The Honorable Ernest Y. Martin  
Chair and Presiding Officer  
and Members  
Honolulu City Council  
530 South King Street, Room 202  
Honolulu, Hawaii 96813

Dear Chair Martin and Councilmembers:

SUBJECT: Collection and Disposal Charges

Transmitting for your favorable consideration is a draft bill amending Section 9-4.2 (ROH), relating to disposal charges for business and federal, state and city agencies.

As previously stated, the administration supports recycling and understands the need to support our small, locally-based recycling companies, but taxpayers should not subsidize large corporations. The enclosed proposal offers a discounted disposal rate of 75% of existing unit charges to each recycler up to a maximum of 1,250 tons of residue per year for disposal at H-POWER only.

Should you have any questions, please contact Lori Kahikina, Director of Environmental Services at 768-3486.

Sincerely,

Kirk Caldwell  
Mayor

Enclosure

cc: Lori Kahikina, Director  
Department of Environmental Services
A BILL FOR AN ORDINANCE

RELATING TO COLLECTION AND DISPOSAL CHARGES.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. The purpose of this ordinance is to support and promote recycling activities.

SECTION 2. Section 9-4.2, Revised Ordinances of Honolulu 1990, is amended to read as follows:

"Sec. 9-4.2 Disposal charges for businesses and federal, state and city agencies.

(a) Unit Charges for Disposal. For the receipt and disposal of refuse and other solid wastes delivered to disposal facilities by any business or any federal or state agency, the following unit charges shall apply:

<table>
<thead>
<tr>
<th>Disposal Facility</th>
<th>Unit Charge (per ton)</th>
<th>Unit Charge (per cubic yard or fraction thereof)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H-POWER</td>
<td>$81.00</td>
<td>$25.25</td>
</tr>
<tr>
<td>Transfer Stations</td>
<td>$110.60</td>
<td>$34.50</td>
</tr>
<tr>
<td>Landfills</td>
<td>$81.00</td>
<td>$25.25</td>
</tr>
<tr>
<td>Transshipment Facilities</td>
<td>$81.00</td>
<td>$25.25</td>
</tr>
</tbody>
</table>

(b) Minimum and Special Charges.

(1) Minimum Charges. The minimum charge per truckload shall be equal to the unit charge per cubic yard. The unit charge per cubic yard will be assessed only in the event of a breakdown or unavailability of weighing equipment at the disposal facility.

(2) Special Charges. All special charges will apply to businesses, and federal and state agencies.

(A) Landfill. In addition to the unit charges established in this section, a charge per truckload for special wastes requiring special handling or arrangements by the city's or operating contractor's employees for proper disposal at landfills shall be imposed as follows:

Special Handling Charge
$84.25
(B) H-POWER. In addition to the unit charges established in subsection (a), a per ton and a per hour charge for waste delivered to the H-POWER facility requiring special handling or arrangements by the H-POWER contractor's employees shall be imposed as follows:

<table>
<thead>
<tr>
<th>Disposal Area</th>
<th>Special Handling Per Ton Charge</th>
<th>Minimum Load Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auger Bin</td>
<td>$540.00</td>
<td>$270.00</td>
</tr>
<tr>
<td>RDF Storage Floor</td>
<td>$440.00</td>
<td>$220.00</td>
</tr>
<tr>
<td>MSW Storage Floor</td>
<td>$320.00</td>
<td>$210.00</td>
</tr>
</tbody>
</table>

The charge per ton or minimum load charge, whichever is greater, shall be assessed against each business or agency served. In addition to this assessment, there shall be a per hour charge as specified below:

<table>
<thead>
<tr>
<th>Disposal Area</th>
<th>Special Handling Per Hour Charge</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auger Bin</td>
<td>$250 per hour or fraction thereof</td>
</tr>
<tr>
<td>RDF Storage Floor</td>
<td>$25 per hour or fraction thereof per H-POWER contractor's employee</td>
</tr>
<tr>
<td>MSW Storage Floor</td>
<td>$25 per hour or fraction thereof per H-POWER contractor's employee</td>
</tr>
</tbody>
</table>

(c) Discount for Disposal of Residue from Recycling Operations. The unit charges for disposal at H-POWER shall be discounted to 75 percent of the unit charges set forth in subsection (a) for the first 1,250 tons of residue per year that is accepted at H-POWER from each recycling operation. For the purposes of this subsection, a "recycling operation" is a facility that recovers post-consumer waste materials for use in new consumer products. To be eligible for the discounted unit charges for disposal, the following conditions must be met:

(1) The recycling operation shall recover at least 2,000 pounds of recyclable materials per month;

(2) The recyclable material shall be shipped off-island, or the recyclable material shall be incorporated into a new consumer product directly by the recycling operation;

(3) The residue shall be a maximum of 25 percent of the weight of the recyclable materials recovered;
(4) The residue shall be a direct result of the recycling operation;

(5) The residue shall not be commingled with other waste at delivery; and

(6) The residue shall not contain any recyclable material.

Upon submission of a written request and supporting data from the recycling operation's owner or the recycling operation's owner's designee, the director shall determine whether the recycling operation is eligible for the discounted unit charge for disposal. After such determination, the director shall either approve the application by proper endorsement or deny the application specifying in writing the cause or causes for such disapproval.

All vehicles used by the recycling operation to transport residue to disposal facilities shall be constructed so as to allow ready inspection of their load before disposal.

Disposal charges shall be charged directly to the recycling operation. The recycling operation's owner or the recycling operation's owner's designee shall submit monthly reports to the director documenting types and quantities of the materials recycled and the residues resulting therefrom. If the director determines that the residue from the recycling operation does not meet the conditions for the discounted unit charge for disposal as set forth in this subsection, the director shall not apply the discount and shall not apply the discount until such time that the director determines that the applicable conditions for such discount have been met.

[(c)(d) Exemption.

(1) Any eleemosynary or charitable organization [which] that has been determined by the Internal Revenue Service to qualify as a tax-exempt organization under the provisions of Section 501(c)(3) of the Internal Revenue Code and [which] that recovers post-consumer waste materials for charitable use through a donated merchandise program, generating residue as a byproduct of its charitable function for disposal at a city disposal facility, and
Any one-day solid waste cleanup event or activity approved by the department of environmental services for the express, non-commercial benefit of the community that involves the collection of litter and other solid waste from non-commercial sources and that results in the disposal and recycling of that waste, shall be exempt from the disposal and special handling charges of subsections (a) and (b) and the fees of subsection [(d).] [(e)]. The residue generated from a donated merchandise program run by an eleemosynary or charitable organization, pursuant to subdivision (1), and waste collected through the event or activity described in subdivision (2), that are to be disposed of at any city disposal facility, shall be clearly marked as such residue or waste, as the case may be, and shall not be commingled with any other waste.

In the event that an eleemosynary organization contracts with a private business to dispose of residue in compacted form or otherwise, the private business shall be initially charged the standard disposal fees for the disposal of the residue. The exemption to disposal fees shall be applied to the private business's account after the eleemosynary organization submits a monthly report to the chief engineer documenting dates and numbers of loads of residue dispatched to the disposal sites.

[(d)][(e) In addition to the charges outlined in subsections (a) and (b), there shall be a surcharge of 12 percent on those charges. The 12 percent surcharge shall also be applied to the charge that the city pays for disposing of refuse and other solid wastes at the H-POWER facility. All charges collected in accordance with this subsection shall be deposited into the recycling account of the solid waste special fund established by Section 6-49.1.

[(e)][(f) Surcharge for Recovering State and Federal Fees. In addition to the disposal charges at municipal landfills, incinerators, and transfer stations delineated in this section, the department is authorized to impose a surcharge to recover the amount of any solid waste regulatory or permit fee imposed by the state or federal government together with any administrative cost to the city for imposing and collecting said fee."

SECTION 3. Ordinance material to be repealed is bracketed. New material is underscored. When revising, compiling or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the revisor of ordinances need not include the brackets, the bracketed material or the underscoring.
SECTION 4. This ordinance takes effect on January 1, 2017.

INTRODUCED BY:

DATE OF INTRODUCTION:

Honolulu, Hawaii Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____________, 20__.

KIRK CALDWELL, Mayor
City and County of Honolulu