

## MEMORANDUM

TO: CSWD Executive Board of Commissioners  
FROM: Josh Estey, Director of Compliance and Hazardous Waste; Sarah Reeves, Executive Director  
DATE: February 15, 2024  
RE: Solid Waste Management Ordinance Amendment – Solid Waste Management Fee Removal

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CSWD staff are recommending an amendment to the District’s Solid Waste Management Ordinance (SWMO) regarding establishing the District’s Solid Waste Management Fee (SWMF). Since the inception of the SWMO, the dollar amount of the District’s fee has been specified in the ordinance (current ordinance Section 8.2).

*8.2. Amount of Fee. The Solid Waste Management Fee is \$27.00 per ton.*

The proposed amendment would be to remove the language in Section 8.2, thus removing the specific dollar amount of the SWMF, and replace the language with a process by which the SWMF is established. Staff are proposing that the SWMF for a particular fiscal year be established during that year’s budgeting process. There are several different approaches currently utilized by solid waste districts in Vermont to establish their management fees. A sampling is below:

- ACSWMD’s district fee, currently \$35/ton, is established through the District’s annual budgeting process. They currently do not assess a per capita fee.
- Central Vermont Solid Waste Management District’s ordinance states that their “administrative fee” shall be set by December 15 after a public hearing, and that the fee may be revised by resolution of their Board, but it does not state in the ordinance what the amount of that fee is. CVSWMD imposes a district fee, currently \$30/ton billed to haulers, and a per capita fee of \$1.43/ton billed to their member towns.
- Northwest Solid Waste Management District establishes in their ordinance a base “franchise” tax of \$15 on all tons of disposed solid waste which originated in their District, but states that the fee may be adjusted by resolution of their Board of Supervisors. In the case of NWSWMD, the franchise tax has been adjusted over the years and is currently \$25/ton billed to haulers and a per capita fee of \$1.43/ton billed to their member towns.
- Greater Upper Valley Solid Waste Management District applies two fees, a Waste Generation Fee of \$23.00/ton as established in their ordinance, and a “tipping” fee that functions as a per capita fee of \$15.71/ton and which is established in the District’s budget.

Historically the rationale presented for establishing CSWD's management fee in the ordinance has been transparency to the public, providing adequate opportunity for key stakeholders to comment on the change, and establishing legal authorization for charging what is essentially a tax.

By setting a specific number in the ordinance and not identifying a way for the Board of Commissioners to "from time to time amend" the fee requires CSWD to conduct a full Ordinance Change process in order to increase or decrease the fee. The ordinance change process requires the Board of Commissioners to authorize a public comment period to accept comments on the proposed amendments and to consider the input of the public, after which a vote of the Board is required at a publicly warned meeting. After the Board approves the change there is a "waiting period" of not less than 30 days before the ordinance change is officially in place. This process allows for three formal opportunities for the public to comment on a change to the solid waste management fee.

By changing the SWMF via the budgeting process that public process would remain, and indeed, be expanded. CSWD is required by Charter to prepare a proposed budget for the subsequent fiscal year not later than December 1. The proposed budget is normally presented to the Board in public session at the November Board of Commissioners meeting. CSWD is further required by Charter to hold a public hearing on the proposed budget not later than the following January 31. The District's current practice is to then conduct a full budget review within the District's Finance Committee, whose meetings are publicly warned and open to public attendance. After the Finance Committee does their review, the revised proposed budget is presented to the full Board for authorization to be transmitted to the member cities and towns of CSWD. It is then the responsibility of each member city and town to hear the budget in public session and vote to authorize the District's budget.

The annual budget review and authorization process allows the public five opportunities across seven months to comment on anything contained in the proposed budget.

- The current ordinance change process includes three publicly warned meetings – two Board of Commissioners meetings and a public comment meeting. The budget approval process includes at least three Board of Commissioners meetings, a public hearing, and final approval of the legislative body of each member municipality.
- By shifting the fee approval process from an ordinance change to the budgeting process, said parties are being given at minimum a three-month, and at most a seven-month, advance notice of a change – staff believes this is more than adequate.

In addition to the proposed amendment above, staff are also proposing a change to the actual dollar amount of the SWMF in FY25 – from \$27/ton to \$30/ton. The last SWMF change was effective September 1, 2013, over ten years ago, when it was raised from \$22.06. Staff recognizes a need to increase the SWMF in response to rising costs in all aspects of running the District and are proud of the work done over the last decade to put off the need for an increase. However, staff also recognize that by putting off this change the need now is greater than if it had been increased incrementally over time.