



King County

INDUSTRIAL WASTE PROGRAM

*Partnering with Industries
to Prevent Pollution*

King County Industrial Waste (KCIW) Fee Update

Rates & Finance Subcommittee, MWPAAC

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

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

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

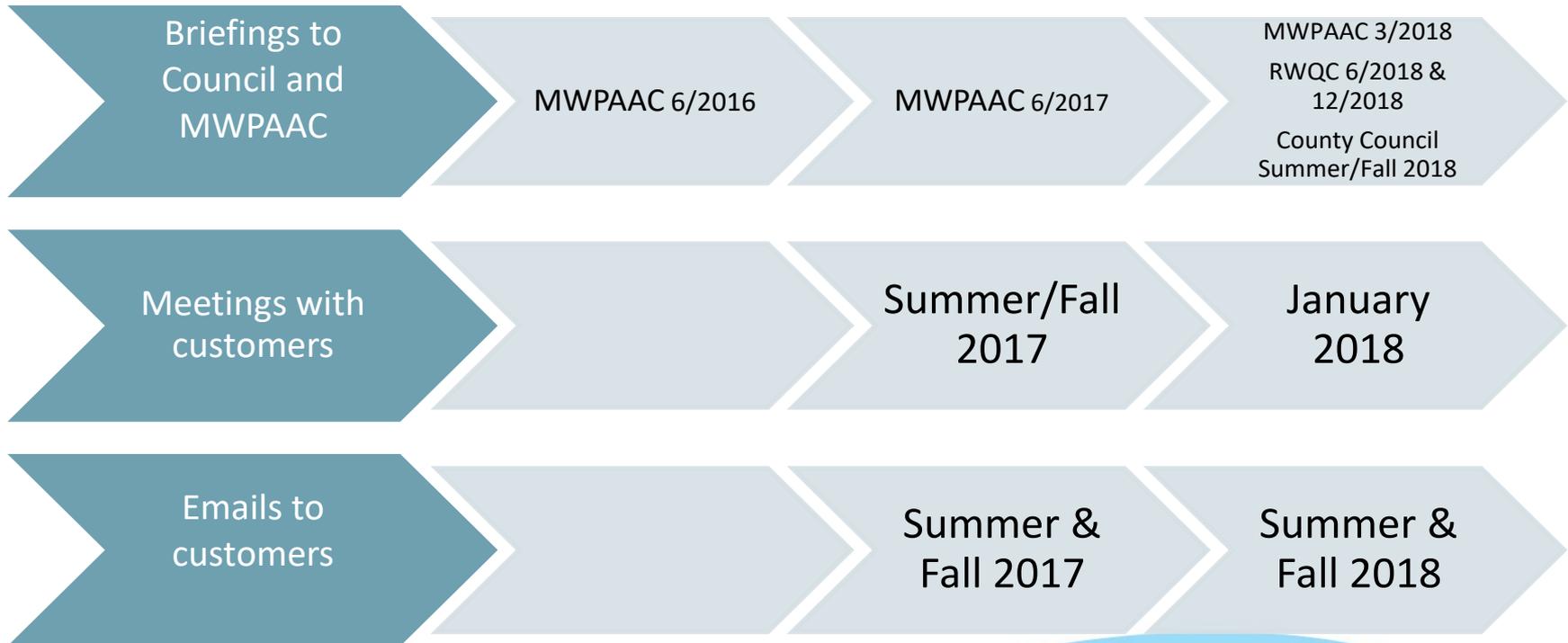
Q_t = measured sewage flow



Process to create new fee system



Proposed changes based on three years of consultations



Three decisions to change the fee system

1. King County streamlines the King County Code
 - Council adopted ordinance on 12/10/18
2. Department of Natural Resources (DNRP) proposes a public rule
 - 45-day comment period required
1. Wastewater Treatment Division (WTD) implements new fee tier/structure and approves associated costs
 - Businesses can appeal tier placement



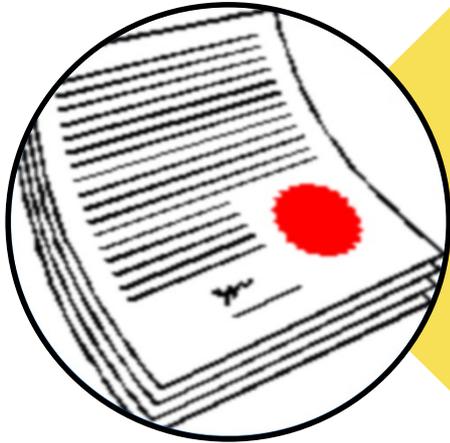
Public rule process – Early 2019

- Public comment period – 45 day minimum
(January 7-February 28, 2019)
 - Newspaper ad
 - Email to expanded list
 - Web page
 - Public hearing
- Written response to comments
- Department Director signs proposed rule
- Effective 30 days later

Process to assign fee tiers (Spring 2019)

- WTD Director implements new category/tier structure and approves tier placement and fee amounts
- KCIW sends letter to facilities stating tier placement and fees
- Customers have 15 days to appeal tier
- KCIW sends billing information to local agencies
 - Earliest billing cycle: 3rd quarter 2019

Fees Affected by Proposal

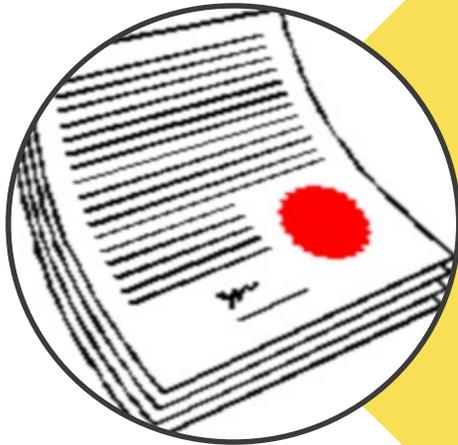


Issuance Fees for reviewing applications and issuing discharge authorizations



Compliance Monitoring and Administration Fees for inspections, sampling, lab costs, data review, permit management, technical assistance

Issuance Fee: Proposed Changes



Simple permits pay less than more complex ones

Lower fees for renewals and revisions

Draft Issuance Fees (Finalize amounts in spring 2019)

	New	Renewal	Revision
Permit Tier 1	\$6,000	\$4,500	\$3,000
Permit Tier 2	\$8,000	\$6,000	\$4,000
Permit Tier 3	\$12,000	\$9,000	\$6,000
Major Discharge Authorization	\$3,000	\$2,250	\$1,500
Minor Discharge Authorization	\$2,000	\$1,500	\$1,000
Letter of Authorization	\$1,500	\$1,125	\$750
Letter of Authorization—Construction	\$800	N/A	N/A

There is no issuance fee for:

- Zero Discharge Categorical
- No control document required
- Verbal authorization

Compliance Monitoring and Administration Fee: Proposed Changes



Set up fee tiers based on cost of service

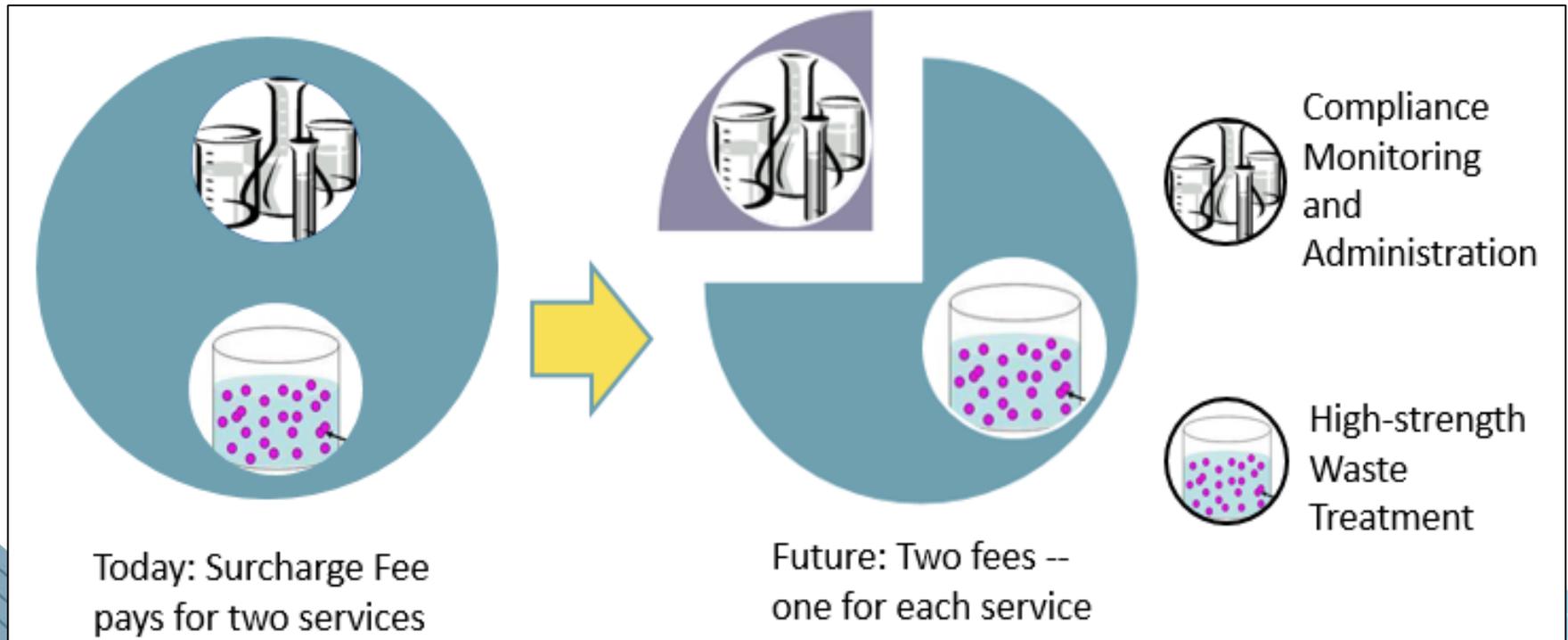
Charge all facilities in the same tier the same annual fee

New compliance monitoring and administration fees

Fees recover cost of service based on:

- Size and complexity of the facility
- Frequency of inspections
- Number and type of Sampling Events
- Laboratory analytical costs
- Permit administration

Compliance Monitoring and Administration Fee tiers replace *a portion* of the current surcharge



Draft Compliance Monitoring and Administration Fees

(Finalize amounts in spring 2019)

Type of Facility	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5	Tier 6	Tier 7
Categorical	\$1,600	\$4,000	\$8,000	\$20,000	\$30,000	\$50,000	N/A
Construction Dewatering	\$10,000	\$15,000	\$20,000	N/A	N/A	N/A	N/A
Non-Categorical	\$10,000	\$15,000	\$20,000	\$40,000	N/A	N/A	N/A
Surcharge	\$1,500	\$3,000	\$6,500	\$7,500	\$10,000	\$17,000	\$24,000

Benefits to customers

- Fee Increases will be phased in over 4 years
- Certainty about fees for up to five years
- Clarity about reasons for fee
- Technical assistance to reduce or eliminate fees

Questions?

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