

# Washington Utilities and Transportation Commission

## COST ASSESSMENT GUIDELINES

for

## LOCAL SOLID WASTE MANAGEMENT PLANNING

Second Edition, Revised

August 2001



**WUTC**

WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION

Chandler Plaza  
1300 South Evergreen park Drive S/W  
P.O. Box 47250  
Olympia, WA 98504-7250  
(360) 664-1160 \*\* Fax (360) 586-1150



COST ASSESSMENT GUIDELINES  
And QUESTIONNAIRE  
FOR  
LOCAL COMPREHENSIVE SOLID WASTE MANAGEMENT PLANNING  
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Olympia, WA 98504-7250  
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## 1. PROCESS OVERVIEW

### 1.1 Purpose of the Cost Assessment Guidelines

These guidelines are prepared pursuant to RCW 70.95.090, which states:

"Each county and city comprehensive solid waste management plan shall include the following:

(8) **An assessment of the plan's impact on the costs of solid waste collection.** The assessment shall be prepared in conformance with guidelines established by the Utilities and Transportation Commission (WUTC or Commission). The Commission shall cooperate with the Washington state association of counties and the association of Washington cities in establishing such guidelines.

Accordingly, every local government solid waste management (SWM) plan must contain a cost assessment. Long-term plans provide environmentally sound control of solid waste. Cost assessments provide financial planning information about proposed SWM systems and comparisons of different alternatives.

The **cost assessment** is a comprehensive, system-wide review of a solid waste plan's costs. Considers the dollar impact on ratepayers of the plan's recommendations, and provides sufficient information to estimate future rate levels.

These guidelines will help local government prepare a cost assessment, even if it does not have a WUTC solid waste collection company within its jurisdiction. For jurisdictions in which regulated haulers operate Section 12 of RCW 70.95.090 requires the WUTC to review the cost assessments during the solid waste management plan approval process. The Commission will advise the county or city submitting the plan and the Department of Ecology (Ecology) on the probable rate impacts of the plan's recommendations.

Prepare the cost assessment such that impacts on solid waste haulers regulated by the WUTC can be easily determined. If a community does not have WUTC regulated collection companies in its solid waste plan, WUTC will not review the plan. Instead, Ecology will consider in its review whether or not the plan adequately meets the cost assessment requirements.

Many decision makers can use this cost information:

- **Local elected officials** use the cost assessment as one evaluation tool for selecting preferred solid waste management system alternatives.
- **WUTC Commissioners** and staff use cost assessments to obtain information about probable future rate increases and policy directions set by the local government.

- **Solid waste advisory committee** members use the cost assessment to evaluate solid waste systems and estimate costs of implementing proposed plans.
- **Regulated solid waste collection companies** use the assessment to plan for future of their companies-capital and operating expenditures.
- **Citizens**, who ultimately pay for the SWM system through solid waste collection bills and tipping fees, can use cost assessment to estimate future expense levels. This information, can provide the public with input to local officials on their solid waste program preferences and understand the rate setting process.

## **1.2 The Washington Utilities and Transportation Commission**

The WUTC is composed of three commissioners, appointed by the Governor and confirmed by the Senate to six year terms. The Commissioners are supported by staff of more than 150 people. The staff includes accountants, economists, engineers, consumer program specialist and special investigators.

The Commission regulates privately owned utility that serves the public. Industries regulated include electric power, telephones, natural gas, water, transportation, low level nuclear waste, garbage collection companies, medical waste, etc. The Commission is primarily an economic regulator. However, it also regulates safety for transportation, solid waste, railroads, and natural gas pipelines.

Chapter 81.77 RCW sets forth the WUTC's role in solid waste management. The Commission grants authority to operate, approves rates, prescribes accounting formats, and requires regulated companies to file annual reports. Exemptions from commission regulation for solid waste collection include: collection by the municipality, solid waste or recycling firms providing service under contract with a municipality, commercial recycling and recycling firms that are under contract with a city or county.

The duty to approve rates makes the WUTC directly accountable to the ratepayers. The Commission's goals are to ensure that rates charged by companies are fair, just, reasonable and sufficient. Cost assessments prepared according to these guidelines provide information to the Commission about the costs of SWM systems proposed by local SWM plans that will affect future rate increases.

## **1.3 Relationship with the Department of Ecology**

The Washington State Department of Ecology's, "Guidelines for the Development of Local Solid Waste Management Plans" and the WUTC cost guidelines are mutually supportive. Ecology's guidelines help a local government prepare its solid waste plan. The WUTC's guidelines help assess the cost of various alternatives considered in the plan.

The WUTC review's local SWM plans autonomous of reviews performed by other parties. Staff sends a letter of its comments to the county/city project manager and Ecology. Though we expect that Ecology will incorporate WUTC comments in their preliminary draft review, the review processes are independent of each other.

## **2. WUTC RATE SETTING PROCESS**

### **2.1 Rate Setting Process**

The company must file its proposed rate changes in a revised tariff. The Commission must receive the revised tariff at least forty-five days before the proposed effective date. Commission staff reviews the company's justification provided to support the proposed rates. Staff also reviews the company's books and records. After Staff completes its investigation, staff prepares a memorandum to the Commissioners explaining its findings, conclusions and recommendations.

The Commissioners consider the proposed rates at the Open Meeting (call (360) 759-6489 for a schedule). They receive the staff's memorandum before the meeting for review. Staff makes a verbal presentation, with its recommendation. The company, customers, and other interested persons can address their concerns to the Commissioners.

Very simply, the Commissioners can take only two actions. They can approve the proposed rates to become effective as scheduled or they can issue a complaint and order suspending the proposed rates. Suspended rates do not become effective. Rather, the rates in effect at the time of the meeting remain in effect until the Commission approves a change.

The Commission can suspend rates for no more than ten months. Staff works with the company to negotiate a settlement. Staff rarely fails to reach a settlement. There has not been a litigated rate case in the last two years.

However, if negotiations are unsuccessful, the matter may require a formal hearing before an administrative law judge (ALJ). This is a quasi-judicial proceeding with attorneys and witnesses providing sworn testimony. The ALJ issues a decision, based upon the record. Parties can appeal to the Commissioners for review. The three Commissioners issue their own decision, perhaps affirming the ALJ's decision. The parties can then appeal the Commission's decision through the court system.

### **2.2 How we set rates**

The company must prove its proposed rates are fair, just, reasonable, and sufficient. It must file detailed financial and operational data to prove the proposed rates are fair, just, reasonable, and sufficient. The company is entitled to recover appropriate expenses, and a reasonable profit.

Very simply, the goal of rate setting allocates total company expense to regulated activities (garbage service in an unincorporated county), by different service categories (residential

garbage, residential recycling, yardwaste, commercial garbage, drop box, etc.), by different service levels (for residential customers: micro can, mini can, one can, etc.). The total expenses for each service level divided by the number of customers equals the rate. The allocations may take place in several different orders.

In determining the company's gross revenues, the Commission uses a historical test period. Staff adjusts the income statement for the test year in two ways. "Restating adjustment" correct for errors and departures from regulatory accounting practice. "Pro forma adjustments" give effect to known and measurable changes in revenue and expenses that have taken or will soon take place.

The Commission does not use cost-plus rate making, nor does the Commission guarantee any company will earn a profit. Staff uses a computer model of a methodology approved by the Commission in 1992 to calculate the appropriate profit level.

### **3. COST ASSESSMENT INFORMATION**

For the reasons outlined in Sections one and two, the WUTC reviews the local comprehensive solid waste management plan's cost assessment and advises the local government of the probable effect the alternatives may have on rates charged by firms regulated by the WUTC. This section identifies the information the WUTC needs to analyze the cost and rate impact. WUTC staff looks for evidence that the planning jurisdiction: looks at solid waste management in a comprehensive, system-wide perspective; considers the dollar impact of its decisions on ratepayers; and, provides information sufficient to estimate future rate levels.

#### **3.1 Information Needs**

To determine the probable effect a solid waste management plan will have on rates, the WUTC needs the following information:

- current population and solid waste disposal quantities,
- detailed description of the existing comprehensive SWM system, including alternatives,
- proposed changes in the present SWM system,
- estimated dollar requirements for each component of the solid waste management system for years one, three and six,
- all sources of funding to be utilized to operate and pay for the comprehensive system, and

- the role of the WUTC-regulated solid waste collection company(s).

Both population and the number of businesses relate to the number of customers, the weight collected, and time required on routes. The dollar requirements for local government programs, infra structure, and supporting facilities impacts total system costs, which will impact rates. Changes in the solid waste management system will need to be expended or capitalized. This also directly impacts solid waste rates.

Cost variances over time are another important element needed for assessing rate impacts. ESHB 1671, Section (3), subsection (3) requires the local waste management plan to:

- (c) Contain a six-year construction and capital acquisition program for solid waste handling facilities, and
- (d) Contain a plan for financing both capital costs and operating costs of the proposed solid waste management system.

In complying with these requirements, the cost data should address costs and financing options for years one, three, and six.

Please provide complete data in the plan. Proper review of rate impacts require both direct and indirect cost information for each component of the system. Provide, to the greatest extent possible, all assumptions used to develop the cost data.

The questionnaire in Section five outlines the information the WUTC needs to assess changes in rates. This questionnaire is not mandatory we provide it as a tool to ensure that each plan provides WUTC staff necessary information to complete their analysis. The local government may use the format provided or submit comparable cost information in another form.

The local government should provide information on all the solid waste collection companies in its area. This information can be obtained from the WUTC, regulated haulers directly, or from haulers operating within the county without Commission regulation. The Department of Ecology is another source for data as well.

### **3.2 Planning Numbers vs. Rate Data**

The solid waste plan guides decisions about future activities. Any plan which involves forecasting the future is necessarily subject to uncertainty; this is particularly true for solid waste. Population change, economic growth or decline, housing construction, fluctuating interest rates, enforcement actions by state or local authorities, changes in state and federal law, and participation levels in recycling programs, are just some of the variables in the solid waste equation that will vary between planning and implementation of solid waste programs. The

statutory requirement to review the solid waste plan and report potential rate impacts presents a challenge in distilling precise information necessary to compute rates from vague planning figures.

These guidelines are intended to be flexible and they will assist local governments in calculating rates based on assumptions outlined in their plan. To provide a clear rationale for its decisions, a local comprehensive solid waste management plan should contain a statement of the counties' goals, objectives, and policies. The plan should also contain explicit information on local conditions, assumptions, and existing operations to support the plan's cost conclusions. During its review, the WUTC staff will use these assumptions, along with current solid waste collection company statistics and data, to determine any changes the plan may cause in solid waste collection rates.

### **3.3 Direct vs. Indirect System Costs**

The WUTC review looks for two types of costs: direct costs and indirect costs.

An example of a direct cost component is a recycling program provided by a WUTC certificate holder. In this case, the company recovers its costs of operating the program directly from ratepayers through collection rates. The plan should provide sufficient information for the WUTC staff to determine the probable rate impact. Impacts will be affected by the number of participating households, type and volume of materials collected, frequency of collection, the processing facility to which materials will be taken, and other information.

An example of an indirect cost component is a surcharge or city tax. These also impact collection rates.

## **4. WUTC COST ASSESSMENT REVIEW**

### **4.1 The Internal Process**

State law requires local governments to submit preliminary draft solid waste management plans to the Department of Ecology (Ecology) for review. Ecology requires seven copies for distribution to reviewers in the regional offices, headquarters, and the WUTC. The Commission reviews the plan's assessment of the impact solid waste collection costs will have on rates charged by solid waste collection companies regulated under 81.77 RCW. We must complete our review within 45 days of receiving the plan from Ecology.

Because the Commission has relatively little time to review a plan, we developed the following process to ensure a timely review. When we receive a preliminary draft plan, we assign a docket number and schedule a tentative open meeting agenda date. We notify the local government and Ecology of the open meeting date. During the meeting, Commission staff presents the result of their analysis to the Commissioners. Local government representative(s) and all other interested parties also present their questions or comments. The Commissioners then decide on the



acceptability of the analysis and review letter. If accepted, we send the formal review letter to the local government, Ecology and all certificated haulers operating in that area.

During their review, WUTC staff looks for the types of information discussed in these guidelines. Each solid waste hauler in the local government's planning area that has filed for a rate increase in the past three years should have a cost of service study on file with the Commission. The assumptions in the plan can be used with the cost-of-service study to determine possible rate impacts.

If the WUTC cannot make a rate determination because of missing, imprecise, or unclear information, the WUTC staff will contact the local government planner for clarification. If the reviewer still cannot make a rate determination, the Commission will discuss the reasons in the review letter to the local government. In these cases, the Commission may choose to use assumptions based on similar projects and circumstances to estimate possible rate impacts, or it may request the planner provide the missing information be provided in the next preliminary draft.

## 5. SOLID WASTE COST ASSESSMENT QUESTIONNAIRE

The WUTC staff developed this questionnaire to assist local planners in completing the cost assessment from which the Commission will calculate the potential rate impact(s). This questionnaire provides you with the questions that need to be answered so the Commission staff can perform the assessment of the SWM plans and determine the impact it may have on rates.

The Commission staff submits this document to the local governments to facilitate the transfer of a great deal of information, and to make the assessment process as transparent and understandable as possible. Although the Commission prefers the local government to submit information in the provided format, RCW 70.95.090 does not mandate the use of this questionnaire. You may provide the requested information in any format you choose. However, it is **mandatory** that, you prepare a cost assessment.

RCW 70.95.090(3)(c) requires a six-year construction and capital acquisition program for solid waste handling facilities. To gauge the impact over the six-year timespan, the questionnaire asks for information from three key years: the first, third, and sixth year of the SWM plan.

Please respond to the best of your ability. The more complete your response, the easier it will be to provide a quality rate impact assessment. If you feel that your SWM plan adequately addresses specific questions, simply note to what page the staff may refer, rather than answering the question again.

Please note that each major section of the questionnaire concludes with a subsection entitled "**References and Assumptions**" (e.g., section 1.2). These sections allow an opportunity to note those sources and references that you feel the Commission should know while preparing the cost assessment. In these sections, you should also report any assumptions that you make while compiling questionnaire responses.

After all the information has been gathered, you may include this questionnaire as a section of, or an appendix to, the SWM plan. Alternatively, you may send it directly to the Commission or attach it to one of the seven plans you will send to Ecology. If you choose this option be sure to clearly mark it as the one for the Commission. Please choose whichever option works best for you.

If you have any questions regarding the format or intent of the questionnaire, please don't hesitate to call the Commission's Solid Waste Plan Reviewer at (360) 753-6829.

# COST ASSESSMENT QUESTIONNAIRE

Please provide the information requested below:

**PLAN PREPARED FOR THE COUNTY OF:** San Juan

**PLAN PREPARED FOR THE CITY OF:** Town of Friday Harbor

**PREPARED BY:** Mark Herrenkohl, Solid Waste Program Administrator, San Juan County Public Works

**CONTACT TELEPHONE:** (360) 370-0534 **DATE:** November 28, 2017

## DEFINITIONS

Please provide these definitions as used in the Solid Waste Management Plan and the Cost Assessment Questionnaire.

Throughout this document:

YR.1 shall refer to 2018.

YR.3 shall refer to 2020.

YR.6 shall refer to 2023.

Year refers to (circle one) 

<b>calendar</b>
-----------------

 (Jan 01 - Dec 31)  
**fiscal** (Jul 01 - Jun 30)

1. **DEMOGRAPHICS:** To assess the generation, recycling and disposal rates of an area, it is necessary to have population data. This information is available from many sources (e.g., the State Data Book, County Business Patterns, or the State Office of Finance and Management).

## 1.1 Population

- 1.1.1 What is the **total** population of your County/City?

YR.1 16,580 YR.3 16,845 YR.6 17,365

- 1.1.2 For counties, what is the population of the area **under your jurisdiction?** (Exclude cities choosing to develop their own solid waste management system.)

YR.1 16,580 YR.3 16,845 YR.6 17,365

## 1.2 References and Assumptions

*Population data are based on historic trends in the County's proportionate share of the Washington State population, consistent with the projections used in the San Juan County Comprehensive Plan revised in 2017.*

2. **WASTE STREAM GENERATION:** The following questions ask for total tons recycled and total tons disposed. Total tons disposed are those tons disposed of at a landfill, incinerator, transfer station or any other form of disposal you may be using. If other please identify.

### 2.1 Tonnage Recycled

- 2.1.1 Please provide the total tonnage **recycled** in the base year, and projections for years three and six.

YR.1 3,920 YR.3 4,159 YR.6 4,545

### 2.2 Tonnage Disposed

- 2.2.1 Please provide the total tonnage **disposed** in the base year, and projections for years three and six.

YR.1 11,204 YR.3 11,610 YR.6 12,249

### 2.3 References and Assumptions

Assume for tonnage of recyclables and disposed:

- 3% annual inflation factor for certificated hauler and county drop-off facilities over the next 6 years.
- 1% annual inflation factor for Town of Friday Harbor.

**3. SYSTEM COMPONENT COSTS:** This section asks questions specifically related to the types of programs currently in use and those recommended to be started. For each component (i.e., waste reduction, landfill, composting, etc.) please describe the anticipated costs of the program(s), the assumptions used in estimating the costs and the funding mechanisms to be used to pay for it. The heart of deriving a rate impact is to know what programs will be passed through to the collection rates, as opposed to being paid for through grants, bonds, taxes and the like.

**3.1 Waste Reduction Programs**

3.1.1 Please list the solid waste programs which have been implemented and those programs which are proposed. If these programs are defined in the SWM plan please provide the page number. (Attach additional sheets as necessary.)

<u>IMPLEMENTED</u>	<u>PROPOSED</u>
<i>See SW Plan Sections 2.2, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 7.2</i>	<i>See SW Plan Section 3.1, 3.6, 3.7, 3.8, 7.3, 7.4</i>

3.1.2 What are the costs, capital costs and operating costs for waste reduction programs implemented and proposed?

*Costs for waste reduction, education, and outreach is included with administration in questionnaire Section 3.6.*

3.1.3 Please describe the funding mechanism(s) that will pay the cost of the programs in 3.1.2.

*Costs for waste reduction, education, and outreach is included with administration in questionnaire Section 3.6.*

**3.2 Recycling Programs**

3.2.1 Please list the proposed or implemented recycling program(s) and, their costs, and proposed funding mechanism or provide the page number in the draft plan on which it is discussed. (Attach additional sheets as necessary.)

<u>IMPLEMENTED (2017)</u>		
PROGRAM	COST	FUNDING
<i>SW Plan Sections 3.4, 3.5, 3.6, 7.2.1</i>		<i>Recycling and garbage fees</i>
<i>Recycling tipping fees vary between curbside collection and drop-off at solid waste facilities. Refer to Appendix E of SW Plan for 2017 fee schedule for County solid waste facilities.</i>		

PROPOSED (2018-2023)  
*SW Plan sections 3.1.*  
*San Juan County costs for recycling education are included with administration in questionnaire Section 3.6.*

### 3.3 Solid Waste Collection Programs

#### 3.3.1 Regulated Solid Waste Collection Programs

Fill in the table below for each **WUTC regulated** solid waste collection entity in your jurisdiction. (Make additional copies of this section as necessary to record all such entities in your jurisdiction.)

**WUTC Regulated Hauler Name** San Juan Sanitation  
**G-permit #**144

	<u>YR.1</u>	<u>YR. 3</u>	<u>YR. 6</u>
<b>RESIDENTIAL</b>			
- # of Customers	896	950	1,038
- Tonnage Collected	547	580	634
<b>COMMERCIAL</b>			
- # of Customers	622	660	721
- Tonnage Collected	3,782	4,012	4,384

*Assumes 3% annual inflation factor for certificated hauler over the next 6 years.*

3.3.2 Other (non-regulated) Solid Waste Collection Programs Fill in the table below for other solid waste collection entities in your jurisdiction. (Make additional copies of this section as necessary to record all such entities in your jurisdiction.)

**Hauler Name** Town of Friday Harbor (from Table 6 in SW Plan)

	<u>YR. 1</u>	<u>YR. 3</u>	<u>YR. 6</u>
# of Customers	994	1,014	1,045
Tonnage Collected	1,868	1,906	1,963

*Assumes an annual inflation factor of 1%.*

### 3.4 Energy Recovery & Incineration (ER&I) Programs

(If you have more than one facility of this type, please copy this section to report them.)

NA

### 3.5 Land Disposal Program

(If you have more than one facility of this type, please copy this section to report them.)

NA

### **3.6 Administration Program**

3.6.1 What is the budgeted cost for administering the solid waste and recycling programs and what are the major funding sources.

#### **San Juan County**

##### Budgeted Cost

YR.1 \$457,500 YR.3 \$460,500 YR.6 \$465,500

##### Funding Source

*Excise tax, facility leases, coordinated prevention and community litter grants.*

#### **Town of Friday Harbor**

##### Budgeted Cost

YR.1 \$1,060,850 YR.3 \$1,125,456 YR.6 \$1,229,816

##### Funding Source

*Collection fees, sale of grease, additional bill copy fees, Sutton Road facility lease.*

3.6.2 Which cost components are included in these estimates?

*For the County, overall costs for solid waste program administration, education, and outreach programs, landfill closure, hazardous waste, and reserve account. For the Town, overall costs for solid waste program administration, tipping fees, waste reduction programs, landfill closure, hazardous waste, and reserve account.*

3.6.3 Please describe the funding mechanism(s) that will recover the cost of each component.

*For the County, Solid Waste Excise Tax on Municipal Solid Waste collected in San Juan County, Ecology grants, and facility leases. For the town, collection fees, sale of grease, and lease fees.*

### **3.7 Other Programs**

For each program in effect or planned which does not readily fall into one of the previously described categories please answer the following questions. (Make additional copies of this section as necessary.)

3.7.1 Describe the program, or provide a page number reference to the plan.

*Hazardous Waste program, Section 9.*

*Landfill Monitoring Appendix F.*

3.7.2 Owner/Operator: San Juan County Solid Waste Division  
Town of Friday Harbor Utilities Division

3.7.3 Is WUTC Regulation Involved? If so, please explain the extent of involvement in section 3.8.

*No.*

3.7.4 Please estimate the anticipated costs for this program, including capital and operating expenses.

<b>County</b>	Hazardous Waste	YR.1 <u>\$60,000</u>	YR.3 <u>\$60,000</u>	YR.6 <u>\$60,000</u>
	Landfill Monitoring	YR.1 <u>\$55,000</u>	YR.3 <u>\$58,000</u>	YR.6 <u>\$63,000</u>

<b>Town</b>	Hazardous Waste & Landfill Monitoring			
	YR.1 <u>\$122,550</u>	YR.3 <u>\$130,013</u>	YR.6 <u>\$142,069</u>	

3.7.5 Please describe the funding mechanism(s) that will recover the cost of this component.

*County – (Hazardous Waste) – Excise tax, Coordinated Prevention Grant*

*County – (Landfill Monitoring) – Excise tax, reserve funds*

*Town – (Hazardous Waste & Landfill Monitoring) – Collection fees, taxes, and leases.*

**3.8 References and Assumptions** (attach additional sheets as necessary)

**4. FUNDING MECHANISMS:** This section relates specifically to the funding mechanisms currently in use and the ones which will be implemented to incorporate the recommended programs in the draft plan. Because the way a program is funded directly relates to the costs a resident or commercial customer will have to pay, this section is crucial to the cost assessment process. Please fill in each of the following tables as completely as possible.



Table 4.1.1 Facility Inventory 2018

Facility Name	Type of Facility	Tip Fee per Ton 2018	Transfer Cost* 2018	Transfer Station Location	Final Disposal Location	Total Tons Disposed (2018)	Total Revenue Generated (Tip Fee x Tons) (2018)
San Juan Transfer Station	Transfer Station	\$347.21 \$165.00 Cert-Haul		212 Sutton Road San Juan Island	Cowlitz Landfill, Washington	5,349***	
Orcas Transfer Station	Transfer Station	\$300.00 \$195.00 Cert-Haul		3398 Orcas Road Orcas Island	Roosevelt Landfill, Washington	5,222****	
Lopez Solid Waste Disposal District	Drop Box	By volume \$8/32-gal can**		2419 Fisherman Bay Road Lopez Island	Roosevelt Landfill, Washington	633	
					TOTAL	11,204	

\* Transfer and Disposal Costs in 2018.

\*\*LSWDD also collects property taxes from Lopez Island residents.

\*\*\*Includes Town of Friday Harbor and San Juan Sanitation solid waste disposal (30% of total SJS disposal).

\*\*\*\*Includes San Juan Sanitation solid waste disposal (70% of total SJS disposal).

Table 4.1.2 Tip Fee Components

Tip Fee by Facility	Surcharge	City Tax	County Tax	Transportation Cost	Operational Cost	Administration Cost	Closure Costs
San Juan Transfer Station - \$347.21							
San Juan Transfer Station - \$165.00 Cert Haul							
Orcas Transfer Station - \$300.00							
Orcas Transfer Station - \$195 Cert Haul							

Table 4.1.3 Funding Mechanism - 2018

Name of Program Funding Mechanism will defray costs	Bond Name	Total Bond Debt	Bond Rate	Bond Due Date	Grant Name	Grant Amount	Excise Tax	Taxes	Other	Surcharge
Household Hazardous Waste Collection and Disposal					Coordinated Prevention Grant	\$45,000	\$15,000			
Roadside and Beach Litter Cleanup					Community Litter Cleanup Grant	\$15,000	\$0			
Closure and Debt Costs							\$125,000			

Table 4.1.4 Tip Fee Forecast (Year One - 2018)\*

Tip Fee per Ton by Facility	Year One	Year Two	Year Three	Year Four	Year Five	Year Six
San Juan Transfer Station	\$347.21 \$165.00 Cert- Haul	\$347.21 \$165.00 Cert-Haul	\$347.21 \$165.00 Cert-Haul	\$347.21 \$165.00 Cert-Haul	\$347.21 \$165.00 Cert-Haul	\$347.21 \$165.00 Cert-Haul
Orcas Transfer Station	\$300.00 \$195.00 Cert- Haul	\$300.00 \$195.00 Cert- Haul	\$300.00 \$195.00 Cert-Haul	\$300.00 \$195.00 Cert-Haul	\$300.00 \$195.00 Cert- Haul	\$300.00 \$195.00 Cert- Haul
Lopez Solid Waste Disposal District	By volume \$8/32-gal can**	By volume \$8/32-gal can**	By volume \$8/32- gal can**	By volume \$8/32- gal can**	By volume \$8/32-gal can**	By volume \$8/32- gal can**

\* 2016 dollars, assume increases over 6 years is due to inflation and increase in transportation costs (e.g., ferry rates).

4.2 **Funding Mechanisms** summary by percentage: In the following tables, please summarize the way programs will be funded in the key years. For each component, provide the expected percentage of the total cost met by each funding mechanism. (e.g. Waste Reduction may rely on tip fees, grants, and collectoin rates for funding). You would provide the estimated responsibility in the table as follows: Tip fees=10%; Grants=50%; Collection Rates=40%. The mechanisms must total 100%. If components can be classified as “other,” please note the programs and their appropriate mechanisms. Provide attachments as necessary.

Table 4.2.1 Funding Mechanism by Percentage						
Year One 2018						
Component	Tip Fee %	Grant %	Bond %	Excise Tax %	Other %	Total
Waste Reduction(1)						100%
Recycling	100%					100%
Collection	100%					100%
Transfer	100%					100%
Land Disposal	100%					100%
Administration				100%		100%
Landfill Monitoring & Closure				100%		100%
MRW Program		75%		25%		100%
Litter Program		100%				100%

(1) Included with administration.

Table 4.2.2 Funding Mechanism by Percentage						
Year Three 2020						
Component	Tip Fee %	Grant %	Bond %	Collection Tax Rates %	Other %	Total
Waste Reduction(1)						100%
Recycling	100%					100%
Collection	100%					100%
Transfer	100%					100%
Land Disposal	100%					100%
Administration				100%		100%
Landfill Monitoring & Closure				100%		100%
MRW Program		75%		25%		100%
Litter Program		100%				100%

(1) Included with administration.

**Table 4.2.3 Funding Mechanism by Percentage  
Year Six 2023**

Component	Tip Fee %	Grant %	Bond %	Collection Tax Rates %	Other %	Total
Waste Reduction(1)						100%
Recycling	100%					100%
Collection	100%					100%
Transfer	100%					100%
Land Disposal	100%					100%
Administration				100%		100%
Landfill Monitoring & Closure				100%		100%
MRW Program		75%		25%		100%
Litter Program		100%				100%
Waste Reduction(1)						100%

(1) Included with administration.

### **4.3 References and Assumptions**

Please provide any support for the information you have provided. An annual budget or similar document would be helpful.

*See tables in Solid Waste Plan Financial section tables 15-18 for historical and six and twenty year projected financial information.*

### **4.4 Surplus Funds**

Please provide information about any surplus or saved funds that may support your operations.