



**TO:** Sue Sullivan, Environmental Health Manager

**FROM:** Jennifer Hayden, Environmental Health Supervisor

**DATE:** May 15, 2023

**RE:** Rate adjustment at Sanitary Service Company Drop-Box Facilities

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### Background

Sanitary Service Company (SSC) operates two drop-box facilities on County-owned property, which receive solid waste and recyclable materials. These drop-box facilities are located on Cedarville Road, near Nugent's Corner, and on Birch Bay Lynden Road, between Birch Bay and Lynden. These areas of the county do not have other convenient locations for residents to dispose of their solid waste and recyclables. As per the lease agreement between SSC and Whatcom County, SSC shall have the authority to establish rates at the facility for recycling and solid waste disposal with review and approval by the County. SSC may propose a rate adjustment with a written explanation of the basis for such an adjustment, to be forwarded for final action to County Council. If the County refuses to adjust the rate, SSC will have the option of terminating the lease agreement with the County.

SSC currently charges \$0.15/lb for garbage, and \$0.03/lb for recyclables. They are proposing an increase to the fees to \$0.20/lb for garbage and \$0.15/lb for recycling, and an increase in the minimum fee from \$5.00 to \$7.00. Rates at these facilities were last adjusted in 2008. Since 2008, SSC has experienced a 40% increase in labor costs and a 36% increase in garbage disposal rates. In 2022, SSC operated both facilities at a loss of \$22,470.

While SSC appreciates being able to provide waste management services to underserved populations of the County, they are unlikely to continue to operate the facilities at a loss. In 2022, 363 tons of solid waste were disposed at the facilities. Without the drop-boxes operating at these locations, residents will either have to sign up for curbside service or drive to one of the county transfer stations. Some residents may choose to illegally dump their material if they are unable or unwilling to choose either of the previous options.

### Conclusions/Recommendations

Whatcom County should continue to support the services that SSC provides to residents at these locations, and approve the proposed rate adjustment.

Proposed Rate Adjustment	Current Rate	Proposed Rate
Garbage	\$0.15/lb	\$0.20/lb
Recycling	\$0.03/lb	\$0.15/lb
Minimum Fee	\$5.00	\$7.00

