fort Lewis does not have curbside recycling collection. The Fort separates recyclables at its recycling center. (Chapter 4 describes recycling collection programs in more detail.)

Areas recently annexed or incorporated: The cities of Edgewood, Lakewood, and University Place, which incorporated after the adoption of the Plan, as well as any areas recently annexed to other cities, are special cases. Technically, the WUTC franchise expires upon annexation/incorporation. For at least seven years, however, a city is required to utilize the services of the franchised hauler at rates which allow the hauler to recoup all investment made prior to annexation/incorporation. The city and the hauler may choose to negotiate an immediate contract or to establish a longer "buy-out" period.

Often, the WUTC has continued serving as the regulatory agency in areas annexed or incorporated for the minimum time. Afterward, cities have traditionally assumed authority.

Interlocal Agreements: This Plan represents a coordinated planning effort between the County, all municipalities, the Tacoma-Pierce County Health Department, and the two military bases. Through Interlocal Agreements, Pierce County's cities and towns join with the County in implementing and enforcing the Plan. No agreements are required to be adopted with the military bases.

Table 5.2 City Authority (incorporated areas)	Residential Collection Service	Non-residential Collection Service (commercial)
Garbage	<p><u>Municipal Option</u> Cities may operate their own solid waste utilities. A city can own/operate its equipment, assign routes, establish service standards, and set rates within the municipality. Ruston and Tacoma use this option and each collects garbage using municipal crews and equipment.</p> <p><u>Contract Option</u> Cities may contract with haulers to provide garbage collection services to residences and businesses. The city assigns service territory, establishes and enforces service standards, and sets rates. Bonney Lake, Buckley, Carbonado, DuPont, Eatonville, Fircrest, Lakewood, Milton, Orting, Puyallup, Roy, Steilacoom, Sumner, and University Place contract with private haulers.</p> <p>Cities and towns may also reach interlocal agreements with other local jurisdictions to provide or contract for municipal services, including solid waste collection and other services. Other than Tacoma’s interlocal agreement with Ruston for disposal, no city in Pierce County contracts with another municipality via interlocal agreement for solid waste services in 1999.</p> <p><u>WUTC Option</u> Solid Waste Collection Permits for franchises assigned by the WUTC often overlap city limits. If a city does not choose one of the first two options, the WUTC regulates (by default) as in unincorporated areas. In Pierce County, the residents and businesses of Edgewood, Fife, Gig Harbor, South Prairie, and Wilkeson have their waste collected by the WUTC franchised hauler at the same rates as charged in the unincorporated areas outside each city.</p>	
Recycling	<p><u>Municipal Option</u> Cities may collect recyclables.</p> <p><u>Contract Option</u> Cities may contract with private vendors to provide residential recycling services.</p> <p><u>WUTC Option</u> If cities do not choose one of the other options, and their solid waste plan calls for residential curbside recycling, the WUTC will regulate the service, as in the unincorporated County. Unlike counties, cities do not have a formal mechanism to “notify” the WUTC to regulate recycling and implement the city’s solid waste management plan.</p>	<p><u>Open market.</u></p> <p>The Federal Government has pre-empted state and local government regulation of commercial recyclables collection. Cities may provide their own commercial recycling services (e.g. Tacoma) but cannot mandate participation.</p>

The agreements state the general obligations of each jurisdiction and provide for review, renewal, and amendment processes. For the 19 cities using Pierce County's disposal system, the County is responsible for countywide planning and management services for waste generated and collected within the unincorporated areas and municipalities; the development of model recycling collection programs; countywide public education and outreach programs; data monitoring and collection; disposal rates and operating rules; and to "cost-effectively plan for, design, and/or site disposal facilities."

Cities are responsible for collection within their jurisdictions; implementation of similar or the same residential recycling collection programs; and coordination with the County on all other programs.

As a joint-participant in the Plan, the City of Tacoma is responsible for its own planning, management, and disposal system. Tacoma coordinates with the County on educational efforts and other special collection programs; and provides disposal services for the Town of Ruston. Ruston has an Interlocal Agreement with the County supporting the Plan and its policies and an Interlocal Agreement with Tacoma for disposal. Like the other cities and towns, Ruston is responsible for collection, the recycling program, and coordination with the County.

Table 5.3 compares the different city and county legal authorities. (Chapter 10 provides a more detailed discussion about administrative systems and how they work.)

Disposal and collection rates: Collection rates --- the fee everyone is familiar with in their monthly, bi-monthly, or quarterly bills --- incorporate both the cost of collection and the cost of disposal. With respect to

garbage disposal, the County's authority is delineated in Chapter 36.58 RCW:

The legislative authority of a county may by ordinance provide for the establishment of a system or systems of solid waste handling for all unincorporated areas of the County or for portions thereof. A county may designate a disposal site or sites for all solid waste collected in the unincorporated areas pursuant to the provisions of a comprehensive solid waste management plan adopted pursuant to Chapter 70.95 RCW.

Pursuant to the 1989 Plan and Interlocal Agreements with the cities, Pierce County negotiated a new agreement with Land Recovery, Inc. (LRI) to provide disposal services to Pierce County residents and to those cities using the County's management system. The basic agreement was last revised in 1998 and it extends to the year 2011. It directs the relationship between the County and LRI by setting out base rates for waste disposal, transfer, recycling, and administration programs and it establishes a procedure to adjust those rates for inflation or compliance with new environmental laws or standards.

Disposal rate-setting process: Disposal rate increases are handled in the following manner: LRI submits an informal rate increase proposal to the Solid Waste Division of the Pierce County Department of Public Works and Utilities. The Division works with LRI to finalize the proposal for submission to the County Executive. The Executive in turn submits the rate increase proposal to the County Council for its consideration. The Council may hold hearings on whether the proposed increase is consistent with the terms of the Pierce County-LRI Agreement. If the Council

disputes the appropriateness of the increase, the Agreement outlines an arbitration process. If the Council does not object to the increase, disposal rates will increase as proposed.

When the disposal rate increases, the individual hauling companies must pay the higher disposal rate or “tipping fee” each time a collection truck crosses the scales. After the Council has increased the disposal fee, haulers must then go to the appropriate regulatory authorities (either a city council with which they contract or the WUTC) to get collection rates adjusted in accordance with the higher disposal fees. Cities may add administrative or other fees to their collection rates.

In the County, the cost for collection and disposal varies depending upon the service provider and the number of cans the customer chooses to set out. All of the franchise haulers offer a mini-can with recycling services to single-family households at the direction of the County’s Minimum Service Levels ordinance. Businesses are provided a multitude of container sizes to fit their needs and choice.

The Solid Waste Division does not formally track collection fees and refers all inquiries to the haulers, city/town administrators, or the WUTC. Rate complaints are forwarded to city/town administrators or the WUTC.

Tacoma: Disposal and collection rates for the City of Tacoma Solid Waste Utility are determined by the Tacoma City Council and are not subject to WUTC review. Collection service fees and rates are calculated on a cost per service basis, with a variable fee schedule based on the frequency of service and the amount collected. Service fees are proposed by the Tacoma Solid Waste Utility

for review by the City Council. Service fees are established through the adoption of City ordinances. The adoption of City ordinances requires readings at a minimum of two City Council meetings, which are considered public hearings. Each ordinance must also have a majority vote of the City Council at a minimum of two public hearings.

Tacoma establishes a single rate for residential services, which includes all curbside recycling services, taxes, and other related charges. In 1995, Tacoma established a Rate Advisory Group to help evaluate and steer Solid Waste Utility rates and charges.

Fort Lewis and McChord AFB: Military bases are not subject to WUTC regulations and can arrange for refuse collection independently.

In 1995, Fort Lewis adopted the *Fort Lewis Final Solid Waste Management Plan*, which describes the military collection and disposal system in more detail than the following summary.

Fort Lewis contracts for residential collection and then collects all other industrial/commercial waste itself.

McChord AFB contracts for all collection services, including recycling, and has a recycling center. Fort Lewis provides disposal services for both bases and has a front-end recycling center that separates recyclables from the military’s commercial/industrial waste stream. (The recycling programs of the two bases are discussed in more detail in Chapter 4.)

Table 5.3 Comparison of City Authorities to Other County Authorities

<p>Comprehensive Solid Waste Plan</p>	<p>A city which provides its own disposal system may also author its own plan for inclusion within the County plan, participate in the County’s planning process, or develop a joint plan with the County. Plans may specify a level of service for a city that differs from that suggested for the unincorporated County.</p> <p>Except for Tacoma, cities in Pierce County have authorized the County to prepare the plan. Tacoma has elected to be a joint participant. The Fort Lewis and McChord AFB plan is summarized within the County’s plan.</p>
<p>Solid Waste Collection Districts</p>	<p>Cities do not need to form a collection district to mandate garbage collection. A simple ordinance would suffice.</p> <p>A county collection district cannot include incorporated areas without consent of a city. Public hearings must be held and the county must determine that mandatory collection is in the public interest. Under mandatory collection, a hauler may request that the county collect fees from delinquent customers. A county can provide collection services only if the WUTC notifies the county that no qualified haulers are available for a district.</p>
<p>Solid Waste Disposal Districts</p>	<p>Through its existing authority, a city may include any collection, disposal, and administrative costs within rates. Cities may also levy a utility tax on waste collection services. Proceeds from this tax may fund operations outside solid waste management. Counties can obtain similar power through the formation of a Waste Disposal District.</p>
<p>RCW 36.58.045 Collection Surcharge</p>	<p>A city may not impose this surcharge as it has other funding mechanisms available.</p>
<p>Formal comments to the WUTC</p>	<p>State law does not grant cities the same permission and authority as counties to have comments “become part of the record of any rate, compliance, or any other hearing” held by the WUTC per RCW 81.77.120. Therefore, cities that contract for waste collection or recycling, are the regulator of “last resort.” There is no WUTC oversight or consumer protections offered to city residents unless the city chooses to have the WUTC regulate collection service. Counties can use their commenting authority in working with the WUTC to ensure implementation of solid waste plan policies through rates or to comment on issues of adequacy of collection by a franchised hauler.</p>

5.3 Service Areas and Population Densities

Service availability: Refuse and recycling collection services are available across the entire County. In the unincorporated areas, refuse and residential recycling collection are not mandatory. Residents and businesses may choose to self-haul their waste to the transfer stations or to the landfill. It is estimated that about 20% of the single-family households choose to self-haul; however, this percentage appears to be declining with the increase in urban densities and new residents choosing collection services.

Refuse is mandatory in those cities that contract for services. Most cities include both refuse and recycling services as one bill. Yardwaste collection is billed as a separate, additional service. Tacoma includes yardwaste collection as part of its refuse/recycling bill.

Those five cities or towns who have chosen to remain under the WUTC franchise have the same voluntary services as the unincorporated areas served by the franchises.

Curbside collection of recyclables is available to all residents, urban or rural, with three exceptions: 1) Anderson Island residents have a recycling / refuse drop-off site. 2) Some residents live on isolated roads which recycling collection trucks are incapable of traversing. The County's Minimum Service Levels Ordinance provides for an alternative system for these residents to receive a reduced refuse rate for recycling at buy back centers. 3) Some rural farms and home-based businesses have their household waste collected in commercial containers. These households are not eligible to receive residential recycling

service, but can separately arrange for commercial recycling services.

The collection of recyclables from commercial or industrial businesses is unregulated but available to most businesses within urban areas.

For residential and commercial self-haulers, or for those people living on inaccessible roads, there are numerous recycling drop-off sites provided throughout the county by hauling companies and other recycling businesses. Most residents are within a 1-2 mile driving radius of either a drop-off site or buy-back recycling business. In accordance with the policy direction of the 1989 Plan, recycling collection containers were added to the transfer stations by LRI, which also maintains a recycling facility at the Hidden Valley Transfer Station. Tacoma built a substantial drop-off site at the Tacoma Landfill. (Transfer station locations, capacities, and needs are discussed in Chapter 7.

Franchise holders: The following refuse haulers hold certificates by the WUTC and serve most Pierce County residents. Cities served by the franchised haulers through contracts or under the franchise certificate are also listed.

- *Murrey's Disposal Company, Inc.*
Certificate # G-9 *
and
- *American Disposal*
Certificate # G-37 *
PO Box 399
70th Ave E.
Puyallup, Washington 98371

Cities: • Bonney Lake • Carbonado
• Edgewood • Fife • Gig Harbor • Milton
• Orting • Puyallup • South Prairie
• Sumner • Wilkeson.

* Subsidiaries of Waste Connections, Inc.

Harold LeMay Enterprises, Inc.

- *Pierce County Refuse Certificate # G-98*
P.O. Box 44459
13502 Pacific Avenue
Tacoma, Washington 98444

and

- *Lakewood Refuse Service Certificate # G-18*
3902 Steilacoom Boulevard SW
Lakewood, Washington 98499

Cities: • DuPont • Eatonville • Lakewood
• Roy • Steilacoom

- *University Place Refuse Service, Inc. (Westside Disposal) Certificate # G-64*
2815 Rochester Street West
University Place, Washington 98466

Cities: • Fircrest • University Place

The City of Buckley contracts with Superior Refuse (Subsidiary of Waste Connections, Inc.).

The following company provides garbage collection services to Fort Lewis and McChord. The military bases also contract with LeMay Enterprises and Waste Management Inc., for other services.

- *U.S. Eagle, Inc. Certificate # G-205*
PO Box 1666
Suisan, California 94585

The following company holds permits to collect medical/dental, hazardous, or infectious wastes for transport to appropriate disposal facilities within the State.

- *BFI Medical Waste Systems of Washington, Inc./Stericycle of Washington, Inc. Certificate # G-244*
11411 NE 124th St., Suite 190
Kirkland, Washington 98034

The Pierce County Health Department has also permitted LeMay Enterprises, Inc. and Murrey's Disposal Company, Inc. to collect and haul infectious wastes within their Pierce County franchise areas under the Health Department's infectious waste regulations (Pierce County Code Chapter 8.38 Infectious Waste Management).

Service areas and population densities:
Service areas assigned to the franchised haulers which serve unincorporated Pierce County are shown on Map 5.4. Also shown are the areas served by the Tacoma and Ruston utilities, and the military bases.

The existing population densities of franchise service areas, Tacoma/Ruston, and the two military bases are shown in Table 5.5. The table also estimates the projected growth within these areas to the year 2001. These figures are rough approximations based on countywide population projections matched with census tracts, city limits, and franchise service areas. Because the boundaries from these sources don't precisely match, the estimated populations can only be approximations. However, there

is sufficient information to estimate collection and disposal needs in the future.

Haulers experienced substantial growth in their service areas and the cities from 1990 to 1995 --- approximately 12%. Similar growth is expected by 2001. No problems caused by this population growth have been identified. Haulers have been able to provide refuse collection and to extend new recycling collection services to all those who have requested services.

With the adoption of the urban growth boundaries by the County and cities, population will be more concentrated in urban areas. The projected increases in densities may provide for more efficient route collections and cost-effectiveness of service.

(Tables 3.13 and 3.14 of Chapter 3 Waste Analysis show total projected population for twenty years and related disposal needs. Transfer capacity needs are discussed in Chapter 7 Transfer Facilities and Systems. Long-term disposal capacity needs are also projected in Chapter 8 Landfilling.)

Insert Map A

Table 5.5 Projected Population by Service Provider¹					
Population	1990	1995	1998	2000	2001
Area 1 --- Murrey's Disposal and Superior Refuse	136,563	159,092	171,119	179,137	183,146
Area 2 --- American Disposal	38,875	45,331	48,758	51,043	52,185
Area 3 --- Pierce County Refuse	115,098	131,260	141,188	148,521	151,973
Area 4 --- University Place Refuse	33,716	37,312	40,133	42,013	42,954
Area 5 --- Lakewood Refuse	58,175	64,830	69,297	72,276	73,766
Area 6 --- Tacoma / Ruston	177,014	193,031	207,624	217,353	222,218
Area 7 --- Fort Lewis / McChord AFB	26,762	29,344	31,562	33,041	33,781

¹ The projected population figures were taken from Washington State Office of Financial Management's (OFM) projected countywide growth and combined with the Forecast Analysis Zones (FAZ's) used by the Puget Sound Regional Council (PSRC). The FAZ's were then matched, as closely as possible, with the franchise service areas and city limits. Because the FAZ's are based on census tracts and neither the city limits nor the franchise areas precisely match census tracts, there is necessarily some inaccuracies. This chart tracks total population, not the number of residential customers. Business customer growth may be impacted by more than just population growth.

5.4 Needs

Pierce County: For unincorporated Pierce County and the 19 cities using the County's disposal system, no immediate needs for refuse or residential recycling collection have been identified. All areas have access to service. There have been no complaints of lack of service and few complaints of service quality to the Solid Waste Division, which have not been speedily resolved.

Residents have expressed satisfaction with the new recycling services offered in the unincorporated areas and in the cities and towns. As directed by the 1989 Plan, the County adopted Minimum Service Levels for recycling and worked with the WUTC to implement the levels through the haulers' rates. These service levels resulted in extension of curbside recycling services to all County residents, urban and rural. The County reached a 50% recycling rate in 1995 without the need to implement either a mandatory collection district option or to use the option to contract for recyclables collection. These two options were discussed, although not recommended, in the 1989 Plan as alternatives to implement residential recycling collection.

In 1999, recycling collection rates for all franchises remain stable about \$2 per month per customer, which is among the lowest rates in Washington. The system is flexible and allows collection of additional recyclables without a major system change. Working with the haulers and the WUTC through the minimum service levels approach, the County was able to design a recycling system, at minimal cost to the residents, which did not penalize the haulers and encouraged them to invest in additional equipment for service. The competitive growth of recycling businesses in Pierce County is evidence that the WUTC regulatory system did not hinder innovation among the private sector.

Data obtained by the County (as discussed in Chapters 3 and 4), indicates that the commercial waste generators are taking advantage of the many expanded private sector recycling opportunities with no direct involvement by Pierce County government. It is expected that, as the value of recycled materials increase over time and disposal costs increase, more businesses will take advantage of the many private sector opportunities to reduce their disposal costs.

Tacoma/Ruston: As a result of an extensive review of Solid Waste Utility operations, the City began implementing new collection services in early 1998 which were designed to increase the efficiency of all collection programs. For the first time in many years, Tacoma elected to reroute its collection services and date of pickup for the entire city, eliminating and consolidating some routes. In addition, the City switched from a multi-bin system to using a commingled recycling bin system for its curbside recycling collection. While these changes resulted in a different service delivery system, they did not affect the availability or actual delivery of the service. All customers have equal access to Tacoma collection service. Ruston offers a recycling collection service to its residents that is similar to other areas of the county.

Fort Lewis/McChord Air Force Base: The *Fort Lewis Solid Waste Management Plan* does not identify any needs for refuse collection. Both bases have adequate service systems. It does identify a need to consider and evaluate the cost-effectiveness of curbside pickup of recyclables on Fort Lewis, as is done on McChord, in addition to processing at the recycling center. McChord is evaluating implementation of a 44% container capacity reduction plan.

5.5 Issues and Evaluation Criteria

While no collection needs have been identified, the following are issues that may arise, alternative courses of action to consider if they do, and criteria to evaluate those alternatives.

Issue #1-- Service availability and quality of services for the Pierce County system: As discussed in the 1989 Plan, the basic criteria for determining needs for refuse and recycling collection is the availability of the services to all residents. A second criterion is fairness of rates or quality of services. A third, subsidiary criteria would be consideration of whether collection systems support or hinder achievement of the waste reduction and recycling goals. The following options are evaluated against these criteria.

- *Existing system:* Both the WUTC and the cities who contract for services can and do regulate the availability, cost, and quality of services through *enforcement* of franchise and contract rates. Through direction in the 1989 Plan, Pierce County supported this existing system by ensuring that self-haulers have adequate access to transfer stations and the landfill and by supporting the private sector drop-off recycling system. For example, the transfer facilities and the landfill have drop-off collection containers, and drop-off sites have been incorporated into the recycling programs. *Maintenance* of this self-haul system was a 1989 Plan recommendation. The County established rate criteria for the initial design of the recycling collection programs when it specified that recycling collection should be around \$2 per household or less.

This alternative allowed achievement of the County's 1995 50% recycling goal.

- *Mandatory collection alternative:* In the case of a hauler failing to provide adequate refuse collection service, the County could consider instituting a mandatory collection district as indicated in the 1989 Plan. Part of forming such a collection district is review by the WUTC of the fitness of the local hauler to provide the mandatory service. The WUTC is obligated to assign the territory to an entity that can, or the County may step in and provide the service.

Mandatory collection means that all households would be billed for collection at some minimum rate. Implementation would require formation of solid waste collection districts, public hearings, and approval by the County Council. Cities could be included only by their legislative consent. The procedures and costs to the County to form a collection district could be substantial.

A proposal for mandatory collection may draw criticism from private haulers and residents. Those residents who dispose of their waste on their own property or self-haul would likely not support such a mandate. Forcing refuse collection on all residents, particularly those in remote areas, would incur substantial additional costs to haulers in terms of travel time, equipment maintenance, and use of vehicles with little payload. These costs are not easily recovered under the current WUTC regulatory system. Resulting rate increases would be applied system-wide for hauling companies with large remote areas.

The County would have to consider whether or not to make residential recycling collection mandatory. An issue of concern would be consideration of the equity between residential and commercial rates. The County cannot mandate recycling collection from commercial businesses. At

issue would be how to equitably spread the cost of the system between residents and commercial businesses.

The County would have to coordinate closely with the WUTC on the development of a reasonable rate system that would not penalize the haulers and to develop a County mechanism to handle collection of delinquent accounts and regular billing.

A particular concern would be whether or not the system could be cost-effective if cities elected not to be included. In addition, large portions of the County that have developed at urban densities have recently been incorporated, reducing the population densities of the unincorporated areas. The remaining areas are more rural with lower densities, which make routes less efficient and less cost-effective to serve.

The County would also need to reconsider whether all of the transfer stations were necessary since a change to a mandatory collection system would likely limit the need to provide for self-haul activity. The 1989 Plan considered mandatory collection unnecessary to achieve recycling goals and only minimally successful as a rational for illegal dumping. It concluded that “the limitation of self-haul activity does not appear to be a desirable goal” and recommended continued support for transfer facilities for self-haul residents.

Mandatory collection would address both the service availability and quality of service criteria. It would support residential recycling programs; however, it would not guarantee increased recycling. This is because commercial businesses, rather than the residential sector, account for the largest percentage of recycling in Pierce County, and the County does not have the authority to mandate commercial recycling collection.

- *Contracting for recycling alternative:* In the case of a hauler failing to provide residential recycling service, the County can reconsider contracting for residential recycling collection.

The existing recycling system is countywide with almost identical services in the cities provided by the same hauling companies that serve the County. Because of economies of scale, this approach has resulted in a stable, reasonably cost-effective system. Recycling collection bins are bought in bulk and County promotional and educational materials are the same throughout the County and in the cities and towns. Haulers can use their trucks and other equipment across jurisdictional boundaries within their service area. Any consideration of a change to a recycling contract system would need to evaluate whether the contract should be countywide; whether cities would join in on the contract; and the effect of the contract on the current operational system.

Another concern would be about contract costs and the reliability of long-term contracting under fluctuating recycling market conditions. Recycling markets have a history of ups and downs.

Again, while this alternative would ensure the availability and quality of recycling services to residents, it would not ensure recycling collection to businesses. The County does not have the authority to contract for commercial recycling collection. Cities may contract but the contracts must be non-exclusive -- allowing for many contractors. As a result of Congressional actions which limited the availability to contract for commercial recycling collection, the WUTC no longer regulates rates or service areas for the transportation of recyclable materials from businesses,

although commercial recyclables haulers must possess a common carrier permit and show proof of insurance to operate in the state.

Issue #2 -- Potential changes to Washington State's regulatory system:

Between 1991 and 1995 proposals were made by other municipal jurisdictions or multi-national waste companies to change the way counties and the State regulate the collection of garbage and recyclable materials. Essentially, under these proposals counties would have been granted the same regulatory authority now held by cities. In effect, a county could run its own collection utility, contract for collection, or remain under the WUTC regulatory system.

Pierce County opposed these proposals on the basis that the current system has worked quite well providing citizens and businesses sufficient incentive to recycle. The County also opposed the proposals on the basis that existing state law provides the County with adequate avenues for active involvement in regulation by establishing a partnership framework between County government, private sector haulers, State regulators, and customers. Pierce County used this partnership approach to design and implement the recycling minimum service levels ordinances.

This issue may come up again in other legislative proposals. If the County should feel, at some time, that the WUTC regulation is insufficient, the County may wish to pursue state authority to regulate the hauling companies.

If regulatory changes occur, the following alternatives could address service availability and quality of service and could support recycling systems in much the same way as the alternatives listed above.

Another criterion of importance for evaluating these alternatives is cost-effectiveness. The question that needs to be considered is: would it be wise to extend an option that may end up forcing the County to implement an inefficient regulatory system? A study would be needed to evaluate all of these alternatives in more detail than discussed here, if the need arises.

- *Continued WUTC regulation alternative:* Any future proposal needs to be evaluated as to the range of options that would be available to the County. Past proposals to change the regulatory system did not address how counties would fund their new regulatory responsibilities nor how the existing WUTC solid waste regulatory program would remain viable if it were to regulate a reduced number of haulers. If enough counties with large haulers left the WUTC regulatory system, then the WUTC may not have the resources necessary to regulate for the rest of the counties and the cities left behind. The WUTC would be unable to set a regulatory fee high enough to fairly regulate the haulers and low enough not to be a burden on the remaining haulers or ratepayers. If regulation authority remains with the WUTC as it is now, Pierce County can continue its positive relationship with that entity and the haulers to whom the WUTC has granted franchises in the County.

- *County regulation alternative:* Eventually, the County might be forced to regulate the haulers if there are changes to the State's regulatory system. Such a change would also substantially effect small cities under the franchise system in Pierce County who have no solid waste staff.

The County and these cities would have to consider either adding regulating staff or contracting for regulation. Pierce County would have to assume new auditing and

customer service responsibility. When citizens have service problems or concerns, the County could take care of them through enforcement of contracts with the service providers. Either way, collection rates would probably rise. The existing WUTC regulatory system would be comparatively more cost-effective because of the economies of scale provided by statewide regulation.

Besides contracting for the regulation/ auditor function, the County could also consider contracting for collection. Becoming a regulatory agency could pose problems with the current partnership approach the County has established with the local hauling companies. A certain amount of goodwill has enabled the haulers, recyclers, and the County to cooperate in the design of recycling programs. Also, the County has no experience in regulating other large, national corporations who have an interest in serving the county and city residents. Given the growing competition in Washington and the growing presence of large national and multi-national hauling businesses interested in expanding into Washington, the local existing haulers might lose out in a competitive bidding process for County contracts to provide collection service. The local owners who helped build Pierce County's recycling programs might be undercut out of the system.

- *County utility alternative* -- If these regulatory changes were made, the County could consider starting its own collection utility. There would be substantial capital, operation, maintenance, and personnel costs if the County were to establish a collection utility.

Issue #3-- Flow control limitations and disposal rates: Complicating all of the above discussions about alternatives to various issues that may arise is what has happened

on flow control and what may happen to future disposal rates.

Some of the proposed regulatory changes by other municipalities outside of Pierce County were based on a desire to increase their recycling percentages by setting garbage collection rates which were substantially more costly than the WUTC's "cost of service" approach. Some of the proposals were based on the municipality's need to ensure funding to support system investments already made by the municipality for capital facilities.

Flow control enters the picture because decisions handed down by the United States Supreme Court (*C & A Carbone Inc. v. Town of Clarkstown, NY*) have impacted the ability of municipalities to control the flow of waste materials and recyclables. In the past, municipal governments have been able to assure that waste streams went to specific processing or disposal facilities. This guaranteed the municipality a way to collect fees on that waste. The U.S. Supreme Court recently has held this type of "flow control" to be unconstitutional infringement on the "Commerce Clause" of the U.S. Constitution. Because of this precedent-setting case, the public financing of waste processing facilities and other system costs has become riskier. In addition, without the ability of municipal regulatory oversight of commercial recyclables, it is also difficult for municipalities to identify, let alone control, where recyclables are collected and processed. As a result, municipalities may be facing uncertain funding for the future.

Subsequent federal court decisions have refined the holdings in *Carbone* by holding that flow control is not an undue burden on interstate commerce where the municipality is actually performing the solid waste collection with its own employees or via contract. Washington State law (*Article. 7,*

Section 7 Washington Constitution, RCW 35.67.020) gives Tacoma, as well as all cities and towns, clear authority 1) to engage in the enterprise of solid waste collection; 2) to exclude other providers of solid waste collection service from collecting municipal solid waste within the municipal boundaries; and 3) to determine where the waste that has been collected will be disposed.

Carbone addressed only an ordinance that required all solid waste generated within the town limits to be processed at a designated transfer station. Thus, the decision addressed only the legality of excluding competition in the provision of solid waste disposal service, and is not directly controlling on the question of whether a city or town may exclude other providers of solid waste collection service.

More recent decisions of the U.S. Court of Appeals for the Second Circuit support the authority of a municipality to require use of a particular disposal facility through its involvement in solid waste collection, such as in *SSC Corp v. Town of Smithtown*. In that case, the court confirmed that a town has authority to include in a contract for solid waste collection by a private company a provision requiring such a company to deliver such solid waste to a facility specified by the town. This contractual designation of a disposal site did not violate the Commerce Clause because in contracting for solid waste collection service, the town acted as a market participant rather than a market regulator. In *USA Recycling v Town of Babylon*, a town's decision to provide municipal collection, funded by taxes, through a single contractor constituted market regulation and therefore was subject to the limitations of the dormant Commerce Clause. Nevertheless, there was no Commerce Clause violation because the town's action did not discriminate against interstate commerce, rather the town eliminated the market entirely. A similar

Commerce Clause case is currently pending before the U.S. District Court of the Western District in Washington.

In building its public/private partnership, Pierce County has relied less than some other jurisdictions on flow control to fund its existing system.

(More detailed discussions of flow control and how its limitations effect other components of the waste management system can be found in other chapters and in the Appendix.)

- *Disposal districts alternative:* Rather than make changes to regulatory systems in the guise of solving flow control, counties in Washington State have the option to solve financing problems through disposal districts. Such a district is an independent taxing authority with the ability to implement charges or taxes to pay for the services provided within the district. The County Council could impose a tax on all waste generators to fund solid waste disposal facilities and services. Even if waste flowed out of the system, revenues could be secured. This approach would lessen the current reliance upon tipping fees to fund the system.

One issue of concern would be whether cities would consent to a disposal district. The effect of an out-of-county disposal facility on disposal rates may be one of their concerns that may generate a lack of support for a disposal district.

A disposal district would ensure funding for the existing system's fixed costs, which include:

- bond financing and operations of the Pierce County Yardwaste Composting Facility;

- operations of the residential waste transfer stations at Purdy, Anderson Island, Key Center, and South Prairie;
- the transfer of waste from those facilities to a disposal facility;
- solid waste planning;
- enforcement of solid waste regulations by the Health Department;
- recycling and waste reduction education programs; and
- household hazardous waste programs.

Issue #4 -- Changes that may occur in how waste is collected: In addition to potential regulatory changes, “street-level” modifications to existing solid waste collection programs could impact waste reduction, recycling, composting, and disposal programs. The following reviews:

- automated collection practices;
- frequency of waste collection services;
- mini and micro-can collection services;
- collection of waste, recyclables, and / or yardwaste in the same vehicle; and
- methods to weigh garbage and impose weight-based, rather than volume-based, rates.

Impacts from these operating system changes can be positive or negative and are related to: the cost of providing the service; the ease of providing recycling collection alongside garbage collection; and customer/ citizen acceptance of options and the resulting impact on participation rates.

- *Automated garbage collection:* In unincorporated Pierce County, and in the cities and towns, other than Tacoma and parts of Lakewood, haulers manually collect garbage generated from residences and small businesses. An employee of the hauler moves the can from the curb to the truck and manually lifts and empties the contents into the collection vehicle.

In Tacoma, and in some sections of Lakewood, haulers use containers which attach to a lift mechanism mounted on the truck. The lift raises cans and empties the contents into the vehicle.

Since beginning its automated collection program, Lakewood Refuse reports that automated collection service can be more cost-effective to the haulers, cutting stop time and reducing on-the-job injuries. Customers benefit because they will most often be provided with a wheeled cart. Neighborhood aesthetics are improved because every household has the same can type placed out front or in the alleyway, rather than a hodgepodge of sizes and styles.

On the other hand, a large percentage of the single-family customer base in Pierce County now subscribes to single-can service. Would a large-scale move to sixty or ninety gallon containers provide service in excess of demonstrated need? Does providing too much container space for garbage create an incentive to fill the container and act as a disincentive to source-separate household recyclables or yardwaste and a disincentive to practice waste reduction?

One way to achieve the benefits of automated collection without creating excess garbage collection capacity and thus, reducing the incentive to recycle, is to couple automated collection with less frequent “every-other-week” collection.

- *Changes in collection frequency:* It is the custom in Washington, for single-family residential customers to have weekly service and businesses to have a scheduled or as-needed service. In some parts of the United States, the common practice is to have waste collected less frequently than weekly.

When curbside recycling service began in Pierce County, there was a major shift as customers moved to one-can weekly service rather than two-can service. Other customers chose to subscribe to a mini-can 20-gallon container. Under municipal contracts, some haulers also offer a 10-12 gallon micro-can service. Now, there is a full-scale service for curbside recycling and yardwaste collection, and many “drop-off” opportunities to recycle material not collected through curbside programs. With these services and increasing disposal fees, customers may seek further ways to reduce their level of service and save more money.

From a customer’s perspective, every-other-week collection would cut service in half, with the expectation that rates would drop by half. A cost-of-service regulatory standard as administered by the WUTC, however, does not result in such a direct reduction. Even if a customer has waste collected once every two weeks, unless all the neighbors likewise switch, the garbage truck must still pass by the customer’s home once a week. The hauler will still require the same number of support and customer service staff, and would also have to take on the additional burden of tracking which customers on a given route were weekly vs. every-other-week customers. Further, a transition to every-other week collection would require a re-examination of the average weight of a can full of residential garbage. The can weight is important because much of the cost of service is related to can weight. If bi-weekly collection resulted in a higher

average can weight, this would also have to be accounted for in rates.

Until an entire neighborhood is converted to every-other-week collection, the haulers realize few savings and can pass few savings onto the customer. At this time, a scatter-shot approach to making every-other-week collection available in Pierce County does not seem warranted. There is a potential for misunderstanding about why rates do not drop as much as would seem likely and the difficulties placed on haulers might jeopardize existing successful programs by creating ill will and reducing their desire to participate in County-sponsored programs.

Every-other-week collection combined with an automated collection program might be a more cost-effective approach.

- *Promotion of mini- and micro-can services:* While mini- and micro-cans do not pose routing difficulties to haulers, the same potential for misperceptions about cost savings exists as for every-other-week collection. Once the hauler has a truck in front of the house and the employee walking the can to the truck, much of the cost of collection has been incurred. In late 1996, for example, a Pierce County Refuse customer could save approximately \$1.90 per month by switching from a 32 gallon can service to a 20 gallon mini-can pickup which is a savings of approximately 20% on the waste collection/disposal portion of the monthly bill.

Future promotion of mini- and micro-cans may need to emphasize the reasons why rates do not drop as much as expected.

Rate issues for cities are even more complex. While haulers who operate in unincorporated areas are regulated on a cost-of-service basis, some cities subsidize micro-can customers

with revenues collected by larger waste generators such as 2 or 3 can customers or commercial customers. As more and more customers adopt the waste reduction and recycling ethic, there are more customers receiving the subsidy and fewer doing the subsidizing. Some cities, outside of Pierce County, have faced major rate and revenue problems because of this practice.

- *Same vehicle collection:* Some communities outside of Pierce County have adopted programs that collect waste, recyclables, and/or yardwaste in the same vehicle at the same time. The most common approach is the collection of waste and recyclables in one container. Sometimes recyclables are separated into a “blue bag” but still placed in a container with other wastes. Collected materials are then brought to a material resource recovery facility (“dirty” MRF) for sorting. There are no facilities sorting mixed garbage in the Central Puget Sound Region. Until such a facility is a reality, a co-mingled waste and recyclables collection program is not practicable for Pierce County.

Some collection companies have developed modified equipment to allow for the collection of separated waste and recyclables in the same vehicle at the same time. Waste is placed into one compartment and recyclables (generally co-mingled with other recyclables) are placed into a second compartment. Haulers who support this type of program argue that such a system results in fewer trucks passing each home.

On the other hand, unlike the current system used to collect source-separated recyclables, this system requires a material resource recovery facility that separates co-mingled recyclables (“clean” MRF). Although Pierce County is fortunate to have local access to the required processing facilities, one of the successes of the County’s program has been

that household’s source-separate recyclables and they generate uncontaminated products that are more easily processed and marketed. Thus, a full-scale commingled facility has not been needed.

A wet-dry system is a method for collection of traditionally non-recycled wastes. With wet-dry collection, a household separates dry wastes (non-recyclable packaging and plastics, broken glass, dirty paper such as tissues and used paper towels) from wet wastes (foodwaste, clean wet paper, and sometimes yardwaste). The dry waste is landfilled or incinerated and the wet waste is composted. Presently, Pierce County does not have access to a facility to compost wet wastes. Further, yardwaste, which traditionally would be one of the largest components of the wet collection has already been substantially diverted from the Pierce County waste stream.

- *Weight-based, rather than volume-based rates:* A final type of modification to the collection system could be a change from volume-based to weight-based rates. Most rates set by the WUTC or by city councils, establish a fee for the collection of a fixed volume of waste (e.g. a 32 gallon can or a 6-yard container) the exception is that some businesses that own their own containers pay separate hauling and disposal fees, with the disposal fee purely weight-based.

Some argue, that a weight-based system that rewarded customers on a pound-for-pound basis might be a better incentive to reducing and recycling waste, rather than can service levels. To be effective, collection vehicles would need to be outfitted with scales to measure the weight of each can. Various computer, bar code, and radio-tag technologies have been developed, but none perfected to the point that this form of metered system has been implemented on a large scale.

Some solid waste professionals in Washington argue that instead of the weight based system described above, rates should be based on the number of pounds that *could* be placed in a garbage can, rather than the potential volume of the can which is how it is currently done. Proponents of weight-based rates argue that since such weights are used to set disposal fees, setting long-haul transportation rates, and determining landfill capacity, then customers' rates should be based on weight, not volume.

Studies by the WUTC established that the current volume-based method achieves the same results as weight-based method. This is because the volume based rates are actually based on both the estimated weight of a can, how long it takes to tip that can at the curb, and "down-time" between stops. Most of the cost is attributed to factors based on weight. Testimony in rate cases and court hearings indicates that the current Washington method for "volume-based" rates provide the same incentives and achieves results similar to weighing each customer's can. In surveys around the country, industry magazines and studies usually report Washington's system as "weight-based."

5.6 Recommendations

Self-haul needs

#5-1 Transfer stations should be operated or sited to meet the collection needs of self-haul residents. Any changes in the locations, replacement facilities, or closures should be evaluated in terms of the effect on self-haul residents and how the changes could impact the refuse collection system.

Rate support

#5-2 The County and involved local governments should support efforts by the haulers to receive rate approval from the WUTC for the development of recycling programs and acquisition of equipment.

Minimum Service Levels

#5-3 To ensure recycling services remain available to all residents, Pierce County will continue Minimum Service Levels for single-family, multi-family, and yardwaste curbside recycling. The County will review and revise them as necessary in keeping with implementing other recycling goals and policies of the Plan.

Tacoma's role

#5-4 The City of Tacoma will continue to provide solid waste collection and disposal services within its corporate city limits. The City shall retain the right to determine all minimum service levels and collection and disposal rates as adopted by the Tacoma City Council, pursuant to RCW 35.21.120.