

# King County Industrial Waste (KCIW) Fee Update

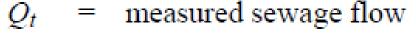
Mark Henley, P.E. Industrial Waste Program Manager

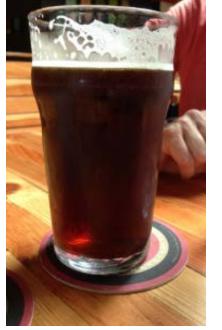
MWPAAC General Meeting March 28, 2018

## Problem: Complex fees in Code do not fit today's broad industrial base

Heavy metals monthly charge = 
$$\frac{[Q_t - Q_s][Cost_{HM}]}{12}$$

Oil and grease monthly charge =  $\frac{[Q_t - Q_s][Cost_{OG}]}{12}$ 

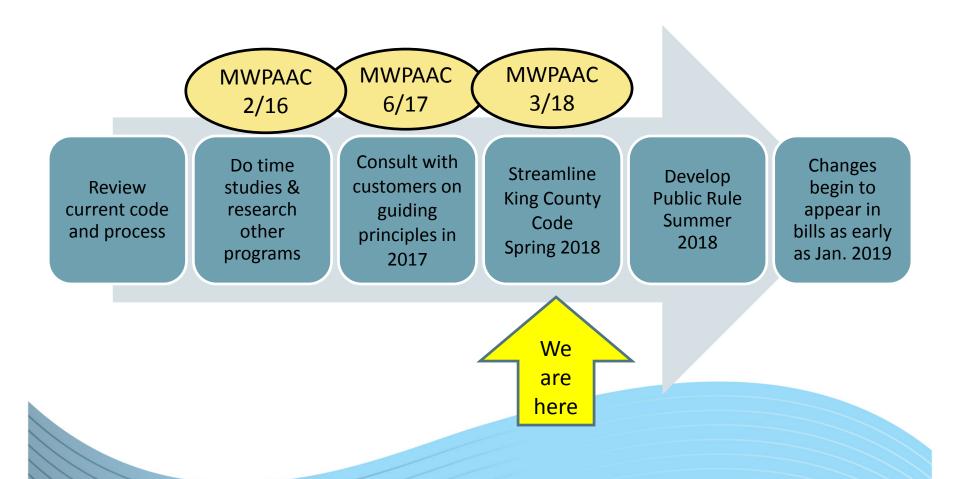








#### Process to create new fee system



## Five guiding principles

The new fee system should:

- Reflect the cost of providing service to each type of facility
- 2. Flexibly accommodate different industries
- 3. Administrative Ease
- 4. Be easy to understand and consistent
- Consider business needs when implementing changes

## What we heard from customers in summer 2017

#### Support for:

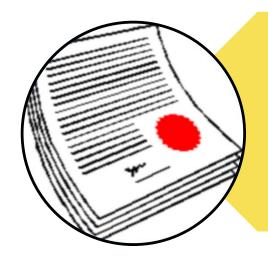
- Different issuance fees for complex vs. simple permits
- Different fees for new permit vs. reissued vs. revision
- Fee tiers for Compliance Monitoring and Administration

## What we heard from customers in summer 2017

#### Other Suggestions:

- Explain fee tiers are based on cost of providing service
- Explain why a customer is placed in a specific tier
- Let facilities appeal their tier placement
- Continue to involve facilities as this issue moves to the King County Council and Public Rule
- Look for other ways to simplify the process

## Proposal would change two types of fees:

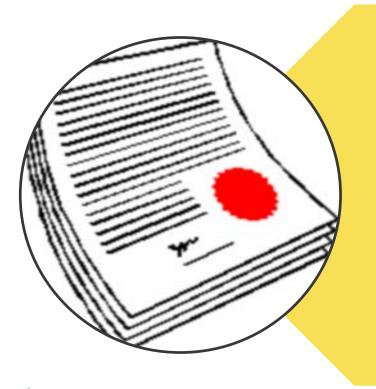


Issuance Fees



Compliance
Monitoring and
Administration Fees

#### **Issuance Fee: Proposed Changes**



Create categories to ensure that permit costs correspond to the type of permit issued.

Set different fees for new applications, renewals, and revisions.

# Compliance Monitoring and Administration Fee: Proposed Changes



Set up fee tiers based on cost of service.

Charge all facilities in the same tier the same annual fee.

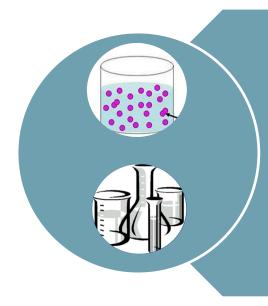
Use established criteria to place a facility in a fee tier when issuing authorization.

Facilities keep the same fee tier for 5 years.



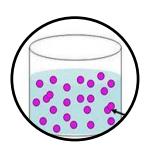
- Based on types of facilities and tiers for each facility type
  - Four types of facilities: categorical, surcharge, non categorical, and construction
  - o Criteria for tiers:
    - Volume of flow and loading to WWTP
    - Risk to the system
    - Monitoring complexity



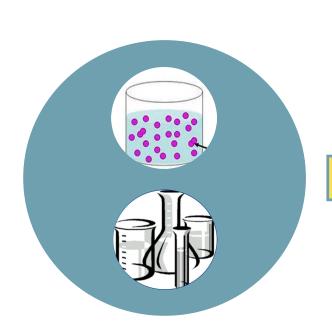


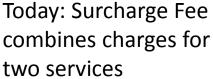
Currently Surcharge Fees pay for:

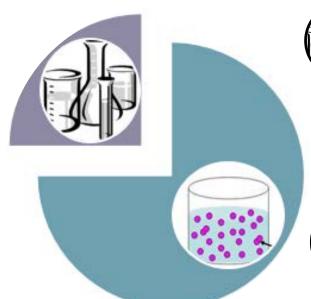
- -Treating "high-strength" waste (i.e. from food and beverage processors).
- -Compliance monitoring and administration.



## Future: Split Surcharge Into Two Fees











Future: Two fees -- one for each service

## Impacts of proposed changes



#### **Issuance Fees:**

Smaller increase for renewals than new applications
Higher fees for larger, complex permits



Compliance Monitoring and Administration Fees:
Stable, predictable fees based on cost of providing service
Some fee increases/decreases



#### Surcharge Fees:

Customers begin to see two line items on their bill for:

- -- Treatment
- -- Compliance monitoring and administration

## KCIW Fee Update Customer Outreach 2018

## c . Late

Summer

Fall

January 2019

Special Edition Newsletter

Spring

 Annual fee letters explain process (instead of fee estimates)

Spring

- 45-day comment period on Public Rule
- Responses to comments
- Letters
   with fee
   tier
   placement
   and appeal
   process
- Earliest possible date for new fees

#### For more information

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