



## BOROUGH OF WASHINGTON MUNICIPAL SOLID WASTE UTILITY

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Dear Property Owners:

After nearly two years of public deliberation regarding the future of solid waste disposal in the Borough, on Tuesday, September 15th, 2020 the Council of the Borough of Washington introduced **Ordinance 2020-13**. **Ordinance 2020-13** was subsequently noticed for public hearing and final passage on Tuesday, October 6th, 2020. This ordinance created the Borough of Washington Municipal Solid Waste Utility and made provisions for the funding of solid waste operations by the Borough. As many are aware, for many years, solid waste operations were funded by property taxes. Property taxes are an inefficient and inequitable method of funding a utility service; as many are also aware, the Borough funded sewer service through property taxes for many years until the Municipal Sewer Utility was created in 1996. Along with the construction of a new state-of-the-art treatment plant, the Municipal Sewer Utility created an equitable and sustainable funding mechanism which ensured that proper operation and maintenance as well as capital improvements would be provided for.

The Borough of Washington Municipal Solid Waste Utility will function in much the same way as the Municipal Sewer Utility. The expense of solid waste services will be divested from the general fund budget in two phases, partially in 2021 and fully in 2022. In 2020 solid waste services totaled approximately \$600,000; the total 2020 general fund budget was approximately \$8.6 million. In 2021 the solid waste portion of the general fund budget will be reduced by approximately \$400,000 with the formation of the Municipal Solid Waste Utility. In 2022, no portion of the general fund will be utilized for solid waste services. Property owners will see a reduction in the property tax rate due to the removal of solid waste expenses from the general fund budget, but the dollar amount of the reduction will depend upon a combination of the actual amount of the general fund budget, the assessed value of the property and finally the 2021 tax rates of the County of Warren, the Washington Borough School District and the Warren Hills Regional School District. **It is important to note that the municipal portion of property taxes for the Borough of Washington is only 29% of the total bill or about 1/3. As an example, a property owner with a total tax bill of \$7,000 pays approximately \$2,300 to the Borough of Washington while the rest is remitted to the county and the school districts.**

On Tuesday, January 5<sup>th</sup> the Borough Council passed **Resolution 2021-15** which set the rates for annual solid waste disposal services as well as bulk waste stickers. Additionally, **Resolution 2021-15** provided for the refund of extra garbage stickers which are no longer being utilized. These stickers made be redeemed for cash or bulk waste stickers. The fees were set as follows:

<b>SOLID WASTE COLLECTION</b>	<b>\$ 350.00</b>	<b>ANNUALLY</b>
<b>BULK WASTE STICKER</b>	<b>\$ 10.00</b>	<b>PER STICKER</b>
<b>REFUND OF OBSOLETE EXTRA GARBAGE STICKER</b>	<b>\$ 2.00</b>	<b>PER STICKER * (APPLICABLE IN 2021 ONLY-NO STICKERS TO BE REDEEMED AFTER DECEMBER 31ST, 2021)</b>
<b>REPLACEMENT OF DAMAGED OR MISSING CART</b>	<b>\$ 100.00</b>	<b>PER OCCURANCE * (NOT APPLICABLE IN CASES OF NORMAL WEAR AND TEAR OR THEFT)</b>

The annual solid waste collection fee will be billed on a per household/commercial unit basis, similar to the manner in which sewer service is currently billed. Solid waste bills will go out in late January and be due quarterly in the same manner as sewer service bills. The Borough looks forward to providing many years of efficient and economical solid waste services. Please see the attached FAQ for additional information on the Municipal Solid Waste Utility.

# **MUNICIPAL SOLID WASTE UTILITY FAQ**

## **Why did the Borough make this decision?**

For many years, the Borough of Washington has contracted the collection of solid waste to third-party private contractors. Within the last 10-15 years there have been drastic changes in solid waste regulation on the state level as well as massive price shocks in the solid waste disposal and recycling commodities markets. Locally, the closure of the incinerator operated by Covanta, which provided affordable and convenient disposal of all Warren County generated solid waste for many years, was a factor as well. Finally, a lack of competitive bidding among private haulers meant that the Borough for the last 2-3 years had seen quality and service drop while costs skyrocketed. Across the state, many municipalities including Mahwah Township in Bergen County and Waterford Township in Camden County have decided to take back solid waste collection from private providers. The Borough modeled its own program on the Borough of Wharton in Morris County, which is comparable in land area (2.13 sq/mi) and population (6,457) to the Borough of Washington.

## **Why is solid waste being charged as a separate fee?**

As previously stated, property taxes are an inefficient and poor funding mechanism for utility services such as solid waste and wastewater, because under the property tax model, the amount remitted for service is proportional to the assessed value of the property. Perhaps most importantly, integrating utility budgets into the general fund budget does not allow for separate capital improvement funds and reserves to be earmarked specifically for items dedicated to delivering the utility service. In the case of wastewater, this could mean constructing or refurbishing a pump station or purchasing a jet vacuum truck for line maintenance. In the case of solid waste, it could mean a new solid waste truck or other solid waste handling vehicle such as a leaf vacuum to allow for no-bag curbside leaf pickup.

## **Has the Borough created a Sanitation Department?**

No. All employees of the Department of Public Works are employed full-time by the Borough to provide for the maintenance and repair of all public property of the Borough of Washington. The same individuals you see collecting your recycling and garbage on Wednesdays and Thursdays will be the same individuals you will see filling potholes, paving roads, fixing drainage problems, mowing grass and maintaining the pool in the spring, summer and fall months. Likewise, the same individuals will be plowing snow and salting roads in the winter months. Many of our DPW workers live in our community, and you will also see them responding to fire and EMS calls as volunteers, coaching our children in sports and patronizing our local businesses.

## **Why is there a strict limit on weekly garbage?**

The Borough has experienced steady price increases on the disposal of garbage in recent years. When the Covanta incinerator was still operating the Borough paid \$72.00 per ton for garbage and disposed of approximately 1900 tons per year. The Borough now pays \$84.00 per ton to the Hunterdon County Transfer Station. Due to a lack of landfill space in the Northeast and the fact that many incinerators are shutting down, the cost of disposal will only increase over time. The Borough is working to open the P.C.F.A. landfill to all Warren County municipalities in order to alleviate this, but the landfill is currently contractually prohibited from doing so due to an ongoing agreement with Covanta.

## **Why is there a charge of \$10 for bulk items and a limit of one item per month?**

First, because the same factors apply to bulk waste as mentioned above. Second, \$10 is the minimum fee imposed by the Pollution Control Financing Authority (P.C.F.A.) landfill here in Warren County. P.C.F.A. imposes a minimum fee of \$10.00 for 200lbs or less of bulk garbage, ie: one couch, one mattress, one dresser or chest of drawers, etc... In short, if a resident were to utilize their own time, vehicle and fuel to haul one of these items to the P.C.F.A. landfill, \$10.00 is the minimum amount they would be charged by the landfill. It is also important to note that this would only apply if the item was taken to landfill on Monday through Friday during operating hours (7:00 a.m. – 2:30 p.m.) which is not convenient for most residents. Additionally, if a resident were to take the same item to the landfill on a Saturday (when most residents would likely utilize the landfill) they would be charged a \$25.00 flat fee if transporting the same item in a car and a \$40.00 flat fee if transporting the same item in a truck. Therefore, the Borough Council decided that a \$10.00 fee per bulk sticker is reasonable considering that it will permit residents to dispose of bulk items for the same cost that the landfill would charge (under the best circumstances) with the added convenience of not needing to transport the item any further than to the curb in front of their homes.

## **Will I be charged for a damaged or broken garbage cart?**

Garbage carts are subject to a great deal of wear and tear during their lifespan and lift bars, wheels and lids may break over time. This is considered normal, and if it occurs, residents may call to have the cart replaced, or workers may identify a cart for replacement while on their route. There would be no charge to the resident in cases such as these. Fees would only be charged if and when some sort of intentional and malicious damage was inflicted upon a cart or if a resident were to move out of the Borough and not leave the carts behind for the new owner of the property.

## **I would like more information about how the Borough arrived at this decision-where can I find it?**

Meeting minutes are posted on the Council section of the Borough website here: [http://www.washingtonboro-nj.gov/council\\_agenda\\_min.html](http://www.washingtonboro-nj.gov/council_agenda_min.html) - click on "Archive agenda and minutes" to find prior years. Minutes are posted as they are approved and audio is posted when available. Additionally, we encourage residents to participate in the Borough's public meetings, which is now easier than ever due to the fact that meetings are held electronically in response to the ongoing Pandemic.