



Dredge Material Disposal Fee Modification

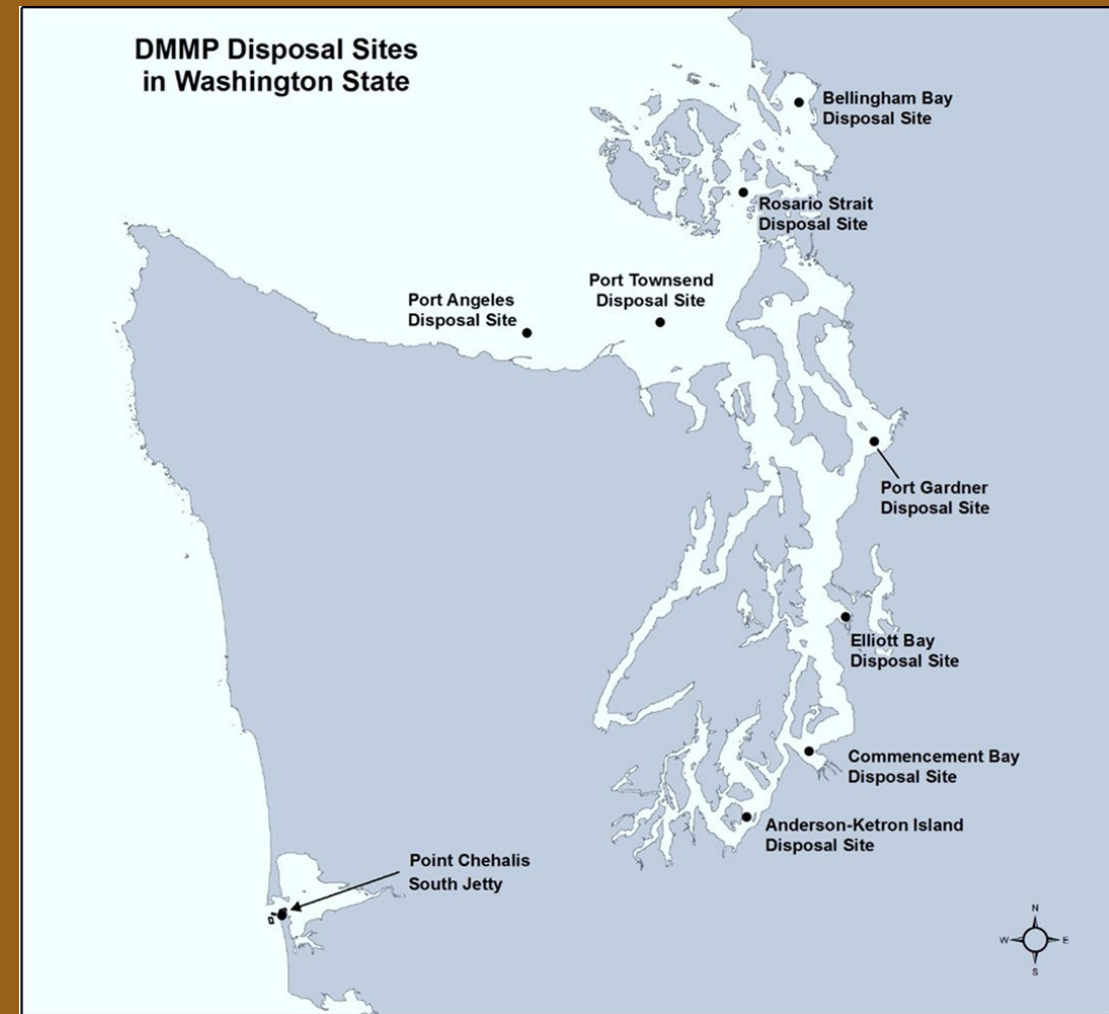
Rule Making

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Dredge Material Disposal Sites

Water Body	Site Name	Site Type	
Puget Sound	Anderson/Ketron	Nondispersive	
	Bellingham Bay	Nondispersive	
	Commencement Bay	Nondispersive	
	Elliott Bay	Nondispersive	
	Port Gardner	Nondispersive	
	Rosario Strait	Dispersive	
	Port Townsend	Dispersive	
	Port Angeles	Dispersive	
	Grays Harbor	Point Chehalis	Dispersive
		South Jetty	Dispersive



DNR Authority To Charge Fees



RCW 79.105.520

Fees for use of aquatic land dredged material disposal sites authorized

The department shall estimate the costs of site management and environmental monitoring at aquatic land dredged material disposal sites and may, by rule, establish fees for use of the sites in amounts no greater than necessary to cover the estimated costs. All such revenues shall be placed in the aquatic land dredged material disposal site account under RCW 79.105.510

Disposal Fee Fund Established 1987

WAC 332-30-166

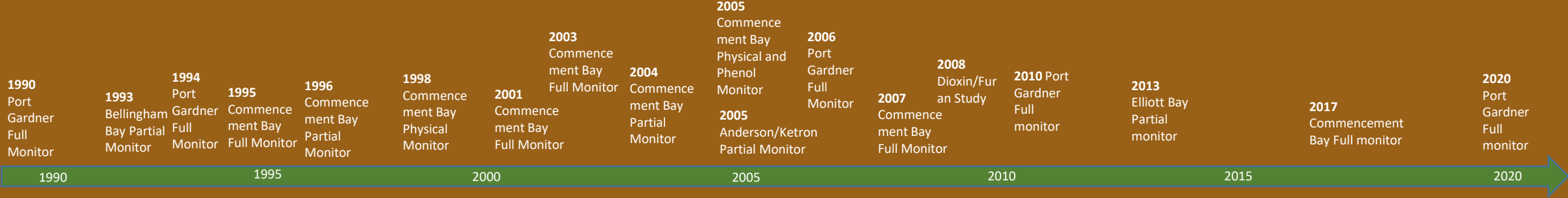
Fees will be charged at rates sufficient to cover all departmental costs associated with management of the sites. Fees will be reviewed and adjusted annually or more often as needed.

Current fee schedule is as follows:

- Puget Sound and Strait of Juan de Fuca -
\$0.45 per cubic yard (c.y.),
\$2,000 minimum fee
- Grays Harbor/Willapa Bay - \$0.10 per cubic yard (c.y.),
\$300.00 minimum fee
- Damage fee - \$5.00/cubic yard



Disposal Fee Fund Management Timeline



1995 Increase for Puget Sound sites 0.40 cents to 0.45 cents
 1996 Adoption of 300,000 CY trigger for PG, CB, and EB



Disposal fees have not been adjusted since 1995

This list is not inclusive, but a summary of monitoring events

Fund Cost Projections

Data Assumptions	Per Biennium
Projected revenue	\$ 150,000.00
Projected DMMP program compliance costs	\$ 50,000.00
DNR management costs	\$ 24,000.00
Anderson/Ketron monitoring	\$ 218,000.00
Elliott Bay monitoring	\$ 277,000.00
Port Gardner monitoring	\$ 250,000.00
Commencement Bay monitoring	\$ 300,000.00
Estimated large disposal event	500K cy
Monitoring occurrence	1
Monitoring cost increase	4%

	Future Cost Projections	Notes
Assumed Monitoring Costs	\$250,000	Review of past and future monitoring events have provided an average projected non-dispersive site chemical and biological monitoring cost.
Additional Study Costs	\$50,000	DMMP occasionally requires additional studies to meet federal and state requirements to ensure sites are allowed to remain open.
DNR Management Costs	\$24,000	Covers costs associated with fund management (site use authorization, invoice, contract development & management, file storage).
Targeted Minimum Fund Balance	\$400,000	A base fund balance of \$400K would cover an expected monitoring event, necessary scientific studies and DNR administrative costs, leave a small balance for other unanticipated costs, and a buffer for years when revenue is less than projected.



Program Costs per Cubic Yard

Monitoring Event	Monitoring Cost	Adjusted Volume Trigger*	Monitoring Costs/CY	Program Compliance Cost/CY	DNR Cost/CY	Total Biennium Costs/CY
Port Gardner (2010)	\$201,539.00	359,107	\$0.56	\$0.75	\$0.20	\$1.51
Elliott Bay (2013)	\$189,698.00	359,107	\$0.53	\$0.40	\$0.11	\$1.03
Commencement Bay (2017)	\$212,316.00	359,107	\$0.59	\$0.08	\$0.03	\$0.70
Port Gardner (2020)	\$200,532.00	359,107	\$0.56	\$0.19	\$0.11	\$0.85
Projected Anderson/Ketron	\$218,000.00	359,107	\$0.61	\$0.14	\$0.07	\$0.81
Projected Elliott Bay	\$277,000.00	359,107	\$0.77	\$0.14	\$0.07	\$0.98

*The effect of no fee volumes ensued from federal navigation dredging and a due to a lower volume monitoring trigger at Anderson/Ketron site reduces the volume trigger used in the calculation (e.g. required to monitor sooner than 500,000 CY of Material collected at A/K).

The adjusted volume trigger is calculated as follows: $500,000 - (58,333\text{cy} - \text{Anderson/Ketron}) - (82,560\text{cy} - 12\text{-year average no fee}) = 359,107$



Changes to WAC 332-30-166

Puget Sound Disposal Fee	Implementation timeline	Grays Harbor Disposal Fee
\$0.45	Until June 30, 2022	\$0.10
\$0.75	July 1, 2022- June 30, 2025	\$0.15
\$0.95	July 1, 2025 - thereafter	\$0.20

Minor Language Changes include:

- Removal of interagency open water disposal site evaluation committee and replaced with DMMP.
- Language changes to be consistent with current DNR operations (*lease changed to authorization, dumping to disposal*)



FEES

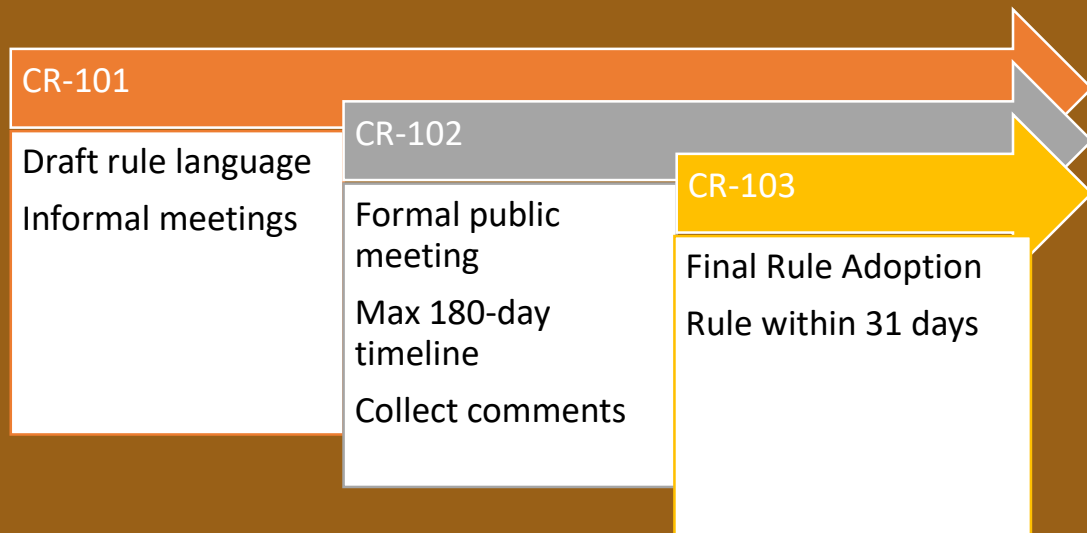
(a) Puget Sound and Strait of Juan De Fuca: The cost of disposal at all disposal sites in the Puget Sound and Strait of Juan De Fuca is \$0.45 per cubic yard (c.y.) until and including June 30, 2022. On July 1, 2022 the cost for disposal is \$0.75 (c.y.) until and including June 30, 2025. Beginning on July 1, 2025 the cost of disposal shall be \$0.95 (c.y.) and thereafter. All disposal site users shall pay a minimum fee of, \$2,000. minimum

(b) Grays Harbor/Willapa Bay: The cost of disposal at all disposal sites in Grays Harbor/Willapa Bay is \$0.10 per cubic yard (c.y.) until and including June 30, 2022. On July 1, 2022 the cost for disposal is \$0.15 (c.y.) until and including June 30, 2025. Beginning July 1, 2025 the cost of disposal shall be \$0.20 (c.y.) and thereafter. All disposal sites users shall pay a minimum fee of \$300.00



Disposal Fee Rule Making

Rule Making Process



Rule Making Timeline

	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb
Outreach	Green	Green	Green	Green	Green	Green	Green	Green	Green	Green
CR-101	Orange	Orange	Orange	Orange	Orange					
CR-102						Grey	Grey	Grey	Grey	
CR-103										Yellow



Links and Websites for Information and Comments

- [DNR Dredge Material Website](#)
- [DNR Rule Making Website](#)
- [CR-102 Rule Making Filing](#)
- [Dredge Material Factsheet](#)
- [Frequently Asked Questions](#)
- [Small Business Impact Statement](#)
- Send Disposal Fee Rule Making Comments to: dmmp@dnr.wa.gov



