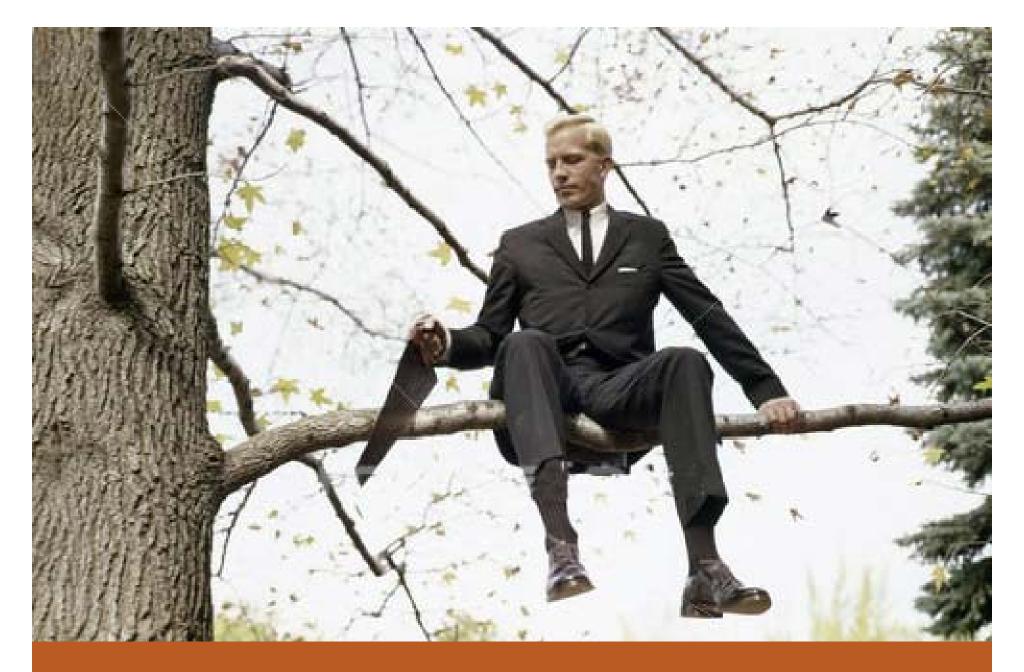


Achieving Revenue Stability:

A Regional JPA Aims to Wean Off Per-Ton Landfill Fees In An Era of Declining Waste





Learning Where To Cut

ACWMA's Historic Fee Revenues

All have been per-ton disposal fees:

- "Measure D" Voter-approved per-ton fee at landfills in unincorporated Alameda County. Currently \$8.23 per ton. Not easily changed.
- Waste Import Mitigation Fee Primarily collected on San Francisco wastes contractually set; contract due to end in next few years
- Facility Fee (AB 939 Fee) \$1.50 per ton for many years, raised to \$2.00/ton in 2009 and to \$4.34/ton in 2010. When raised to \$4.34, also broadened to apply to "other waste" for 3 years
- HHW Fee (AB 939 Fee) \$1.25 per ton for many years, raised to \$2.15/ton in 2001; new revenue mechanism under consideration



Revenue Stabilization

- □ Facility Fee: Broadened to apply to all solid wastes deposited above the liner and below the final cover of a landfill, for which the landfill charges a tip fee. Fee on "other waste" sunset as of 1/1/2013 as part of settlement agreements.
- Collect fee on tons previously "leaking" from system



Revenue Diversification

- Investigated Advance Disposal Fees (ADF's) locally for HHW funding
 - State pre-emption on some products
 - Expensive to implement locally marginal net revenues
 - Confusing messaging to consumers
 - Legal considerations Prop. 26
- Considering residential parcel fee for HHW funding –
 Prop. 218 protest vote
- Benchmark Information Fee a "per refuse account" fee -\$1.81/year for most residential accounts – not tied to volumes
- Pursuit of State/Federal/Utility Grant Funding Energy Council, Use Reusables; Prop. 84

Strategic Focus – Cutting Core Budget

- Over four fiscal years since our Strategic Workplan was adopted in 2010, our "core budget" has declined 17.5% (minus RLF, external grant funds, reserve funds, pass through funding)
- Any proposed revenue increases must be within context of belt-tightening



Lessons Learned

- Know the landscape of your market: "elasticity of demand"
- Budget for enforcement, where applicable
- Engage stakeholders up front, think through potential issues
- Persuasively present your case
- "Tighten your belt, do your homework, communicate clearly"



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