	City Council Study Session **January 26, 2015 - 5:30 PM** **Auburn City Hall** **AGENDA** Watch the meeting LIVE! Watch the meeting video Meeting videos are not available until 72 hours after the meeting has concluded.

I. **CALL TO ORDER**

A. **Roll Call**

II. **ANNOUNCEMENTS, REPORTS, AND PRESENTATIONS**

III. **AGENDA ITEMS FOR COUNCIL DISCUSSION**

A. **Commercial Hazardous Waste Rate Restructure (30 minutes)* (Coleman)**

B. **System Development Charges - Fee Update (45 minutes) (Snyder)**

IV. **OTHER DISCUSSION ITEMS**

V. **ADJOURNMENT**

Agendas and minutes are available to the public at the City Clerk's Office, on the City website (http://www.auburnwa.gov), and via e-mail. Complete agenda packets are available for review at the City Clerk's Office.

*Denotes attachments included in the agenda packet.

AGENDA BILL APPROVAL FORM

Agenda Subject:
Commercial Hazardous Waste Rate Restructure (30 minutes)

Date:
January 7, 2015

Department:
Finance

Attachments:
Memo
Rate Structure
LHWMP Flyer

Budget Impact:
$0

Administrative Recommendation:

For discussion only.

Background Summary:

The King County Local Hazardous Waste Management Program (LHWMP) will present an overview of their program and the upcoming commercial hazardous waste rate restructure that is effective April 1, 2015.

Reviewed by Council Committees:

Councilmember:		**Staff:**	Coleman
Meeting Date:	January 26, 2015	**Item Number:**	DI.A

CITY OF AUBURN WASHINGTON

Interoffice Memorandum

To: Auburn City Council

From: **Shelley Coleman, Finance Director**

CC: Nancy Backus, Mayor

Date: January 20, 2015

Re: Commercial Hazardous Waste Rate Restructure

Background:

The King County Local Hazardous Waste Management Program (Program) provides safe disposal of hazardous materials from residents and small-volume business generators in King County. The Program provides technical assistance on reducing exposure and risk from hazardous waste and operates hazardous waste mobile sites including the one at the Outlet Collection in Auburn.

The Program is funded by rates established by the King County Board of Health. In Auburn the fees appear as a separate line item on customers' monthly bills and the City remits the fees to King County on a quarterly basis. The current monthly fee is $1.08 for each single family account and $11.24 for non single family (includes all commercial and multi family accounts). Self-haulers also pay a small fee at the King County transfer stations.

The King County Board of Health is changing the rate structure in 2015. The Program was interested in making the rates more equitable among the non single family ratepayers. The current system charges these accounts the same, regardless of the volume of solid waste they generate. The board approved a new rate structure in July 2014 that will reduce costs for non single family customers that generate less solid waste; shifting those costs to customers that generate larger volumes (see Table 1). The new rate is based on container size rather than a flat fee. The new rate structure will be effective April 1, 2015.

Table 1: Commercial Hazardous Waste Fees (Multifamily and Business)

Rate Tier	Solid Waste Container Size	Current Fee	New Fee
Small	≤ .48 cy/96 gal (Cart or can)	$11.24/mo.	$1.46/mo.
Medium	.48 cy/96 gal < 10 cy (Dumpster)	$11.24/mo.	$12.01/mo.
Large	≥ 10 cy (Roll-off container)	$11.24/mo.	$46.15/mo.

Discussion:

The rate restructure only impacts non single family customers. These accounts make up approximately 13% of Auburn solid waste accounts. The Program estimates 20% will pay less, 71% will pay about a dollar more, and 8% will pay about $35.00 more.

The fee will now be charged "per service" instead of a flat fee per account. For example, an account with a dumpster and a roll-off container will pay $12.01 for the dumpster and $46.15 for the roll-off. A small number of non single family customers will see their rates increase above $100.00 per month with the new "per service" fee structure.

Single-family residential accounts will continue to be charged a flat monthly fee, but they will see a slight reduction from the current rate of $1.08 to $0.84.

Implementation:

The new fee structure will take effect on April 1, 2015. Since the City of Auburn bills for solid waste services, staff will work with our utility billing software vendor, Springbrook, to ensure the new fees are accurately applied to each account. The Program will provide one-time funding to assist with implementing the new fee structure. City staff met with the Program staff in early December to discuss outreach to Auburn customers regarding the upcoming fee change.

LOCAL HAZARDOUS WASTE RATE - STRUCTURE CHANGE IN 2015

Frequently Asked Questions for King County Ratepayers

Updated 8.22.14

The Local Hazardous Waste Management in King County (Program) fulfills local government responsibilities under state law (RCW 70.105.220) for managing hazardous waste. The Program provides safe disposal of hazardous materials and wastes from residents and small businesses throughout King County, as well as a range of services and prevention programs to reduce exposure and risk from hazardous materials. The Program is funded by local hazardous waste (LHW) fees on solid waste (garbage) and sewer accounts, and nominal fees charged at transfer stations. Monthly LHW fees are collected on garbage accounts—currently $1.08 for residents and $11.24 for businesses.[1] The Program will be changing how these fees are charged to businesses and multi-family residential solid waste accounts.

The King County Board of Health (Board) sets the Program's rates. The Board was briefed on the Program's rate structure proposal at their April meeting. They adopted the new rate structure their July meeting. The rates new rates will become effective April 1, 2015.

1. Why is a change being made to LHW solid waste (garbage) fees?

The Program is interested in making its rates fairer by considering relative volumes of waste generated by different ratepayers. The current flat rate system isn't fair for businesses or multi-family residences that generate small amounts of solid waste because they are charged the same flat rate as companies and multi-family developments that produce large volumes of solid waste. Also, some multi-family residences pay different fees depending on how their accounts are structured with their garbage collection service provider. Under the new system, multi-family residences throughout King County will be charged in a consistent manner, using the same volume-based fee structure.

2. Who will be affected by the change in rate structure?

Rate changes will affect commercial (business and multi-family residential) garbage accounts (7% of accounts countywide). Single-family residential accounts (93% of accounts) will not be affected. The new rate structure will be applied to all types of non-residential accounts including businesses, private enterprises, not-for-profit organizations, public agencies, schools, medical organizations and healthcare facilities. It will also apply to all multi-family residences including condominiums, apartment buildings, townhouses, and multiplexes.

3. How will rates change under the new structure?

LHW rates are currently charged as a flat fee. Under the new structure, affected accounts (businesses and multi-family residences) will pay fees based upon the size of their garbage containers. Three rates have been established, reflecting small, medium, and large-size containers. Single-family homes will continue to be charged a flat fee.

[1] See King County Board of Health Code 11.04.040. http://www.kingcounty.gov/healthservices/health/BOH/~/media/health/publichealth/documents/boh/code/BOHCodeTITLE11.ashx

4. Will fees change for recycling, composting, or yard waste services?
This proposed change will not affect recycling, composting, or yard waste services.

5. How much will my rates change?
If you are a business or multi-family residence, the answer depends on how much garbage you produce – fees are based on the size of your garbage container. Details are provided in the table below.

Proposed Tier	Solid Waste Container Size	Current Fee	Proposed Fee
Small volume	≤ 0.48 cu. yds. (Carts and cans)	$ 11.24	$ 1.46
Medium volume	> 0.48 cu. yds. and <10 cu. yds. (Dumpsters)	$ 11.24	$ 12.01
Large volume	≥ 10 cu. yds. (Roll-off containers)	$ 11.24	$ 46.15

Under the new structure, approximately 20% of accounts will pay less than they are now; 71% will pay about a dollar more, and about 8% will pay about $35 more.

6. Are there other changes associated with the new rate structure?
Yes. Fees will shift from being charged per account to being charged per "service," so accounts that include multiple garbage collection services will be charged separately under the new structure.

Example: A business with a 10-gallon garbage can and a dumpster will pay LHW fees for both services. The business would pay $1.46 per month (for the 10-gallon can service), and $12.01 per month (for the dumpster service) – for a total of $13.47 per month.

The per-service billing will be similar for accounts that cover multiple sites.

Example: A school district has an 8-yard dumpster at each of its five campuses, and a 12-yard roll-off container at a sixth site.

The school district would be charged monthly fees of $12.01 x 5 (for each 8-cubic yard dumpster service), and $46.15 (for the 12-yard roll-off container at the sixth site) – for a total of $107.66 per month. If the school district currently is paying the LHW fee at each site, this is an increase of $38.76 over their current fee.

Relatively few accounts currently bundle multiple services or sites, so the number of those who will be billed for more than one service is expected to be fairly small. A relatively small number of accounts (estimated to be fewer than 50) will see rates increase to above $100 per month.

7. How does the new rate structure change affect single-family residences?
The new LHW rate structure change does not apply to single-family residences. However, these residents will see a slight reduction in their LHW fee (a decrease of 24 cents each month), because the total cost to safely dispose of hazardous waste would be shared more fairly between small and large volume residential ratepayers.

8. Will my garbage bill look the same?
Yes, your garbage bill will look the same physically, but you may see a change in the amount you are billed for the LHW fee.

9. Who do I contact for more information?
For more information about the proposed garbage surcharges, contact Liz Tennant at Liz.Tennant@kingcounty.gov or (206) 284-7974.

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About the Local Hazardous Waste Management Program
The Local Hazardous Waste Management Program in King County (LHWMP) is a multi-jurisdictional program that focuses on reducing public and environmental exposure to hazardous materials.

Four government agencies, 37 cities, and tribal governments in King County are working together to help citizens, businesses, non-profit organizations, and government agencies reduce the threat posed by the production, use, storage, and disposal of hazardous materials and wastes. LHWMP provides services to 1.9 million residents and 60,000 businesses throughout King County. Visit us on line at www.lhwmp.org

Local Hazardous Waste Management Program in King County

Alternate Formats Available
Voice: 206-263-3050
TTY Relay: 711

Publication Number: LHWMP_0195

Working Together To

REDUCE TOXICS AT HOME, AT WORK AND IN THE ENVIRONMENT

Local Hazardous Waste Management Program in King County, Washington

Protect Your Business

Managing hazardous materials is important to your employees, the environment and your bottom line. Our hazardous waste services can help you:

- navigate regulations
- find safer chemicals, equipment or practices
- cost share for business improvements
- host multi-language workshops for staff
- access our no-fee disposal
- become an EnviroStar!

In-person assistance
Schedule an appointment or call the Business Waste Line at **206-263-8899** for information.

No cost disposal
For qualifying small businesses at hazardous waste facilities.

Cost share for business improvements
The Voucher Incentive Program offers 50% reimbursement up to $500 for work or equipment related to managing hazardous materials or disposal. Call **206-263-3038**.

Help identify disposal options
We can help identify your wastes and determine disposal options. The Waste Directory (Yellow Book) lists contacts, wastes, disposal information, and vendors. Call for a free copy or visit the website below.

Call the Business Waste Line at 206-263-8899 or visit *HazWasteHelp.org*

These services are paid for in your utility bills: Use them!*

Technical visits provide individual consulting for your business

Use IMEX, the Industrial Materials Exchange to advertise materials online that you no longer need.
Call **206-263-8465**, toll-free **1-888-TRY-IMEX, 1-888-879-4639**; ***UseImex.org***

Join EnviroStars for business recognition and promotion
The 2–5 Star certification earns your business free marketing and is recognized in seven Washington counties. Call **206-263-3063**, toll-free **1-877-220-STAR (7827); *EnviroStars.org***

ENVIROSTARS CERTIFIED

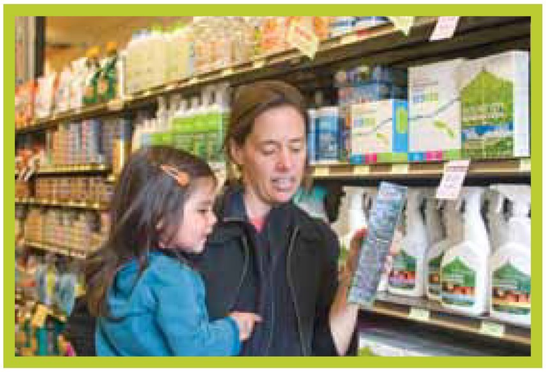
EnviroStars businesses work hard for the environment and their workers

* King County Board of Health Code 11.04.060

Protect Your Family and Home

How can you tell which products in your home are hazardous? If the label says CAUTION, WARNING, DANGER or POISON.

Call the Household Hazards Line for questions on hazardous products, disposal and less toxic alternatives.



Dispose of hazardous products at no cost.* Find city and tribal collection events on the events calendar, and Wastemobile and facility schedules at **HazWasteHelp.org**

Home collection service is available for eligible seniors or residents with disabilities who don't drive or have access to a car.

The Take it Back Network has recyclers for fluorescent light bulbs, computers, TVs and mattresses, call **206-296-4466**; ***takeitbacknetwork.org***

The Garden Hotline has practical advice on less toxic lawn and garden chemicals and techniques, **206-633-0224**; ***gardenhotline.org***

Grow Smart, Grow Safe rates over 600 pesticides, fertilizers and soil amendments to help you find safer products. Visit ***growsmartgrowsafe.org/***

Call the Household Hazards Line at 206-296-4692 or visit *HazWasteHelp.org*

Alternative formats available

206-263-3050 TTY Relay: 711

Printed on recycled paper. Please recycle.
1308_3440_HazWasteServicesBrochure.indd skrau, lpre 1202M
KCIT GIS, Visual Communications and Web Unit February 2014 Publication Number: LHWMP_0169

DI.A

MY CHECKLIST

- **Avoid products that say Caution-Warning-Danger** or **Poison** on the label.
- **Don't mix chemicals!** they can create dangerous gases or reactions.
- **Keep hazardous materials in their original containers** for the safety information and labels.
- **Store toxic products out of reach**. They can look like food and sports drinks.

- **Dust with a damp cloth often.** Household dust can hold chemicals, lead, mold, and pesticides.
- **Avoid scented products** that can cause breathing problems.
- **Safely dispose** of products you don't want or use.
- **Keep medicines stored securely** and dispose of them safely (*TakeBackYourMeds.org*)
- **Toxic products have special risks for children** because of their small size and growing bodies. And the health effects can be lifelong.

Local Hazardous Waste Management Program in King County, Washington

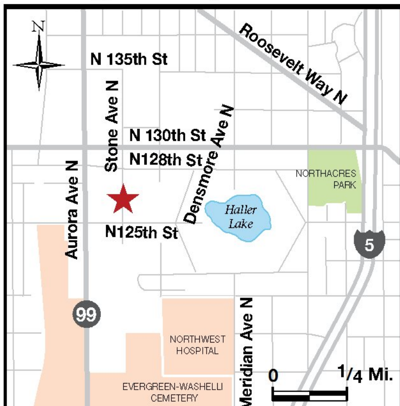
130 Nickerson Street, Suite 100
Seattle, WA 98109-1634
Phone: 206-263-3050
Fax: 206-263-3070
www.HazWasteHelp.org

Local governments for health and the environment.

*No cost disposal for hazardous products

for King County residents and qualifying businesses

* King County Board of Health Code 11.04.060



NORTH SEATTLE HOUSEHOLD HAZARDOUS WASTE FACILITY

Sun.-Tues.
9:30 a.m.-4:30 p.m.

12550 Stone Ave N
Seattle, WA 98133

FACTORIA HOUSEHOLD HAZARDOUS WASTE DROP-OFF SERVICE

Tues.-Fri. 8:00 a.m.-4:00 p.m.
Sat.-Sun. 9:00 a.m.-5:00 p.m.

13800 SE 32nd St
Bellevue, WA 98005

SOUTH SEATTLE HOUSEHOLD HAZARDOUS WASTE FACILITY

Thurs.-Sat.
9:30 a.m.-4:30 p.m.

South Transfer Station's Gate 3
8105 Fifth Ave S
Seattle, WA 98108

AUBURN WASTEMOBILE AT OUTLET COLLECTION HAZARDOUS WASTE DROP-OFF SERVICE

Sat.-Sun. 10:00 a.m.-5:00 p.m.

1101 SuperMall Way,at the NW corner off of SuperMall Way, next to Sports Authority

AGENDA BILL APPROVAL FORM

Agenda Subject:		**Date:**
System Development Charges - Fee Update (45 minutes)		January 15, 2015
Department:	**Attachments:**	**Budget Impact:**
CD & PW	**No Attachments Available**	$0

Administrative Recommendation:

City Council to discuss proposed changes to the water and sewer System Development Charges.

Background Summary:

The City of Auburn finances expansions and upgrades for its water, sewer, and storm utilities in part by collecting System Development Charges (SDC). Each new connection pays SDCs to buy into the use of the existing utility systems and to pay for expansions necessary to serve new connections. The SDCs have not increased since 2006, but the need for additional facilities to serve the growth in our community has continued to increase. The costs to construct those additional facilities has also increased. City staff has determined that modifications to the existing SDCs are needed to provide the revenue necessary to pay for future new facilities.

The existing utility facilities have included wells and springs, reservoirs, water treatment facilities, pump stations, connections to the regional Tacoma water system and purchasing permanent water supply capacity in Pipeline 5, water transmission mains, sewer and storm interceptors, and sewer and storm pump stations. Future facilities will include Well 1, additional purchases of capacity from the regional water system, Fulmer Well Field treatment and supply expansion, a new reservoir in the Valley, new pump station expansions, larger diameter regional stormwater pipe improvements, and new sewer interceptors. The costs of future projects that are attributable to rehabilitation, replacement, and maintenance were not included in the costs for determining the SDCs.

During 2014, the former Public Works (PW) Committee of the City Council evaluated various alternatives to balance the City's need for revenue to build infrastructure to serve future growth with a desire to support continued robust growth. The PW Committee concluded that without additional funding from the SDCs, future growth may be limited by the City's ability to provide service, or the cost of future improvements could be borne entirely by future development rather than being shared with existing customers. The PW Committee recommended that the water and sewer SDCs should be increased beginning in 2015, while the storm SDC should remain constant. The former Planning and Community Development Committee of the City Council concurred with that recommendation.

The former Committees also recommended that the SDCs should be modified by at least the construction cost index (CCI) each year, with re-evaluation of the SDCs following completion of utility comprehensive plans. The former Committees felt that it is important to have consistent and continuous management of connection fees.

Reviewed by Council Committees:

Councilmember:		**Staff:**	Snyder
Meeting Date:	January 26, 2015	**Item Number:**	DI.B