



**CITY OF BOULDER
CITY COUNCIL AGENDA ITEM**

MEETING DATE: October 2, 2018

AGENDA TITLE

Introduction, first reading and consideration of a motion to order published by title only Ordinance 8293 amending and renewing the 2014 intergovernmental agreement for hazardous materials management, and setting forth related details.

PRESENTER/S

Jane Brautigam, City Manager

Mary Ann Weideman, Interim Director of Public Works

Jeff Arthur, Director of Public Works for Utilities

Bret Linenfelser, Water Quality and Environmental Services Manager

EXECUTIVE SUMMARY

Staff is requesting City Council consider a motion to adopt Ordinance 8293 (Attachment A) to amend and renew the 2014 Intergovernmental Agreement (IGA) for Boulder County operation of the Hazardous Materials Management Facility (HMMF). The current IGA expires December 31, 2018, and Boulder County is requesting the IGA be amended to extend the IGA for an additional five years (2019 – 2023).

In 2006 City Council approved a motion to contribute \$400,000 to Boulder County for the construction of the HMMF located in the city of Boulder. In addition to the City of Boulder (city), Boulder County, City and County of Broomfield, the cities of Lafayette, Longmont and Louisville and the towns of Erie and Superior also contributed funds. The HMMF started operating in 2009 and benefits City of Boulder residents by providing safe and proper disposal and recycling of hazardous materials at no additional cost. City of Boulder businesses that generate small quantities of hazardous wastes can also drop off materials but are charged a fee that covers the administrative and disposal or recycling costs. A complete list of what materials can be dropped off at the HMMF is located at <https://www.bouldercounty.org/environment/hazardous-waste/management-facility/>

Since 2009 Boulder County has operated the HMMF under 5-year IGAs (see 2014 IGA at [Fully executed HMM IGA 2014 - 2018.pdf](#)), which includes each community that contributed to the construction of the facility. As outlined in the IGA, annual operating costs are covered by all IGA communities with the cost per community based on household use, plus an annual fee for building and equipment replacement. In 2017 the city's portion of the operating cost and equipment and facility replacement fee was approximately \$250,000 with funding coming from city Wastewater and Stormwater/Flood Utility funds.

In 2017, approximately 1.1 million pounds of materials were collected at the HMMF, with City of Boulder residents and businesses contributing approximately 430,000 pounds. Of the 1.1 million pounds of materials collected, approximately 80 percent of the materials were recycled, reused or used for energy recovery. The remaining materials were either landfilled or incinerated based on the type of material. In 2017, 5,350 city of Boulder households and 40 city of Boulder businesses dropped off hazardous materials at the HMMF.

STAFF RECOMMENDATION

Suggested Motion Language:

Staff requests council consideration of this matter and action in the form of the following motion:

Motion to adopt Ordinance 8293 to amend and renew the 2014 intergovernmental agreement for hazardous materials management and setting forth related details for an additional five-year term from 2019 through 2023.

COMMUNITY SUSTAINABILITY ASSESSMENTS AND IMPACTS

- Economic – Approved businesses that generate small quantities of waste can drop off materials and are charged a fee, which is typically less than other disposal or recycling options.
- Environmental – The HMMF provides residents and approved businesses an option for safe and proper disposal and recycling of hazardous materials and helps avoid the potential for improper disposal and detrimental impacts to the environment or city wastewater and stormwater infrastructure.
- Social – The HMMF is open to all City of Boulder residents at no cost and provides an opportunity for residents to reuse selected materials (paints, etc.) dropped off at the facility at no cost. Approved businesses are provided an opportunity, with a fee, to properly dispose and recycle materials that are traditionally disposed of at a landfill.

OTHER IMPACTS

- Fiscal – The city is obligated to pay for the portion of the HMMF annual operational costs related to the number of city of Boulder households that use the facility and an annual equipment and building replacement fee. Costs are covered by Wastewater and Stormwater/Flood Utility funds and the city's portion of the 2017 operational costs was approximately \$250,000.
- Staff time – Staff time requirements are minimal and no additional resources are needed.

BOARD AND COMMISSION FEEDBACK

The amendment to the 2014 IGA has not been taken before City Council or any city board.

PUBLIC FEEDBACK

Public feedback has not been requested to date.

BACKGROUND

Boulder County has owned and operated a household hazardous waste facility (now termed HMMF) since 1994 to serve Boulder County. The original facility was located at the Western Disposal Transfer Station and operating costs were shared between Boulder County and each community using the facility. Due to increasing facility use and limitations with the existing facility, Boulder County pursued building a new facility in 2002 on county-owned property behind the current Boulder County Recycling Facility. The initial cost estimate for a new facility was approximately \$700,000, for which Boulder County Commissioners appropriated \$762,000 in 2003. After refining the new facility layout and cost estimate, the cost estimate increased to approximately \$1.5 million.

In 2005 Boulder County requested \$400,000 from the City of Boulder to support the new facility, with the remaining difference (\$400,000) to be covered by other communities in Boulder County, and the City and County of Broomfield. Funding the new facility was discussed at a joint study session between Boulder County Commissioners and City Council on March 29, 2005 (see Study Session packet at [2 - County Request for City Contribution toward County Household Hazardous .pdf](#)). On January 17, 2006, City Council approved contributing \$400,000 to be paid over 20 years in \$20,000 per year installments, with no interest (see the Agenda Item at [City Council 5C - Motion Funding for Boulder County HHWF January 17 2006.pdf](#)). In addition to the city, Boulder County, City and County of Broomfield, the cities of Lafayette, Longmont and Louisville and the towns of Erie and Superior also contributed funds totaling \$400,000. The distribution of funding was based on historic use of the previous household hazardous waste facility.

Annual HMMF operation and maintenance costs are covered by all entities that use the facility and are based on residential household use plus a fee for equipment and building replacement. The annual cost is estimated in advance of the upcoming year for budgeting purposes, with input from all IGA communities. Each year the equipment and building replacement fee is fairly consistent, but the total annual cost for each community for residential household drop-offs can vary. Each year this cost is estimated based on the number of household drop-offs in the previous year, the previous year's operating costs and a possible increase in facility use. Each community under the IGA then votes on whether to approve the following years annual household drop-off price or to make revisions. Additional detail on the annual operating fee is provided in the 2014 IGA.

Approved businesses, defined as Conditionally Exempt Small Quantity Generator by the State of Colorado, can also drop off materials and are charged a fee that covers administrative and recycling or disposal costs. Additional revenue is also generated at the HMMF through programs such as the national PaintCare program, which provides reimbursement for recycled paints.

ANALYSIS

Staff is requesting City Council consider a motion to adopt Ordinance 8293 (Attachment A) to amend and renew the 2014 Intergovernmental Agreement (IGA) for Boulder County operation of the HMMF. The current IGA expires December 31, 2018, and Boulder County is requesting the IGA be amended to extended the IGA for an additional five years (2019 – 2023).

The city's cost for HMMF operation and maintenance under the amended IGA will be approximately \$250,000 per year, with the potential for the cost to vary (higher or lower) based on use. Under the 2014 IGA each community has the option to withdraw from the IGA, with the withdrawal effective ten (10) days after receipt of the withdrawal notice by Boulder County, so the city is not locked in to a long-term financial commitment.

If the current IGA is not extended there would be impacts to the funding and operation of the HMMF. To maintain full operation of the HMMF, city of Boulder residents would need to be charged a fee (amount to be determined) to cover operational costs previously covered by the city. Currently, there are no other facilities in the city of Boulder, or Boulder County, that accept the types of household hazardous materials accepted at the HMMF. The closest locations to the City of Boulder are Adams County, Douglas County and Larimer County. Facilities in each of these counties charge for dropping off household hazardous wastes if you are not a county resident and facility operating hours and types of materials accepted vary.

ATTACHMENTS

Attachment A: Ordinance

ORDINANCE 8293

AN ORDINANCE ADOPTING AN AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN BOULDER COUNTY, THE CITY AND COUNTY OF BROOMFIELD, THE CITIES OF BOULDER, LAFAYETTE, LONGMONT AND LOUISVILLE, AND THE TOWNS OF ERIE AND SUPERIOR RELATING TO THE MANAGEMENT OF HAZARDOUS MATERIALS.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BOULDER, COLORADO:

Section 1. The city council adopts and approves the intergovernmental agreement amendment, entitled “Renewal & Amendment of Intergovernmental Agreement for Hazardous Materials Management,” attached as Exhibit A and incorporated by this reference.

Section 2. This ordinance is necessary to protect the public health, safety and welfare of the residents of the city, and covers matters of local concern.

Section 3. The council deems it appropriate that this ordinance be published by title only and orders that copies of this ordinance be made available in the office of the city clerk for public inspection and acquisition.

INTRODUCED, READ ON FIRST READING, AND ORDERED PUBLISHED BY TITLE ONLY this 2nd day of October 2018.

Suzanne Jones
Mayor

Attest:

Lynnette Beck
City Clerk

1 READ ON SECOND READING, PASSED AND ADOPTED, this 16th day of October
2 2018.

5 _____
Suzanne Jones
Mayor

6 Attest:

8 _____
9 Lynnette Beck
City Clerk

RENEWAL & AMENDMENT OF INTERGOVERNMENTAL AGREEMENT FOR HAZARDOUS MATERIALS MANAGEMENT

SUCCESSIVE DOCUMENT No. 1

This Renewal & Amendment of the Intergovernmental Agreement for Hazardous Materials Management is made and entered into by and between BOULDER COUNTY, a body politic and corporate (referred to hereinafter as the “County”), the CITY AND COUNTY OF BROOMFIELD and the cities of BOULDER, LAFAYETTE, LONGMONT and LOUISVILLE, and the towns of ERIE, and SUPERIOR, each a municipal corporation, with all the named entities collectively considered to be the “Parties.”

RECITALS

- A. The Parties have entered into a five-year Intergovernmental Agreement (the “Agreement”) dated January 30, 2014 for administering and participating in the Hazardous Materials Management Program (the “Program”). The Agreement is set to expire on December 31, 2018.
- B. The Parties desire to renew the Agreement, as amended herein, for a new five-year term commencing on January 1, 2019, with a five-year automatic extension in 2024.
- C. Pursuant to Section VI.B. of the Agreement, Boulder County currently collects quarterly payments of each Party’s contribution to the Program. Contributions are calculated based on the previous quarter’s operation of the Hazardous Materials Management Facility.
- D. The Parties desire to amend the payment terms of the Agreement, beginning January 1, 2019, to require annual, rather than quarterly, payments of each Party’s contribution to the Program.

NOW THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. The Agreement shall be renewed for an additional five-year term commencing January 1, 2019.
2. Effective January 1, 2019, Section VI. of the Agreement is amended in its entirety to read:

VI. PAYMENT OF ANNUAL OPERATING EXPENSES

- A. The County will be the paying agent for the HMM Program and Facility.
- B. Each Party’s contribution towards the HMM Program costs for a particular year shall be calculated based on the actual program costs incurred during the previous year, representing estimated expenses for the particular year. Contributions for a particular year shall be calculated after all program expenses for the previous year have accrued. Contributions for each subsequent year will include an adjustment to reconcile estimated versus actual expenses for each year.
- C. The County will request payment of each Party’s contribution to the HMM Program costs based on the participation by households of each Party, on an annual basis, due no later than January 20 each year. Parties must pay the amount of their contributions, as calculated by the County, within thirty (30) days of billing. Contributions will be calculated as follows:
- Actual program costs for the applicable year calculated in accordance with Section VI.B above;
 - PLUS additional projected program costs (if applicable);
 - MINUS any deductions as described in Section V.A., above, for the applicable year;

- MULTIPLIED BY the actual residential percentage participation for the Party for the applicable year based on the HMM program's customer database.

3. Effective January 1, 2019, Section VIII. FUTURE FACILITY REPLACEMENT OR EXPANSION, Subsection A. of the Agreement is amended to read:

A. The HMM Facility is expected to serve the needs of Boulder County for the next twenty years and beyond. In anticipation of future equipment needs, or facility expansion or replacement needs, the Parties each agree, subject to appropriation of sufficient funds therefor, to pay an additional 5% above actual **annual** operational expenditures for each year for the term of this Agreement, which shall be placed by the County into a restricted fund and used only for future equipment needs or facility expansion or replacement. This is expected to generate approximately One Hundred Forty-Four Thousand and Five Hundred Dollars (\$144,500) over 5 years. Any expenditure from the restricted fund shall be approved by the Parties in writing.

4. Effective January 1, 2019, Section X. DURATION AND WITHDRAWAL, Subsection A of the Agreement is amended to read as follows:

A. This Agreement shall automatically extend for an additional five-year term on January 1, 2024. Any Municipality may withdraw from this Agreement for any reason, which withdrawal shall be effective ten (10) days after the Municipality mails by certified mail, return receipt requested, a written notice to the Parties of the Municipality's intent to withdraw. The withdrawing Municipality will be discharged from its obligations hereunder, provided that it has paid all outstanding financial obligations for which it is liable under this Agreement. The terms and obligations of this Agreement shall continue as to the remaining Parties. Each Party's obligation to pay its required financial contributions hereunder and each Party's right to take action to compel payment hereunder shall continue until such obligation has been discharged. Boulder County may terminate this Agreement for any reason upon 180 days' notice to each Municipality.

5. Effective January 1, 2019, Section XI. MISCELLANEOUS PROVISIONS of the Agreement is amended to add Subsection I, as follows:

I. Each Party reserves the right to modify the terms of their program participation with respect to their individual residents and residential households, such as charging co-pays and limiting the number of permitted drop-offs. At least sixty (60) days prior to taking such action, the Party must send a written notice of its intended action to all other Parties to this Agreement, as unilateral Party changes to their program participation may impact other Parties' program costs. Email is an acceptable form of written notice. In the event that a Party seeks the assistance of County Hazardous Materials staff to effect modifications to its program participation, such as collection of co-pays on site by Hazardous Materials staff, the Party and the County shall come to a written understanding of their respective obligations thereto. Such written understanding may be documented by email between authorized representatives of the County and Party.

6. This Renewal & Amendment shall be incorporated into the terms of the original Agreement, dated January 30, 2014.

7. Except as may be amended herein, the terms and provisions of the original Agreement shall remain in full force and effect.

8. This Renewal & Amendment may be signed in multiple parts by the Parties.

IN WITNESS WHEREOF, the Parties have executed and entered into this Renewal & Amendment as of the latter date set forth below.

[Signature Pages to Follow]

IN WITNESS WHEREOF, the Parties have executed and entered into this Renewal & Amendment as of the latter date set forth below.

COUNTY OF BOULDER
STATE OF COLORADO

By: _____
Cindy Domenico, Chair

Date: _____

ATTEST:

Administrative Assistant
Clerk to the Board of Commissioners

(seal)

CITY AND COUNTY OF BROOMFIELD

By: _____

Title: Mayor

Date: _____

ATTEST:

Deputy City & County Clerk

(seal)

APPROVED AS TO FORM:

By: _____

Title: City & County Attorney

Date: _____

CITY OF BOULDER

City Manager

ATTEST:

(seal)

APPROVED AS TO FORM:

By: _____

Title: _____

Date: _____

CITY OF LAFAYETTE

Mayor

ATTEST:

(seal)

APPROVED AS TO FORM:

By: _____

Title: _____

Date: _____

CITY OF LONGMONT

Mayor

ATTEST:

(seal)

APPROVED AS TO FORM:

By: _____

Title: Assistant City Attorney

Date: _____

APPROVED AS TO FORM AND
SUBSTANCE:

By: _____

Title: Originating Department

Date: _____

CITY OF LOUISVILLE

Mayor

ATTEST:

(seal)

APPROVED AS TO FORM:

By: _____

Title: _____

Date: _____

TOWN OF ERIE

Town Manager

ATTEST:

(seal)

APPROVED AS TO FORM:

By: _____

Title: _____

Date: _____

TOWN OF SUPERIOR

Town Manager

ATTEST:

(seal)

APPROVED AS TO FORM:

By: _____

Title: _____

Date: _____