

2 **SHB 1657** - S AMD - 403

3 By Senators Rasmussen and Swecker

4 SCOPE & OBJECT RAISED 4/15/97; RULED OUT OF S/O 4/18/97

5 On page 1, line 14, after "~~disposal sites~~)" insert the following:  
6 "pursuant to RCW 35.21.120, RCW 35.21.152, or RCW 36.58.140, provided  
7 that the cost-based charges have been established pursuant to the  
8 process required by sections 3 through 5 of this act"

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12 On page 2, line 10, after "option" insert "at a facility whose cost-  
13 based disposal charge has been established pursuant to the process  
14 required by sections 3 through 5 of this act"

15 On page 2, after line 15, insert the following:

16 "**Sec. 3.** RCW 35.21.120 and 1989 c 399 s 1 are each amended to read  
17 as follows:

18 A city or town may by ordinance provide for the establishment of a  
19 system or systems of solid waste handling for the entire city or town  
20 or for portions thereof. A city or town may provide for solid waste  
21 handling by or under the direction of officials and employees of the  
22 city or town or may award contracts for any service related to solid  
23 waste handling including contracts entered into under RCW 35.21.152.  
24 Contracts for solid waste handling may provide that a city or town  
25 provide for a minimum periodic fee or other method of compensation in  
26 consideration of the operational availability of a solid waste handling  
27 system, plant, site, or other facility at a specified minimum level,  
28 (~~without regard to the ownership of the system, plant, site, or other~~  
29 ~~facility, or the amount of solid waste actually handled during all or~~  
30 ~~any part of the contract period~~) based on the actual cost of providing  
31 landfill disposal services at that level. When a minimum level of solid  
32 waste is specified in a contract for solid waste handling, there shall  
33 be a specific allocation of financial responsibility in the event the

1 amount of solid waste handled falls below the minimum level provided in  
2 the contract.

3 As used in this chapter, the terms "solid waste" and "solid waste  
4 handling" shall be as defined in RCW 70.95.030.

5 **Sec. 4.** RCW 35.21.152 and 1989 c 399 s 2 are each amended to read  
6 as follows:

7 A city or town may construct, lease, condemn, purchase, acquire, add  
8 to, alter, and extend systems, plants, sites, or other facilities for  
9 solid waste handling, and shall have full jurisdiction and authority to  
10 manage, regulate, maintain, utilize, operate, control, and establish the  
11 rates and charges for those solid waste handling systems, plants, sites,  
12 or other facilities owned or operated by the city or town. A city or  
13 town may enter into agreements with public or private parties to: (1)  
14 Construct, lease, purchase, acquire, manage, maintain, utilize, or  
15 operate publicly or privately owned or operated solid waste handling  
16 systems, plants, sites, or other facilities; (2) establish rates and  
17 charges for those systems, plants, sites, or other facilities; (3)  
18 designate particular publicly or privately owned or operated systems,  
19 plants, sites, or other facilities as disposal sites; and (4) sell the  
20 materials or products of those systems, plants, or other facilities.  
21 Any agreement entered into shall be for such term and under such  
22 conditions as may be determined by the legislative authority of the city  
23 or town, however agreements by a city with private parties for landfill  
24 disposal at a privately operated landfill shall specify that the  
25 compensation to the private parties may not exceed the actual cost of  
26 operations. The actual cost may include a reasonable return, determined  
27 by the return on investment method or the operating ratio method. The  
28 determination of the compensation level by the city is subject to  
29 judicial review under the review provisions of chapter 34.05 RCW related  
30 to adjudicative proceedings involving rate making.

31 **Sec. 5.** RCW 36.58.040 and 1992 c 131 s 3 are each amended  
32 to read as follows:

33 The legislative authority of a county may by ordinance provide for  
34 the establishment of a system or systems of solid waste handling for all  
35 unincorporated areas of the county or for portions thereof. A county  
36 may designate a disposal site or sites for all solid waste collected in  
37 the unincorporated areas pursuant to the provisions of a comprehensive  
38 solid waste plan adopted pursuant to chapter 70.95 RCW. However for any

1 solid waste collected by a private hauler operating under a certificate  
2 granted by the Washington utilities and transportation commission under  
3 the provisions of chapter 81.77 RCW and which certificate is for  
4 collection in a geographic area lying in more than one county, such  
5 designation of disposal sites shall be pursuant to an interlocal  
6 agreement between the involved counties.

7 A county may construct, lease, purchase, acquire, add to, alter, or  
8 extend solid waste handling systems, plants, sites, or other facilities  
9 and shall have full jurisdiction and authority to manage, regulate,  
10 maintain, utilize, operate, control, and establish the rates and charges  
11 for those solid waste handling systems, plants, sites, or other  
12 facilities. A county may enter into agreements with public or private  
13 parties to: (1) Construct, purchase, acquire, lease, add to, alter,  
14 extend, maintain, manage, utilize, or operate publicly or privately  
15 owned or operated solid waste handling systems, plants, sites, or other  
16 facilities; (2) establish rates and charges for those systems, plants,  
17 sites, or other facilities; (3) designate particular publicly or  
18 privately owned or operated systems, plants, sites, or other facilities  
19 as disposal sites; (4) process, treat, or convert solid waste into other  
20 valuable or useful materials or products; and (5) sell the material or  
21 products of those systems, plants, or other facilities. Agreements by  
22 a county with private parties for landfill disposal at a privately  
23 operated landfill shall specify that the compensation to the private  
24 parties may not exceed the actual cost of operations. The actual cost  
25 may include a reasonable return, determined by the return on investment  
26 method or the operating ratio method. The determination of the  
27 compensation level by the county is subject to judicial review under the  
28 review provisions of chapter 34.05 RCW related to adjudicative  
29 proceedings involving rate making.

30 The legislative authority of a county may award contracts for solid  
31 waste handling that provide that a county provide for a minimum periodic  
32 fee or other method of compensation in consideration of the operational  
33 availability of those solid waste handling systems, plants, sites, or  
34 other facilities at a specified minimum level, (~~without regard to the~~  
35 ~~ownership of the systems, plants, sites or other facilities, or the~~  
36 ~~amount of solid waste actually handled during all or any part of the~~  
37 ~~contract)) based on the actual cost of providing landfill disposal  
38 services at that level. When a minimum level of solid waste is  
39 specified in a contract entered into under this section, there shall be~~

1 a specific allocation of financial responsibility in the event the  
2 amount of solid waste handled falls below the minimum level provided in  
3 the contract. Solid waste handling systems, plants, sites, or other  
4 facilities constructed, purchased, acquired, leased, added to, altered,  
5 extended, maintained, managed, utilized, or operated pursuant to this  
6 section, whether publicly or privately owned, shall be in substantial  
7 compliance with the solid waste management plan applicable to the county  
8 adopted pursuant to chapter 70.95 RCW. Agreements relating to such  
9 solid waste handling systems, plans, sites, or other facilities may be  
10 for such term and may contain such covenants, conditions, and remedies  
11 as the legislative authority of the county may deem necessary or  
12 appropriate.

13 As used in this chapter, the terms "solid waste" and "solid waste  
14 handling" shall be as defined in RCW 70.95.030.

15 The legislative authority of a county may:

16 (1) By ordinance award a contract to collect source separated  
17 recyclable materials from residences within unincorporated areas. The  
18 legislative authority has complete authority to manage, regulate, and  
19 fix the price of the source separated recyclable collection service.  
20 The contracts may provide that the county pay minimum periodic fees to  
21 a municipal entity or permit holder; or

22 (2) Notify the commission in writing to carry out and implement the  
23 provisions of the waste reduction and recycling element of the  
24 comprehensive solid waste management plan.

25 This election may be made by counties at any time after July 23,  
26 1989. An initial election must be made no later than ninety days  
27 following approval of the local comprehensive waste management plan  
28 required by RCW 70.95.090.

29 Nothing in this section shall be construed to authorize the  
30 operation of a solid waste collection system by counties or to authorize  
31 counties to affect the authority of the utilities and transportation  
32 commission under RCW 81.77.020."

33 Renumber the sections consecutively and correct any internal  
34 references accordingly.

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4 On page 1, on line 2 of the title, after "81.77.160" insert "  
5 35.21.120, 35.21.152, and 36.58.040"

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**EFFECT:** Allows "pass through" of disposal charges into UTC-approved collection rates where charges are designated by a local government through a cost-based formula for setting the charges.