

Jefferson County
Board of Commissioners
Agenda Request

To: Board of Commissioners
Mark McCauley, County Administrator

From: Monte Reinders, Public Works Director/County Engineer 

Agenda Date: July 3, 2023

Subject: Solid Waste Fee Schedule Resolution

Statement of Issue: The current fee schedule for solid waste services became effective January 1, 2014 [Ord. 6-13 § 1 (Exh. A)] as part of Jefferson County Code, Appendix FEE SCHEDULES, III. Public Works Department - Solid Waste Division. The attached Resolution would set new fees for the Solid Waste program.

Analysis/Strategic Goals/Pro's & Con's:

Fees for solid waste services have not been adjusted since 2019 and revenue is not keeping pace with rising operational costs. A 2.5% annual cost escalator is proposed for solid waste fees to maintain a sufficient fund balance and to partially offset inflation. In addition, a \$20 minimum fee has been recommended by staff in order to discourage small self-haul loads that have created long lines and site capacity issues. This minimum fee is in line with the western Washington regional average minimum fee.

Fiscal Impact/Cost Benefit Analysis:

Financial analysis and feedback on proposed fee revisions from the Solid Waste Advisory Committee has been shared with the Board of County Commissioners at three workshops and is covered in detail in the issue paper provided in these earlier workshops and which is attached again.

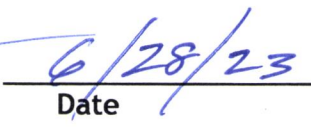
Recommendation:

Public Works recommends adoption of the attached Resolution to adjust the Solid Waste Fee schedule as proposed by Public Works.

Department Contact: Al Cairns X213

Reviewed By:


Mark McCauley, County Administrator


Date

STATE OF WASHINGTON

County of Jefferson

**A Resolution Adopting a Fee Schedule for the
Department of Public Works, Solid Waste
Division**

RESOLUTION NO. _____

WHEREAS, Jefferson County is a political subdivision of the state of Washington as provided by Title 36 RCW and the Washington State Constitution Article 11, and may impose fees to recoup the costs of providing services to the public; and,

WHEREAS, the Board of County Commissioners may impose fees charged by the Department of Public Works, Solid Waste Division (“Solid Waste Division”) to implement the code and statutory duties; and,

WHEREAS, JCC 3.80.020 authorizes the Solid Waste Division to request adoption of its fee schedule by resolution; and,

WHEREAS, the Jefferson County Moderate Risk Waste Facility is no longer in operation; and

WHEREAS, solid waste per ton fees have not been increased since 2019; and

WHEREAS, solid waste transaction minimum fees have not been increased since 2014; and

WHEREAS, yard debris minimum transaction fees have not increased since 2014; and

WHEREAS, solid waste enterprise fund balances have been drawn down in order to maintain the per ton fee since 2019; and

WHEREAS, solid waste enterprise fund balances are now reduced to minimum levels consistent with prudent fiscal management; and

WHEREAS, transaction wait times for both solid waste and yard debris customers continue to increase as service demand grows and site constraints at the transfer station limit options for increasing capacity; and

WHEREAS, Solid Waste Division staff has completed an analysis of solid waste operations, fund balances, projected costs and fees; and

WHEREAS, Solid Waste Division staff presented the findings of that analysis to the Board of County Commissioners at a briefing that was duly-noticed and open to the public on April 17, 2023; and

WHEREAS, Solid Waste Division and City of Port Townsend staff briefed Port Townsend City Council on recommended fee revisions on May 1, 2023 and that meeting was duly-noticed and open to the public; and

WHEREAS, the City of Port Townsend has requested that the fee for yard debris transactions be adopted under Port Townsend Code; and

WHEREAS, Solid Waste Division staff presented the analysis of solid waste operations, fund balances, projected costs and fees to the Solid Waste Advisory Committee at a scheduled meeting on May 25, 2023 and that meeting was duly-noticed and open to the public; and

WHEREAS, the Board of County Commissioners considered a resolution revising solid waste fees and an ordinance with recommended revisions to chapter 8.10 of the Jefferson County Code related to solid waste fee policy and repealing Appendix Fee Schedules Section III, at a briefing on June 5, 2023 that was duly-noticed and open to the public; and

WHEREAS, the Solid Waste Advisory Committee members conducted a poll of a quorum of members on each of the Public Works-recommended revisions to the solid waste fee schedule and other elements of a draft resolution at a special meeting on June 8, 2023 and said meeting was duly-noticed and open to the public; and

WHEREAS, Solid Waste Division staff presented the results of the poll conducted by the Solid Waste Committee on June 8, 2023 to the Board of County Commissioners at a briefing on June 12, 2023 that was duly-noticed and open to the public; and

WHEREAS, public notice of a public hearing on the matter of solid waste fee increases was published in the paper of record in the June 14, 2023 and June 21, 2023 editions; and

WHEREAS, the Board of County Commissioners considered recommendations from Solid Waste Division staff on revisions to Jefferson County Code, Appendix Fee Schedules Section III, at a public hearing on June 26, 2023 that was duly-noticed and open to the public; and

WHEREAS, the proposed changes to the Jefferson County Code and in this resolution implement new fee schedules for solid waste collected and managed at the Jefferson County Transfer Station, and the Quilcene Drop Box Site.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF JEFFERSON COUNTY:

Section 1. The 2023 Department of Public Works, Solid Waste Division Fee Schedule attached in the Appendix is hereby adopted.

Section 2. This Resolution shall take effect sixty (60) days after adoption by the Board of County Commissioners.

(SIGNATURES FOLLOW ON THE NEXT PAGE)

APPROVED and ADOPTED this _____ day of _____, 2023.

JEFFERSON COUNTY BOARD OF
COMMISSIONERS

Greg Brotherton, Chair

Kate Dean, Member

Heidi Eisenhour, Member

SEAL:

ATTEST:

Carolyn Gallaway Date
Clerk of the Board

Approved as to form only:

Philip C. Hunsucker Date
Chief Civil Deputy Prosecuting Attorney

APPENDIX

2023 FEE SCHEDULE FOR DEPARTMENT OF PUBLIC WORKS, SOLID WASTE DIVISION

Section 1. Fee indexing.

The solid waste disposal fees established by this resolution, with the exception of the environmental fee (Section 4 No. (3)) shall be adjusted on the first business day of 2025 and annually thereafter by a percentage increase of two and one-half percent. Annual adjustments shall be made until solid waste fund balances have met the benchmarks below. The percentage increase of two and one-half percent is calculated to maintain minimum specified reserved balances in the solid waste funds, measured by the following benchmarks:

- (1) A projected year-end reserved capital fund balance of 25 percent of current capital replacement value in equipment and buildings, excluding any GO bond funds, and
- (2) A projected year end reserved operations fund balance of 25 percent of the projected annual total solid waste operation expenditures.

An increase over the annual percentage rate fee increase of two and one-half percent that is necessary for the fund reserved balances to meet the stated benchmarks shall be subject to review, approval and adoption by resolution of the Board of County Commissioners.

Copies of the fee schedule shall be available to the public on the department of public works' website, at the public works office, and on file at the board of county commissioners' office. The fee schedule is available by mail or electronic mail to any member of the public upon request. The adjusted fee schedule will show the prior year's fees and the new fees.

Section 2. Charges.

The Washington State solid waste collection tax shall be added to the adjusted base fees where applicable and charges shall be rounded to the nearest whole dollar when scale software allows for this function.

Section 3. Scale Transit Fee

A minimum fee of \$20.00 shall be charged for each roundtrip transit of the scales at the transfer station.

Section 4. Solid waste disposal – Transfer station commercial and noncommercial rates.

The Washington State solid waste collection tax, where applicable, will be added to fees as shown in this Fee Schedule. The scale transit fee (Section 3) applies to solid waste load weights up to two hundred and forty (240) pounds. The per ton fee applies to solid waste load weights above two hundred and forty (240) pounds. The minimum weight may be adjusted upward at the discretion of the Director of Public Works to approximate correct per ton charges.

	2014 Base (pre-tax fee)	2023 Base Fee (pre-tax)	2023 Fee with tax (rounded)
(1) Solid waste disposal rate	\$139.00/ton	\$161.20	\$167.00/ton
(2) Asbestos disposal rate	Not accepted	Not accepted	Not accepted
(3) Refrigerators	\$139.00/ton + 20.00 environmental fee	\$161.20/ton + \$20.00	\$167.00/ton + \$20.00 environmental fee
(4) Minimum charge (scale transit fee)	\$9.65	\$19.30	\$20.00
(5) Non-disposal weight charge	\$5.00	\$20.00	\$20.00

In the event the weight scales are inoperative, the rates for the solid waste disposal drop box site listed in Section 4 shall apply to loose waste and other items; commercial compacted waste shall be charged based on average load weights for each route (determined for the immediately preceding calendar month), and by mutual agreement with the Washington State Utilities and Transportation Commission-licensed hauler.

Section 5. Solid waste disposal drop box site (Quilcene).

The Washington State solid waste collection tax, where applicable, shall be added to the adjusted base fees as shown below.

	2014 Base Fee (pre-tax)	2023 Base Fee (pre-tax)	2023 Fee with tax (rounded)
(1) Minimum fee (up to Two 32-gallon containers)	\$5.79	\$14.48	\$15.00
(2) Loose garbage:			
(a) Load up to one cubic yard	\$30.89	\$34.75	\$36.00
(b) Each additional ½ cubic yard	\$15.44	\$17.37	\$18.00
(3) Automobile tires (each)	\$5.79	\$6.76	\$7.00
(4) Truck tires (each)	\$6.75	\$7.72	\$8.00
(5) Heavy equipment tires (each)	\$15.44	\$17.37	\$18.00
(6) Large items not fitting in compactor (each)	\$15.44	\$17.37	\$18.00

		2014 Base Fee (pre-tax)	2023 Base Fee (pre-tax)	2023 Fee with tax (rounded)
(7)	White goods (each)	\$15.44	\$17.37	\$18.00
(8)	Refrigerators (each)	\$28.96	\$32.82	\$34.00

**Solid Waste Fee Schedule
Issue Paper
April, 2023**

Statement of Issue

The Jefferson County Solid Waste Enterprise Fund is self-funded by the fees charged for municipal solid waste. A small portion of operating costs (less than 1%) are paid for with grant funds from the Department of Ecology.

Operational costs for salaries and benefits, equipment purchase and maintenance, and contracted services like solid waste transport and disposal have all increased by at least 3% per annum since the last adjustment to solid waste fees in 2019. Fees need to be adjusted to meet these cost increases and to maintain prudent fund balances in order to make Capital improvements and to make emergency repairs or replace critical equipment.

Solid waste handling facilities use minimum fees to manage self-haul customer demand by encouraging fewer, heavier loads or curbside service by subscription. The current minimum fee at the Transfer Station has not been adjusted since 2014.

The fee schedule at the Quilcene Rural Drop Box is based on volume rather than weight because the facility lacks scales. The fee schedule is set to make the facility operation cost-neutral or positive. Revenue has not met operational costs for the past 3 years.

The fee schedule for yard debris disposal has not been adjusted since adoption in 2014 and the minimum charge is too low to discourage frequent, low weight visits which cause longer wait times for other customers.

Background

Benchmarks

The current fee schedule became effective January 1, 2014 [Ord. 6-13 § 1 (Exh. A)] as part of Jefferson County Code, Appendix FEE SCHEDULES, III. Public Works Department – Solid Waste Division, and attached for reference.

Under III-012 Fee Indexing, three benchmarks are used to guide fund balances:

- (1) A year end reserved capital fund balance of 12% of current capital replacement value in equipment and buildings
- (2) A year end reserved operations fund balance of 15% of annual solid waste expenditures
- (3) An increase in annual waste tons received of no less than 1% with 2013 as the base year

A report on solid waste facility asset values was completed in November 2022 and is attached for reference. Current facility replacement costs are estimated at a low of \$6,910,949 and a high of \$8,167,485. Using the high replacement cost estimate and the current solid waste budget, **Table**

**Solid Waste Fee Schedule
Issue Paper
April, 2023**

1 shows that the above benchmark for reserved capital fund is not being met while it is for reserved operations fund.

**Table 1
Current Ordinance Benchmarks**

Capital Fund	
Facility Replacement Cost:	\$ 8,167,485
Projected Capital Fund Balance end of 2023:	\$ 915,839
12% of Facility Replacment Cost:	\$ 980,098
Difference:	\$ (64,259)
Reserved Operations Fund	
Projected Solid Waste Expenditures:	\$ 4,217,993
Projected Reserved Fund Balance End of 2023:	\$ 1,398,348
15% of Reserve Fund Balance:	\$ 632,699
Difference:	\$ 765,649

A benchmark of 25% for reserve balances is more prudent considering the need for facility replacement, the large outlay for emergency replacement of critical machinery, the current inflationary period, and the program's vulnerability to large market corrections.

Table 2 shows that should the benchmarks be adjusted upward to 25% of facility replacement costs and one quarter of annual expenditures, the fund balance would fall far below the benchmark for capital replacement and would be only marginally sufficient to meet the benchmark for annual operating expenditures.

**Table 2
Modified Benchmarks: 25% Capital and O&M**

Capital Fund	
Facility Replacement Cost:	\$ 8,167,485
Projected Capital Fund Balance end of 2023:	\$ 915,839
25% of Facility Replacment Cost:	\$ 2,041,871
Difference:	\$ (1,126,032)
Reserved Operations Fund	
Projected Solid Waste Expenditures:	\$ 4,217,993
Projected Reserved Fund Balance End of 2023:	\$ 1,398,348
25% of Projected Expenditures:	\$ 1,054,498
Difference:	\$ 343,850

The third benchmark concerning annual tonnages serves as a sort of caveat for the first two. It sets the basis for fee adjustments regardless of fund balances should tonnages (99.06% of revenue) begin to soften and provides the County with a means to react to market downturns, as has been experienced in the past.

**Solid Waste Fee Schedule
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Table 3 shows that the average increase in tonnages of 3.4% since 2013 meets the third benchmark. It should be noted however that there are years of near-zero or negative growth in the mix and these variations in revenue have been addressed by either spending down the operating fund balance or with a slight increase to the tipping fee or both. This strategy allows us to make incremental adjustments to the fees in service to our customers.

Operating reserves have been spent down since 2019 in order to maintain the current fees, from a beginning balance of \$2.2M in 2022 to an estimated \$1.2M at end of 2023. This has only been possible with an increase in tonnages (revenue). Additional revenues are now necessary to maintain benchmark reserves.

**Table 3
Transfer Station Annual Tonnage 2013-2023**

<i>Year</i>	<i>Tonnage</i>	<i>% Increase</i>
2013	17,673.15	
2014	17,662.24	-0.1%
2015	18,814.26	6.5%
2016	20,413.85	8.5%
2017	20,454.07	0.2%
2018	20,960.11	2.5%
2019	21,662.34	3.4%
2020	21,587.13	-0.3%
2021	23,443.41	8.6%
2022	23,816.81	1.6%
Average Increase		3.4%

The Solid Waste Fund is vulnerable to major market corrections as seen in **Tables 4 and 5**. In this “stress test”, the 2023 projected end of year fund balances and expenditures are applied to the historic decrease in revenue starting in 2006 which was a bellwether to the market correction caused by bank failures in 2008.

These tables show that if fund balances were set at the recommended 25% of annual operating expenses and facility replacement value they would be inadequate to meet the benchmark in the third year of a market downturn and capital funds would be far below benchmark immediately. This demonstrates the importance of maintaining adequate reserves to weather major market downturns and the need to rebuild those balances now.

**Table 4
Historic Market Correction Applied to Reserved Operations Fund Projections**

Year	Revenue Increase/Decrease (%)	2023 End of Year Fund Balance	Expenditures	15% Reserve	Over/Under Benchmark	25% Reserve	Over/Under Benchmark
2006		\$ 1,398,348	\$ 4,217,993	\$ 632,699	\$ 765,649	\$ 1,054,498	\$ 343,850
2007	-4%	\$ 1,342,414	\$ 4,323,443	\$ 648,516	\$ 693,898	\$ 1,080,861	\$ 261,553
2008	-1%	\$ 1,328,990	\$ 4,431,529	\$ 664,729	\$ 664,261	\$ 1,107,882	\$ 221,108
2009	-9%	\$ 1,209,381	\$ 4,542,317	\$ 681,348	\$ 528,033	\$ 1,135,579	\$ (73,802)
2010	1%	\$ 1,330,319	\$ 4,655,875	\$ 698,381	\$ 631,938	\$ 1,163,969	\$ (166,350)
2011	-6%	\$ 1,250,500	\$ 4,772,272	\$ 715,841	\$ 534,659	\$ 1,193,068	\$ (57,432)
2012	0%	\$ 1,250,500	\$ 4,891,579	\$ 733,737	\$ 516,763	\$ 1,222,895	\$ (27,605)
2013	2%	\$ 1,275,510	\$ 5,013,868	\$ 752,080	\$ 523,430	\$ 1,253,467	\$ (22,043)
2014	0%	\$ 1,275,510	\$ 5,139,215	\$ 770,882	\$ 504,628	\$ 1,284,804	\$ 9,294
2015	6%	\$ 1,198,979	\$ 5,267,695	\$ 790,154	\$ 408,825	\$ 1,316,924	\$ 117,945
2016	8%	\$ 1,294,898	\$ 5,399,388	\$ 809,908	\$ 484,989	\$ 1,349,847	\$ 54,949

**Solid Waste Fee Schedule
Issue Paper
April, 2023**

**Table 5
Historic Market Correction Applied to Capital Fund**

Year	% Revenue Increase/Decrease	2023 End of Year Fund Balance	2023 Replacement Cost	12% Reserve	Over/Under Benchmark	25% Reserve	Over/Under Benchmark
2006		\$ 915,839	\$ 8,167,485	\$ 980,098	\$ 64,259	\$ 2,041,871	\$ (1,126,032)
2007	-4%	\$ 859,905	\$ 8,371,672	\$ 1,004,601	\$ (144,696)	\$ 2,092,918	\$ (1,233,013)
2008	-1%	\$ 846,481	\$ 8,580,964	\$ 1,029,716	\$ (183,235)	\$ 2,145,241	\$ (1,298,760)
2009	-9%	\$ 726,872	\$ 8,795,488	\$ 1,055,459	\$ (328,587)	\$ 2,198,872	\$ (1,472,000)
2010	1%	\$ 738,966	\$ 9,015,375	\$ 1,081,845	\$ (342,879)	\$ 2,253,844	\$ (1,514,878)
2011	-6%	\$ 659,147	\$ 9,240,760	\$ 1,108,891	\$ (449,745)	\$ 2,310,190	\$ (1,651,043)
2012	0%	\$ 657,204	\$ 9,471,779	\$ 1,136,613	\$ (479,409)	\$ 2,367,945	\$ (1,710,740)
2013	2%	\$ 682,214	\$ 9,708,573	\$ 1,165,029	\$ (482,815)	\$ 2,427,143	\$ (1,744,929)
2014	0%	\$ 683,009	\$ 9,951,287	\$ 1,194,154	\$ (511,146)	\$ 2,487,822	\$ (1,804,813)
2015	6%	\$ 759,539	\$ 10,200,070	\$ 1,224,008	\$ (464,469)	\$ 2,550,017	\$ (1,790,478)
2016	8%	\$ 855,458	\$ 10,455,071	\$ 1,254,609	\$ (399,151)	\$ 2,613,768	\$ (1,758,310)

Minimum Fee

The minimum transaction fee of \$10 was set in 2014 and is no longer effective at incentivizing less frequent and heavier loads or curbside service for self-haul customers.

Table 6 compares the 2017- 2021 number of self-haul customers and total tonnages above and below the minimum fee with 45% of the customer mix bringing only 13% of tonnages (revenue). This large imbalance strains the transfer station operation by increasing customer wait times while providing less program revenue.

By comparison, Kitsap County staff have shared that minimum fee customers at the Olympic View transfer station make up less than 10% of the customer mix and that they hope to further reduce the number of minimum charge customers with an increase of the fee to \$41.00 that became effective January 1, 2023. We have observed an increase in Kitsap County customers using the Jefferson County transfer station since the minimum fee increase in January at Kitsap County facilities.

Table 6

	5 Yr Totals	
	Trans	Tons
Minimum Fee Customers	145,655	5,671.75
Above Minimum Fee Customers	179,446	39,234.95
Totals	325,101	44,907
Percentage of Minimum Fee customers	45%	13%
Percentage of Cash Self Haul Above Minimum Fee	55%	87%

**Solid Waste Fee Schedule
Issue Paper
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Table 7 shows the fees charged at regional facilities for comparison with Jefferson County's fees. These Counties have historically been used to compare Jefferson County's level of service. King County and Seattle facilities have been used for level of service comparison to show that Jefferson County's solid waste program performs as well as urban area programs.

Table 7

Transfer Station	Municipal Solid Waste		
	Minumum/Trip Fee	Min. Fee Weight	Per Ton Fee
Seattle	\$ 33.00	420	\$ 180.80
King County (effective 1/1/23)	\$ 30.25	320	\$ 165.61
Kitsap County (effective 1/1/23)	\$ 41.00	660	\$ 118.00
Mason County	\$ 17.89	340	\$ 110.27
Snohomish County	\$ 20.00	360	\$ 105.00
Clallam County (Port Angeles)	\$ 10.00	100	\$ 193.98
Jefferson County	\$ 10.00	120	\$ 162.93
Average including Jefferson	\$ 23.16	331.43	\$ 148.08
Average w/out Jefferson	\$ 25.36	366.67	\$ 145.61

Refrigerators

Jefferson County charges an additional "environmental fee" to cover the additional disposal costs for refrigerated appliances. The additional fee has not covered disposal costs and the program loss in 2021 was estimated at \$21,017. Staff was recently successful in encouraging a local vendor to service these units which avoids shipping costs to Seattle. A more efficient material handling strategy will reduce labor costs which is expected to make this program element cost-neutral.

Nondisposal Weight Charges

The transfer station charges \$5.66 for nondisposal weight measurements and has done so for so long that no record can found of when the fee was implemented. Two private sector scales in Jefferson County charge \$10.00 and \$15.00 per weight receipt. The more competetive fee at the transfer station conflicts with the goal of the Jefferson County Solid Waste Management Plan (SWMP) to encourage private sector services and customer demand for this service increases wait times for municipal solid waste customers.

Yard Debris

Yard debris is used as feedstock for the City of Port Townsend (City) Biosolid Composting Facility which is co-located at the transfer station through an Interlocal Agreement. County staff processes yard debris transactions at the transfer station scale house and a portion of the fee is used to cover County administrative functions. The current fee for yard debris was set in 2014 with a \$5.00 minimum for up to 200 lbs. and a per ton rate of \$48 above 200 lbs.

Solid Waste Fee Schedule

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In 2022, yard debris customers made up 18% of total transactions. On the largest customer count day ever on November 15, 2022, yard debris customers made up 44% of the total transactions with some yard debris customers delivering three or more minimum weight loads that day.

The fees for yard debris disposal were first set in 2014 by ordinance as part of Jefferson County Code. City staff have recommended that it would be more appropriate for this fee to be adopted as part of City code.

Quilcene Rural Drop Box

The last large revision to the fee schedule for disposal at the Quilcene Rural Drop Box was in 2014 with annual increases of 2.5% until 2019 with the goal of making the operation cost-neutral. **Table 8** shows deficit spending from the operating reserves fund over the past three years.

Table 8

Quilcene Drop Box 3 Year P&L

Year	2020	2021	2022
Operational Costs	\$ 79,004	\$ 80,281	\$ 87,705
Revenue less 3.6% Tax	\$ 66,850	\$ 74,677	\$ 72,600
Profit/Loss	\$ (12,154)	\$ (5,604)	\$ (15,105)

Limited capital improvements to the facility planned for in 2023 will create more efficient material handling but will not offset losses completely. 96% of all transactions in 2022 were for the 32-gallon can charge of \$6.79. As shown in **Table 9**, if the minimum fee was set at \$15.00 for up to two 32-gallon cans, revenues would nearly keep pace with 2022 operational costs.

Table 9

2022 Quilcene Charges

Type	Count	Fee	Revenue
32 Gallon	5,964	\$ 6.79	\$ 69,967.00

2023 Quilcene Modified Fees

Type	Count*	Fee	Revenue
32 Gallon	5,368	\$ 15.00	\$ 80,514.00

* Assumes 10% decrease in customer count

Like many drop box sites in rural Washington, the Quilcene facility does not have scales and charges for loose garbage by the cubic yard. The attached visual estimator is used by facility attendants to calculate the charge for loose garbage. The operation would benefit from fewer variations of truck bed loads and clearer fee calculations to make charges consistent. Several modifications to material handling equipment are being considered presently which would improve consistency and ease of volume estimating.

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Moderate Risk Waste Small Quantity Generator Fee

By agreement between the County and Port of Port Townsend (Port), the Moderate Risk Waste Facility has been returned to Port ownership and Public Works has substituted fixed facility operations with remote collection events for both Small Quantity Generator (business) and residential moderate risk waste collection. Under this new service delivery model, Small Quantity Generator customers pay the vendor directly and, as such, the current fee schedule for these customers is no longer applicable.

Recommendations

Several revisions to solid waste handling strategies have been made in 2022 with more planned in 2023 in order to gain efficiencies and reduce operating costs. These cost-savings alone will not meet anticipated increases to operating costs. Additionally, the current fund balance benchmarks are seen as inadequate to moderate fee increases in the event of a protracted period of high inflation or a large economic downturn.

Public Works makes the following recommendations to fee schedule revisions to be implemented following pending updates to scale software and no less than 45 days after widely distributed public notice:

Transfer Station Fee Schedule

- Adjust fund balance benchmarks to 25% of current capital replacement value and projected annual expenditures
- Adjust per ton fee for municipal solid waste by 2.5% annually until fund balances meet benchmarks
- Adjust minimum fee for municipal solid waste from \$10.00 to \$20.00 and the minimum fee weight from 120 lbs. to 240 lbs.
- Adjust nondisposal fee from \$5.66 to \$20.00
- Upon adoption by the City, begin charging a yard debris minimal fee of \$20.00 for up to 800 lbs. and retain the \$48.00 per ton fee for loads above 800 lbs. It should be noted that there is a slight imprecision of less than one cent within the recommended yard debris fee revision between minimum fee and per ton rates owing to the transfer station scales measuring weight in 10 lb. increments. Rounding to the whole penny would provide simple communication to the public and ease of transactions.

Quilcene Rural Drop Box Fee Schedule

- Establish a minimum fee of \$15.00 for up to two 32-gallon cans
- Replace loose garbage visual estimator with the below table:

Load Description	Full Size Truck	Compact Truck
Up to Rail Height	\$ 63.35	\$ 54.30
Above Rail Height	\$ 90.50	\$ 63.35
Above Cab	\$ 126.70	\$ 90.50

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