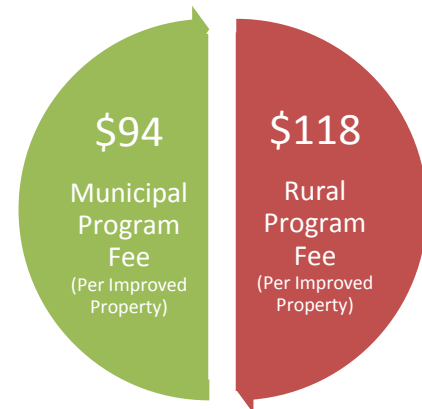


FUNDING OPTION 1

OPPORTUNITIES
• Simplified fee structure • Easy to administer, manage, and explain • Includes phased expansion of rural curbside service, increasing recycling and waste reduction rate • Flexibility in providing services without being constrained by rigid categories ○ Example: If a business is located on a residential route (urban or rural) and generates recyclables in quantities similar to a residence, it can be assigned to a residential route without concern that there is not an appropriate fee category.



Key Factors

- Rural curbside service is proposed to be phased in to entire unincorporated area over three year period, equalizing services by the fourth year.
 - The rural fee will increase incrementally over phasing period.
- Efforts to provide more equitable services among all the program users could be implemented over time by improving service efficiencies and availability of services.
- Single family, multi-family and developed non-residential property owners in the rural sector pay \$24 more than property owners in the urban sector.

Universal Elements for Both Options

- Undeveloped properties do not pay a fee.
- All developed properties including tax-exempt properties pay a fee.
- The fee structure is stable and predictable.
- Fee impacts for potential service expansions, improvements, and changes can be easily determined and made available for elected boards to consider.
- Some property owners may consider the proposed fee rates a significant increase because no fee for rural or urban curbside service or multi-family service has been assessed for the past two years.
- Failure of elected boards to approve a funding mechanism for the FY 2015-16 Budget may lead to suspension of services or further debiting of the solid waste landfill closure and post-closure reserves account.
- Orange County will continue to provide financial assistance for qualifying low-income residents who are unable to pay for solid waste program fees. In 2014, approximately 700 parcels were provided assistance through the County's 3R Fee Financial Assistance program.
- Funding option proposals are based on FY 2014-15 budget revenue requirements. For FY 2015-16, minor fee adjustments may be implemented to align with the actual FY 2015-16 budget revenue requirements.