



April 28, 2010

The Honorable Robert F. McDonnell
Governor of Virginia
PO Box 1475
Richmond, VA 23218

Dear Governor McDonnell:

The Old Dominion Chapter of the Solid Waste Association of North America (SWANA) has more than 300 members across the Commonwealth, most of whom represent local governments. SWANA respects and understands the difficult economic challenges of the Commonwealth, including those affecting the Department of Environmental Quality (DEQ). However because of funding cuts in many other areas, local government budgets are also strained.

Although we understand the state's need to cover a portion of the direct costs of solid waste permitting through fees to those organizations holding and applying for permits (i.e. landfills, energy from waste facilities, material recovery facilities, etc.), we also feel that since each citizen generates trash in the Commonwealth, Virginia has a responsibility to its citizens to provide environmentally safe and cost effective solid waste disposal services and effective/efficient permitting and enforcement activities. We also feel that the fees paid should have minimal economic impact across all types and sizes of waste disposal facilities.

You and the members of both the Senate and House of Delegates should be commended for your service and commitment to the Commonwealth and its citizens and businesses. We appreciate your willingness to work with both the public and private sector to offer solutions that are fair and equitable.

During the 2010 General Assembly session, SWANA initially expressed opposition to SB235 (\$2/ton surcharge on all solid waste to fund DEQ, farmland preservation and land conservation). We also expressed concerns regarding the substitute language, which would increase annual solid waste permitting fees, leaving the impending financial impact on public and private landfills an unknown.

SWANA appreciates your efforts and recommendations to lessen the burden on local governments and we welcome the opportunity to be involved in the evaluation of the current fee structure established by Virginia Code Section 10.1-1402. As a matter of fact, SWANA has some ideas that would not only simplify the calculation and billing for the DEQ, but would also be fair and equitable to all solid waste facilities. SWANA plans to be an active participant in the stakeholder meetings and workshops planned by DEQ over the next year.

Please find enclosed a copy of SWANA's proposal provided to the DEQ as a solution to a fair and equitable fee structure. Key features of the SWANA proposal are as follows:

- The fees recover 60% of DEQ's direct costs for the permitting program
- A flat \$/ton fee is applied to all landfills, including Sanitary Landfills, Construction and Demolition Debris Landfills, and Industrial Landfills (our initial estimate for 2010 is \$0.14-\$0.16 per buried waste ton). This is an equitable fee, which represents a very small percentage of the overall revenue/cost per ton for disposal incurred by customers.
- Increases in existing fees for energy recovery, composting, medical waste, material recovery and transfer facilities which have minimal impact on a per ton and per customer basis.
- Proposed fees and Projected Revenue are contingent on DEQ meeting certain efficiency levels

- An annual performance report of DEQ permitting and enforcement activities is prepared by March 1 of each year to provide accounting of the use of all funds and actual metrics on the productivity and efficiency of DEQ.

We look forward to working together with you, the DEQ, the Waste Management Board, the waste industry and local government professionals in the upcoming months to not only evaluate and provide an adequate fee structure, but also work to provide and enhance accountability and efficiencies of the permitting process within the DEQ.

Thank you for your time and your evaluation of this very important program of the Commonwealth. Please visit our website at www.swanava.org and feel free to contact any member of the Board.

Sincerely,



Kimberly A. Hynes
Legislative Committee Chair
SWANA Board

cc. James D. Campbell, Executive Director, Virginia Association of Counties
R. Michael Amyx, Executive Director, Virginia Municipal League