

# Point Recycling and Refuse

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Executive Secretary  
Washington Utilities and Transportation Commission  
PO Box 47250  
Olympia, WA 98504-47250

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WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

RE: Submittal of Annual Report and Fee Payment

Dear Sir:

I have found your correspondence to be quite amusing. Before we continue this course, I would like to make some explanations. I am extremely dissatisfied with the performance of Commission Staff. It has been made clear to me, that no effort will be made by any government agency to address my problems until I become a problem for them. I am simply trying to get your full attention.

A simple outline of the problems faced by my solid waste system:

2000 households in Point Roberts:

- 340 on permanent service including curbside recycling
- 200 on infrequent tag service
- 200 regular users of the self-haul transfer station
- 17% participation in curbside recycling
- 27% participation in the curbside garbage collection
- 37% total system participation

Garbage Company 2005 Collected Tonnage: 725 Tons

Total System 2005 Tonnage: 1288 Tons

Estimated 500 to 700 tons per year exported to Canada by illegal Canadian Drop-box Companies

Estimated 500 tons per year self-hauled into Canada by households and Construction Contractors

System Tonnage and Customer Counts have been flat or declining for the past 6 years. Operational costs and Border barriers have been increasing.

All operational trucks are fully depreciated and have exceeded their reasonable operational life.

The system must function with perfect reliability not only in regards to daily garbage collection but also in the transportation of collected materials out of Point Roberts. The system cannot breakdown and cannot stop. This requires backup of every truck and the staff resources to keep things moving.

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Current Equipment:

Front Line Equipment:

1993 Garbage Truck – 13 years old  
1990 Recycling Truck – 16 years old  
1993 Roll-off Truck – 13 years old

Backup Equipment:

1989 Garbage Truck – 17 years old  
No Backup  
No Backup

Commercial Dumpsters:

50 out of 65 existing 1.5-yard containers need to be replaced  
15 new 3-yard special containers need to be added

Required Truck Purchases:

New Garbage Truck  
Backup Roll-off Truck  
New Recycling Truck – Program is not economically viable and must be cancelled.

Substantial basic improvements need to be made to the transfer station and company support infrastructure.

Total required investment in the next few years more than exceeds annual company revenue.

This solid waste system comprises a combination of obligations and sacrifices of rights by the Company and the users of the system. The company exists under an obligation to serve, and sacrifices the rights to set rates, services or to withhold service. The goal is to achieve a viable system that meets the community needs at the optimum rates. Rates are based on the cost of service, and any diversion of waste out of the system, increases rates for the other users of the system. The community members who wish to receive regulated services and rates must sacrifice their choice of service providers and commit all of their waste to the system and comply with all solid waste laws. That is the deal; clear and simple. Any person who thinks that they can one day, use the system and the next day divert waste out of the system has broken the deal.

The current system, as designed and implemented is not sustainable. There is not enough tonnage or community participation to support the needed infrastructure without significant increases in rates. And since there is no enforcement of the barriers to keep waste within the system, more tonnage will leave, thereby collapsing the system.

For example:

Curbside Recycling

The mandatory curbside recycling program has 340 customers and \$20,000 per year in revenue. The program is stagnant in growth, operational costs are increasing and we must buy a new recycling truck. This will result in a projected 75% increase in the monthly fee. Customers will drop off service or switch to tags. The program will not achieve the needed revenue and will collapse. Also, as customers switch to self-hauling their garbage, the curbside garbage program will also lose efficiency and will require further rate increases. Commission staff refused to evaluate the feasibility of this program. Their suggestion is to

file to remove the program, which I tried once before. The other course is to file for a rate increase which I cannot do without destabilizing the garbage collection system.

#### Roll-off

I need roll-off equipment to haul garbage out of Point Roberts and to service local customers. However, the volume is small and the Canadian Haulers are taking most of the drop-box waste across the Border. The local drop-box revenue cannot even support the cost of the equipment so the difference must be made up by the transfer station. I need a second roll-off truck in order to have backup because the system cannot ever stop or breakdown.

#### Garbage

I need to purchase a new garbage truck. The commercial customer base is very small and stagnant. There are actually fewer commercial businesses now than when I purchased the company. Construction waste and special cleanups have been about 25% of revenue but now that is being taken by the Canadians. Residential route efficiency is dismal especially in the off season. Garbage rates need to be increased to cover increased expenses of fuel and depreciation of new equipment. A significant increase will be the result of the loss of tonnage to the Canadians which the Commission has refused to stop. More importantly, every household needs to participate in the system.

So, unless things change, the system will collapse. I will not be able to replace equipment or make needed improvements. More revenue is needed and absolutely more tonnage.

What needs to be done:

1. All waste in Point Roberts needs to stay within the system.
2. The Canadian drop-box companies need to be stopped completely.
3. The curbside recycling program needs to be eliminated because it is not feasible, a barrier to service, does not meet the community needs, and is a drain on company resources.
4. Full Universal Service for all households must be implemented. This is the only way to achieve any sort of route efficiency and to pay for new garbage trucks. All households must be on basic garbage service year round. This would cost each household only about \$7.00 per month and ensure that service is available.
5. Members of this community must realize that this is their solid waste utility and support it completely. It is the only way to achieve reliable service into the future at optimum rates.
6. The Commission and the County must acknowledge that this solid waste system is an economic model which is either designed for success or failure. The current design is destined for eventual failure.

I am perfectly happy to work within the Regulatory System. I have taken on the obligation to serve this community. I simply want to have a clear path ahead of me, a task that is possible, and a fair exchange of rights and commitments between myself and this community. I will not continue to hold together a collapsing system because that is not servitude, it is slavery.

As a gesture, I have paid my \$100.00 fine. I will not comply with any other orders from the Commission until I feel that I have your attention. As you consider your course of action, please contemplate the following:

1. Point Roberts is completely isolated from the rest of the County, State and Country. All commercial vehicles must travel under bond, transit manifests and additional paperwork. Drivers must carry Passports. Trucks are subject to routine inspections at Canadian Truck Scales. The U.S. Border inspects all trucks, including X-ray, and may require further detailed inspection of paperwork and truck contents. Average round-trip time from Point Roberts to Bellingham is minimum 4 hours with combined Border waits of 1 ½ to 2 hours. Trips may take up to 6 or 7 hours and the Border can be shut down at any time. It is impossible for this area to be reliably serviced by any other company from the mainland.
2. The Commission has proven to me that they will take no action to stop illegal garbage companies from operating in Point Roberts. So, I have no concerns about Commission enforcement actions
3. I control all transfer capacity and equipment servicing this area. While I do lease the Transfer Station from the County, all the site improvements, utilities, buildings, scale, etc., belong to me and will be removed if the County seeks to cancel my lease.
4. I am trying to solve these problems, I do not have time or inclination be involved in legal debates with the Commission, so I will decline to participate.
5. I will not pay any further fines.
6. If the Commission seeks to revoke my Certificate and give it to another company, I doubt you could find someone stupid enough to want to do it as the needed equipment investment to recreate the system from nothing far exceeds any reasonable return. I will also use my resources to undermine the economic viability of that company just as the Canadians are doing to mine. I am the one territory that is so isolated and problematic that your ultimate threat is meaningless.
7. Given that this system is destined for eventually collapse, I have no choice but to try and force changes. This is my job as I see it. My responsibility to this community. If I am unable to get these changes, I have nothing to loose, and will create a wasteland and call it peace.
8. And finally, a very simple question. If I choose to not pickup the garbage, to no longer serve this community, what then will you do.

The course of our relationship is now up to you. We can be antagonistic. We can ignore each other and I will make the changes I decide are necessary by ending the recycling program and going to an "all-in or all-out" policy where anyone who breaks the deal is permanently refused service, and I will raise rates as I see necessary, fair, just and reasonable. We could both make an effort to deal with the problems of this system and create a workable solution within the regulatory structure. I personally have no problem with any of those options. My goals and requests are reasonable. I simply want your attention to them.

Sincerely,



Arthur Wilkowski, Owner/Operator