



TO: Elizabeth Pauli, City Manager
FROM: Geoffrey M. Smyth, P.E., Interim Director, Environmental Services Department
COPY: Government Performance & Finance Committee
PRESENTER: Lewis Griffith, P.E., Division Manager, Solid Waste Management
Hayley Falk, Business Services Manager
SUBJECT: Amendment to Tacoma Municipal Code Section 12.09.120 – Commercial Services
DATE: March 18, 2025

PRESENTATION TYPE:

Request for Ordinance

SUMMARY:

Solid Waste Management (SWM) recommends amending Section 12.09.120 of the Tacoma Municipal Code (TMC) related to Commercial Services, to update the fee for commercial Call-2-Haul (C2H) from \$75 to \$115 per pick up. This change will allow SWM to charge a rate that more closely reflects the cost of service prior to the implementation of the Multifamily C2H Education and Outreach Campaign.

BACKGROUND:

The City Council approved an education and outreach pilot program in the 2025-2026 biennial budget to better understand the needs of multifamily residents regarding bulky item removal. During the next two years, SWM will work with residents and property managers to identify and evaluate options before proposing a recommended approach to the City Council on the multifamily C2H program.

Currently, SWM rate structures categorize customers into two classes: residential (up to two units) and commercial (all other properties, such as stores and multifamily buildings). Residential customers are charged a bundled garbage rate that includes recycling, yard waste, and two C2H pickups per year. In contrast, commercial customers pay an a la carte rate without additional bundled services, offering flexible options tailored to the specific needs and service levels of each business.

In 2014, the City Council passed Ordinance No. 28262 which established TMC Subsection 12.09.120 W - Commercial Services. This subsection added the opportunity for commercial customers to participate in the Call-2-Haul program for \$75 per pick up.

ISSUE:

The Commercial C2H rate in the TMC has remained unchanged since its introduction in 2014. Over the past decade, residential rates have increased nearly 60% and the current \$75 per pick up rate no longer reflects the actual cost of service. As a result, the difference is being subsidized by other customer classes. Before the launch of the education and outreach pilot to multifamily customers, SWM proposes an adjustment to the fee to more accurately align with the true cost of service, while ensuring that SWM continues to remain the most cost-effective service option available.

ALTERNATIVES:

Maintain Status Quo: Maintain the current fee for commercial customers while multifamily rates are being developed in the Home in Tacoma implementation.

Implement Full Cost of Service: Raise commercial C2H rate to \$145 per pick up to represent the full cost of service, including labor and overhead costs. This increase would nearly double the current fee and may



deter eligible customers from using the proactive disposal service and encourage illegal dumping.

FISCAL IMPACT:

SWM anticipates an additional \$5,400 of revenue a year after the passage of the recommended \$115 per pick up rate.

RECOMMENDATION:

Environmental Services Department, SWM, recommends amending Section 12.09.120 of the Tacoma Municipal Code to increase the commercial services Call-2-Haul rate to \$115 per pick up.