

Below are some follow-up questions on the financial information you submitted  
The questions are about both the July 24 and the July 27 budgets.

**July 24, financial information, garbage, recycling, and transfer station results combined:**

**Contract Hauling**

The company proposed contract hauling of the transfer station waste at \$9,200 per month.  
Please provide more detail on this cost:

Q: What is the estimate of the tons being hauled?

A: *Approximately 1,100 Tons annually*

Q: Of the total tons, what is the annual estimate of regulated packer tons, regulated roll-off tons and self-haul tons?

A: *Regulated Packer Tons – approximately 590 Tons annually  
Regulated roll off Tons – approximately 260 Tons annually  
Self Haul Tons – approximately 350 Tons annually*

Q: What is the cost per haul and the annual cost of hauling?

A: *Cost per haul is \$400.00. Annual cost for hauling is estimated at \$28,000.00 (70 trips at \$400.00 per trip)*

Q: What are the annual disposal fees at RDS?

A: *Estimated annual fees for disposal at RDS would be \$82,500.00 (1100 tons at \$75.00 per ton)*

**Disposal Fees**

Q: In the budgets, what per ton disposal fee did you assume the transfer station would charge the solid waste operations?

A: *In the budget that included the transfer station, the assumption was that all revenues and expenses were combined. There was no consideration for a specific charge as operations were combined.*

**Wages**

The budget projects one driver and a part-time swamper for the solid waste operations.

Q: One and a half driver positions for a company with approximately 360 customers seems to be more than needed. Please describe in as much detail as possible what the duties of the two employees will be.

A: *Actually the overall operations project one full time employee and two part time employees. You are correct, that 360 customers do not warrant 1 ½ employees or even 2. The assumption is that in addition to the collection of solid waste, the transfer station requires staffing for 4 hours on at least 5 days of the week. Staffing the transfer station is not a 1 man job, it will require 2. Thus, 2 positions manning the station for a combined*

*40 hours per week, and 20 hours per week of truck time between 2 employees would provide for another 40 hours per week.*

*Transfer station hours may not be just dealing with self haul; it might involve vehicle and equipment maintenance such as greasing, cleaning or sorting recycling for specific containers.*

### **July 27, financial information, garbage and recycling operations separated**

In this financial scenario, regulated garbage is being long-hauled to Ferndale in the packer trucks.

#### **Ferndale Disposal**

Q: While you have added additional fuel expense for the hauling, you did not include any additional driver time. Please explain.

A: *Given that there is no more than 20 hours of solid waste collection work in a given week, the full time driver would be responsible to transport the solid waste shipments to Ferndale as required. As there would be no transfer station in this scenario, the driver's full time wages would be made up taking the packer truck to Ferndale solo.*

Q: It also seems that maintenance and tire expense would increase with the added miles, what is your estimate of these increased expenses.

A: *My experience in the trucking industry indicates that trucks which perform predominantly highway miles require less maintenance. The daily grind of stopping and starting are the key reasons that increased maintenance is required. I did not feel that any additional maintenance would be required in the budget as a result. With respect to tires, I would indicate that the worst wear and tear on tires would occur on the roads in Point Roberts as opposed to the miles which the truck would see on maintained highways such as Highway 99 and I-5.*

#### **Business Office and Customer Service**

The Commission solid waste rules in WAC 480-70-361 state that:

*"A company that provides traditional solid waste service must maintain a business office..."*

Q: It does not appear that you have included any costs for office expense (rent, utilities, etc.) in the solid waste operations.

A: *The administrative section of the budget exclusive of the transfer station still contains expenses for telephone and other office functions including roughly 13 hours per week for data entry and bookkeeping services.*

Q: Please explain where the company will maintain a business office and what the costs of that office will be.

A: *Should this become a necessity, arrangements would be made to share office space at 1473 Gulf Road, home to Ridek self storage. This is a new commercial facility whose management is supportive of this venture. The fee would be nominal, roughly \$100.00 per month.*

Q: Further, please explain the company's customer service plan—what are the office hours, who will answer customer questions, initiate and cancel service, schedule pick-ups, etc.

A: *The office hours will be as mandated by WAC 480-70-36, 5 days each week, Monday through Friday, four hours each day, exclusive of holidays. Phone service will be in place with a voice mail to accept messages in the event that company personnel are unavailable. It is further our intention to maintain a website that will contain all pertinent company information including collection schedules. This web site will also include a format by which customers can make inquiries and submit them for responses. This system will time and date stamp all inquiries and responses. All services will be managed by David Gellatly.*