

- 1 Operating costs subject to CPI
 - a Total per SWS: \$1,468,787.62
 - b Staff adjustments
Fuel cost subtracted from CPI base should be \$163,257.57
instead of \$148,989.94. This is a change of \$14,267.63

Adjusted total per Staff: \$1,454,519.99

**Solid Wastes Systems Transfer Station
Annual Adjustment Calculations
Effective Date January, 2017
Using 2015 Year Data**

<u>COSTS Subject to adjustment</u>	Cost	Index		Adjustment Allowed
Operating Costs subject to CPI	\$1,454,519.99	CPI	\$	14,690.65
Fuel	163,257.57	Fuel		(26,841.27)
Fuel - change of location			One-time	\$37,684.97
Disposal - Garbage	\$1,034,037.26	Contract rate	Pass Through	(\$411,138.00)
Disposal - Processing	\$186,522.89	Negotiated	Pass Through	\$
Truck & Driver to Potrero			One-time	\$133,903.01
New Water Board Regulations			Pass Through	\$20,000.00
Maint / Prop Tax \$2.36/ton	\$82,839.96	Contract rate	Pass Through	\$
City Rent \$10/ton	\$351,016.80	Lease rate	Pass Through	\$
City Landfill Fee \$14./ton	\$70,203.36	Set by City	Pass Through	\$ 421,220.16
MSWMA Fee \$5/ton	\$175,420.92	Set by City	Pass Through	\$
Total COSTS Subject to adjustment	<u><u>\$3,517,818.75</u></u>			<u><u>\$189,519.52</u></u>
Adjusted Costs				<u><u>\$3,707,338.27</u></u>

Revenue base

Comparison Year Revenue	\$3,392,700.00
Fuel Index adjustment	(\$26,841.27)
Fuel adjustments destination change	\$37,684.97
Landfill Destination Change	\$133,903.01
Disposal - garbage	(\$411,138.00)
Disposal - processing	\$0.00
CPI adjustment	\$14,690.65
Construction/Lease \$2.36/ton	\$0.00
Negative Operating Costs Recovery	\$66,983.56
New Water Board Regulations	\$20,000.00
City Landfill Fee increase \$12	\$421,220.16
Allowed Return	<u>\$150,081.31</u>
Revenue change	<u>\$406,584.39</u>
Adjusted revenue	<u><u>\$3,799,284.39</u></u>
Revenue More (Less) than expenses	<u><u>\$91,946.12</u></u>

SWS Target return on revenue	
\$2,982,358.64	\$91,946.12
Calculated return	\$91,946.12
Return over Target	\$0.00

2.94% (excluding \$ collected for others)

		Current	Adjustment	New
Contractor Rate increase as a percent	-0.43%	\$74.21	(\$0.31)	\$73.90
MSWMA Rate increase as a percent		\$5.00	\$0.00	\$5.00
City Rate increase as a percent		\$2.00	\$12.00	\$14.00

	\$81.21	Total Rate	\$92.90
EFFECTIVE RATE ADJUSTMENT PERCENT			14.39%

**Solid Wastes Systems Transfer Station
Annual Adjustment Calculations
Effective Date January, 2017
Using 2015 Year Data**

Worksheet for computing the change in various indexes and factors which comprise the components on which rates are adjusted

Fuel - June to June (EIA Petroleum & Other Liquids)		
See Fuel cost adjustment worksheet		

CPI - June to June (CPI-U All US Cities)		
June 2015	June 2016	Index Increase (Decrease)
238.638	241.038	2.400
CPI % Change		1.01%

Landfill Fee Jan to Jan		
January 2016	January 2017	Increase (Decrease)
\$ 41.37	\$ 23.80	-17.570
Disposal - Garbage Cost % Change		-42.47%

Disposal Processing Fee Jan to Jan		
January 2016	January 2017	Increase (Decrease)
\$ 30.00	\$ 30.00	\$ 0.00
Disposal - Green Waste Cost % Change		0.00%

Transfer Station Tonnage at gate, Year to Year		
December 2014	December 2015	Increase (Decrease)
31,939.64	35,101.68	3,162.04
Tonnage % Change		9.90%

City Landfill Fee June to June		
January 2015	January 2016	Increase (Decrease)
\$ 2.00	\$ 14.00	\$ 12.00
City Landfill Fee % Change		600.00%

MSWMA Fee June to June		
January 2015	January 2016	Increase (Decrease)
\$ 5.00	\$ 5.00	\$ 0.00
MSWMA Fee % Change		0.00%

**Worksheet for computing the change in various indexes and factors which
comprise the components on which rates are adjusted**

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See Fuel cost adjustment worksheet

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\$ 30.00	\$ 30.00	\$ 0.00
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31,939.64	35,101.68	3,162.04
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		9.90%

City Landfill Fee June to June

January 2015	January 2016	Increase (Decrease)
\$ 2.00	\$ 2.00	\$ 0.00
		City Landfill Fee % Change
		0.00%

MSWMA Fee June to June

January 2015	January 2016	Increase (Decrease)
\$ 5.00	\$ 5.00	\$ 0.00
		MSWMA Fee % Change
		0.00%

Mileage Adjustment, to base, for fewer trips to landfill

Number of trips in base	1114
Number of trips in new year	1040
Change in number of trips	-74
Miles per trip	136
Total miles in base year	151504
Total miles for adjusted number of trips	141440
Change in number of miles	-10064

Percentage of reduction of trips/miles -6.64%

Cost of fuel 148,989.94

Fuel cost reduction for reduced number of trips (9,897.00)

Adjusted fuel cost 139,092.94

Lube & Oil 14,267.63

Adjusted total Base year fuel cost 153,360.57

Calculation to adjust fuel costs					
Fuel Revenue Adjustment Worksheet, based on Fuel Index change, June to June					
Base Year Fuel Index and Cost		3.102	\$200,641.15	2010 Actual	
Index Change - New vs. Base Year					
1	Fuel index adjustment at June 2011	4.213	35.82%	\$71,869.66	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2012 rate revision	→	\$71,869.66	\$0.00	Less: Prior Fuel Cost applied to rate
				\$272,510.81	Fuel Cost Allowed Year 1
Annual adjustment based on Fuel Index change, year to year (using example fuel index changes)					
2	Fuel index adjustment at June 2012	4.027	29.82%	\$59,831.19	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2013 rate revision	→	(\$12,038.47)	\$71,869.66	Less: Prior Fuel Cost applied to rate
				\$260,472.34	Fuel Cost Allowed Year 2
3	Estimated Fuel index adjustment at June 2013	4.023	29.69%	\$59,570.36	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2014 rate revision	→	(\$260.83)	\$59,831.19	Less: Prior Fuel Cost applied to rate
				\$260,211.51	Fuel Cost Allowed Year 3
4	Estimated Fuel index adjustment at June 2014	4.101	32.21%	\$64,626.51	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2015 rate revision	→	\$5,056.15	\$59,570.36	Less: Prior Fuel Cost applied to rate
				\$265,267.66	Fuel Cost Allowed Year 4
5	Estimated Fuel index adjustment at June 2015	3.192	2.90%	\$5,818.59	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2016 rate revision	→	(\$58,807.92)	\$64,626.51	Less: Prior Fuel Cost applied to rate
				\$206,459.74	May be RESET during rate review process
6	Estimated Fuel index adjustment at June 20	2.782	-10.32%	-\$20,706.17	Plus: Base Year Cost X Index Change
	Revenue adjustment for January 2017 rate revision	→	(\$26,524.76)	\$5,818.59	Less: Prior Fuel Cost applied to rate
				\$179,934.98	Fuel Cost Allowed Year 6

COMPUTATION OF COSTS SUBJECT TO CPI ADJUSTMENT

SWS CPI Operating Costs	SWS calculation	GE Revised	Varaince
Total Operating Expense		1,817,100.00	
Total Admin Expense		234,400.00	
Cost of Goods Sold		1,695,500.00	
Rounding		17.49	
TOTAL Expenses 2015	\$3,747,017.49	3,747,017.49	-
Less:			
Fuel	-\$148,989.94	(163,257.57)	(14,267.63)
Disposal - Garbage	-\$1,034,037.26	(1,034,037.26)	-
Disposal - Processing	-\$186,522.89	(186,522.89)	-
Maint / Prop Tax \$2.36/ton	-\$82,839.96	(82,839.96)	-
City Rent \$10/ton	-\$351,016.80	(351,016.80)	-
City Landfill Fee \$14./ton	-\$70,203.36	-\$70,203.36	-
MSWMA Fee \$5/ton	-\$175,420.92	-\$175,420.92	-
City Landfill Surcharge			-
Scrap Metal Cost	\$0.00		-
Buyback Recycle Purchase Cost	-\$145,792.88	-\$145,792.88	-
Compost / Landscape Cost	-\$83,405.86	-\$83,405.86	-
TOTAL CPI Allowed Operating Costs	\$1,468,787.62 ¹	\$1,454,519.99 ²	(14,267.63)
CPI Change	1.01%	1.01%	
CPI Adjustment	14,834.75	14,690.65	(144.10)

SUMMARY OF CHANGES TO REVENUE AND EXPENSES

	Expense	Revenue	Net Revenue
Total expense per Financial Statement	3,747,000		(3,747,000)
Less: Excluded Costs - Buyback	(145,793)		145,793
Buyback recycle purchase cost	(38,300)		38,300
Less: Excluded Costs - Landscape material expense	(45,100)		45,100
Revenue per Financial Statement		3,680,000	3,680,000
Exclude Compost sales revenue		(45,400)	(45,400)
Exclude Landscape material sales revenue		(49,600)	(49,600)
Exclude Buyback revenue		(145,600)	(145,600)
Exclude scrap metal revenue		(46,700)	(46,700)
SUBTOTAL	3,517,807	3,392,700	(125,107)
Less: Tipping fee reduction	(411,138)	(411,138)	-
Driver cost for new destination	107,997	107,997	-
Fuel adjustment for destination change	37,685	37,685	-
Fuel adjustment	(26,841)	(26,841)	-
Truck cost for new destination	24,815	24,815	-
CPI on driver cost	1,091	1,091	-
CPI on costs subject to CPI	14,691	14,691	-
New regulations cost	20,000	20,000	-
City surcharge increase	421,220	421,220	-
Recovery of operating deficit		66,984	66,984
Allowed Return		150,081	150,081
Total	3,707,327	3,799,285	91,958

Net revenue as a percent of revenue	2.4%
Net revenue as a percent of expenses	2.5%
Net revenue as a percent of SWS revenue (excluding City and MSWMA charges)	2.94%

Adjustments to Fuel Costs for destination change and fuel index

Based on 2015 actual

2015 Fuel cost per Financial Statement	144,816
Computed fuel cost to Eastlake	101,582
Transport fuel as percent of total fuel	70.1%
Total trips to Eastlake	1,114
Total trips to Portrero	1,040
Reduction in total trips	(74)
Miles per trip to Eastlake	136
Total miles to Eastlake	151,504
Miles reduced by fewer trips	(10,064)
Miles to remain in base cost	141,440
Miles remaining in base as a percent	93.36%
Fuel cost adjustment for reduced miles	(6,745)
Adjusted base year fuel cost	<u>138,071</u>
Fuel index 2015	3.192
Fuel index 2016	2.782
Fuel index percent change	-12.84%
Change in fuel cost	(17,728.27)
Adjusted base year oil & lube cost	<u>18,441.91</u>
Fuel index 2015	3.192
Fuel index 2016	2.782
Fuel index percent change	-12.84%
Change in oil & lube cost	(2,367.94)
Total Fuel expense adjustment	(26,841.27)
Fuel cost after index adjustment	136,416.30
Fuel cost for change of destination (1)	37,684.97
Fuel cost for new year	174,101.27
Net change to expenses	10,843.70
Increase over 2015 actual	10,843.70
Change for reduced miles	(6,745.06)
Change for fuel index for fuel	(17,728.27)
Change for fuel index for oil & lube	(2,367.94)
Total fuel adjustments	(26,841.27)
Change for new destination	37,684.97
Total change	<u>10,843.70</u>

CALCULATION OF DRIVER AND TRUCK COST CHANGES

Driver wages	150,617.20	Computed
Driver ERE expense (allocated)	80,619.31	Payroll taxes and benefits
Total Driver cost	231,236.51	Computed
Hours per trip - Eastlake	3.5	Per SWS
Number of trips	1114	Per SWS
Total hours	3899	Computed
Driver cost per hour	59.31	Computed
Hours per trip - Potrero	5.5	Per SWS
Number of trips	1040	Per SWS
Total hours	5720	Computed
Driver cost per hour (use Eastlake calc)	59.31	Computed
Total Driver cost	339,233.86	Computed
Driver Cost increase	107,997.35	Computed
CPI % Increase	1.01%	Index
CPI Increase	1,090.77	Computed
Total Driver cost adjustment	109,088.13	Computed
Truck Cost/hr	13.63	\$95/hr less driver cost, less fuel cost
Truck hours increase	1,821	
Truck cost increase	24,814.88	
Combined cost increased	133,903.01	

Computation based on personnel costs as reported for 2015
and various trip cost changes computed by SWS on worksheet
"Change of Disposal Site"

DRIVER COST ANALYSIS

	Driver	Operating	Laborer	Scalehouse	Combined co:	Outside	Shop	Admin	Total Wages
Total	150,617.20	95,370.93	158,084.19	83,334.87	487,407.19	3,992.26	60,544.84	44,988.96	596,933.25
Wages	108,547.00	95,016.99	110,141.70	78,300.41	392,006.10	3,992.26	56,927.41	44,988.96	497,914.73
Overtime	42,070.20	353.94	47,942.49	5,034.46	95,401.09		3,617.43		99,018.52
									-
									-
									-

35.93

	Shared by All	Dr, Op, La, Sc	Shop	Admin	Total ERE
	43.10%	10.42%	16.84%	11.80%	11.11%
	255,585.47	50,793.96	10,195.98	5,307.14	66,297.08
Payroll tax		46,024.99	4,968.18		50,993.17
Group benefits	100,564.77			5,307.14	5,307.14
HAS	9,209.61				-
Workmens comp	143,457.66				-
Uniforms		4,100.07	5,227.80		9,327.87
Drug screen		668.90			668.90
Vacation	2,353.43				-
					-

Total Cost:

	Driver	Operating	Laborer	Scalehouse	Combined co:	Outside	Shop	Admin	Total Wages
Total personnel costs	231,236.51	146,419.14	242,700.28	127,940.66	748,296.59	3,992.26	96,838.50	69,688.46	918,815.80
Allocation of shared expenses	64,923.10	41,109.36	68,141.73	35,921.25	210,095.44		26,097.68	19,392.36	255,585.47
Direct ERE costs	15,696.21	9,938.85	16,474.36	8,684.54	50,793.96		10,195.98	5,307.14	66,297.08
Wages	150,617.20	95,370.93	158,084.19	83,334.87	487,407.19	3,992.26	60,544.84	44,988.96	596,933.25

Solid Wastes Systems
Statement of Profit & Loss
For the Year Ended December 31, 2015

	Year End 2015	% of Revenue
REVENUE		
Construction & Demolition	12,300.00	0.33%
Recycling Revenue		0.00%
Scrap Metal	46,700.00	1.27%
Buyback Revenue	145,600.00	3.96%
MSW	3,183,000.00	86.49%
Greenwaste	81,700.00	2.22%
Appliances	24,600.00	0.67%
Tires	15,100.00	0.41%
Concrete		0.00%
Electronics	36,200.00	0.98%
Hauling	2,000.00	0.05%
Compost sales	45,400.00	1.23%
Landscape material revenue	49,600.00	1.35%
Finance Charges		0.00%
Interest Income		0.00%
Miscellaneous Revenue	37,800.00	1.03%
TOTAL REVENUE	3,680,000.00	100.00%
COST OF GOODS SOLD		
Franchise Fee - City of Ukiah	70,200.00	1.91%
Surcharge - MSWMA	175,400.00	4.77%
Disposal Fees	1,220,600.00	33.17%
Disposal Fees-Hazardous Waste		0.00%
Sales Tax Expense		0.00%
Compost Material Expense	38,300.00	1.04%
Landscape material expense	45,100.00	1.23%
Hauling	100.00	0.00%
Buyback	145,800.00	3.96%
Scrap Metal		0.00%
Diversion Inventory Cost		0.00%
Total Cost of Goods Sold	1,695,500.00	46.07%
GROSS MARGIN	1,984,500.00	53.93%
OPERATIONAL LABOR EXPENSE		
Operation Management		0.00%
Driver Wages	489,800.00	13.31%
Operator Wages		0.00%
Laborer Wages		0.00%
Scale House Wages		0.00%
Vacation/Sick		0.00%
Payroll Taxes	46,000.00	1.25%
Health Insurance	100,600.00	2.73%
Health Savings Account (HSA)	9,200.00	0.25%
Workmen's Comp	143,500.00	3.90%
Uniforms	4,100.00	0.11%
Drug Screen	700.00	0.02%
Outside Labor	4,000.00	0.11%
Diversion Inventory Cost		0.00%
Total Operational Labor Expense	797,900.00	21.68%

Solid Wastes Systems
Statement of Profit & Loss
For the Year Ended December 31, 2010

	Year End 2010	% of Revenue
REVENUE		
Construction & Demolition	2,052.98	0.06%
Recycling Revenue	0.00	0.00%
Scrap Metal	660,343.71	17.94%
Buyback Revenue	154,592.80	4.20%
MSW	2,040,592.08	55.45%
Greenwaste	104,805.62	2.85%
Appliances	47,996.45	1.30%
Tires	22,711.70	0.62%
Concrete	20.47	0.00%
Electronics	40,998.77	1.11%
Hauling	0.00	0.00%
Finance Charges	3,676.24	0.10%
Interest Income	17,587.04	0.48%
Miscellaneous Revenue	53,778.21	1.46%
TOTAL REVENUE	3,149,156.07	85.57%
COST OF GOODS SOLD		
Franchise Fee - City of Ukiah	11,700.27	0.32%
Surcharge - MSWMA	157,563.05	4.28%
Disposal Fees	987,706.47	26.84%
Disposal Fees-Hazardous Waste	350.00	0.01%
Sales Tax Expense	377.72	0.01%
Compost Material Expense	6,802.00	0.18%
Hauling	1,267.26	0.03%
Buyback	175,328.45	4.76%
Scrap Metal	323,250.35	8.78%
Diversion Inventory Cost	20,765.08	0.56%
Total Cost of Goods Sold	1,685,110.65	45.79%
GROSS MARGIN	1,464,045.42	39.78%
OPERATIONAL LABOR EXPENSE		
Operation Management	92,971.51	2.53%
Driver Wages	151,058.68	4.10%
Operator Wages	6,864.02	0.19%
Laborer Wages	159,206.66	4.33%
Scale House Wages	61,591.15	1.67%
Vacation/Sick	(2,492.71)	-0.07%
Payroll Taxes	37,096.55	1.01%
Health Insurance	83,604.06	2.27%
Health Savings Account (HSA)	9,096.47	0.25%
Workmen's Comp	36,028.30	0.98%
Uniforms	1,149.29	0.03%
Drug Screen	1,194.65	0.03%
Outside Labor	8,535.66	0.23%
Diversion Inventory Cost	11,021.34	0.30%
Total Operational Labor Expense	656,925.63	17.85%

Solid Wastes Systems
Statement of Profit & Loss
For the Year Ended December 31, 2015

	Year End 2015	% of Revenue
SHOP LABOR EXPENSE		
Shop Wages	56,900.00	1.55%
Shop Wages - Overtime	3,600.00	0.10%
Payroll Taxes	5,000.00	0.14%
Uniforms	5,200.00	0.14%
Total Shop Labor	70,700.00	1.92%
VEHICLE OPERATING EXPENSES		
Fuel - Diesel	163,300.00	4.44%
Vehicle Licenses	14,500.00	0.39%
Tire Usage / R&M	125,400.00	3.41%
Outside Repairs	3,900.00	0.11%
Property Damage Expense		0.00%
Diversion Inventory Cost		0.00%
Total Vehicle Operating Expenses	307,100.00	8.35%
EQUIPMENT & FACILITY RENT		
Equipment Rental	240,200.00	6.53%
Facility Rent	300,000.00	8.15%
Utilities - Facility	16,500.00	0.45%
Building Maintenance & Supplies	5,800.00	0.16%
Property Taxes		0.00%
Other Facility Operating	9,700.00	0.26%
Equipment repairs and maintenance	15,900.00	0.43%
Diversion Inventory Cost		0.00%
Total Equipment & Facility Rent	588,100.00	15.98%
INSURANCE EXPENSE		
Insurance - General Liability	42,800.00	1.16%
Diversion Inventory Cost		0.00%
Total Insurance Expense	42,800.00	1.16%
OPERATING EXPENSES		
Operating Supplies	10,500.00	0.29%
Diversion Inventory Cost		0.00%
Total Operating Expenses	10,500.00	0.29%
TOTAL OPERATING EXPENSES	1,817,100.00	49.38%
ADMINISTRATIVE WAGES		
Wages - Regular - Admin	45,000.00	1.22%
Wages - Overtime - Admin		0.00%
Payroll Taxes - Admin	5,300.00	0.14%
Temp Wages - Admin		0.00%
Diversion Inventory Cost		0.00%
Total Administrative Wages	50,300.00	1.37%
ADMINISTRATIVE EXPENSES		
Telephone	11,200.00	0.30%
Office	26,700.00	0.73%
Postage	900.00	0.02%
Accounting	9,500.00	0.26%
Consulting / Professional	35,800.00	0.97%
Legal	52,600.00	1.43%
Bad Debt Expense	(200.00)	-0.01%
Advertising & Promotion	3,000.00	0.08%
Charitable Contributions	6,700.00	0.18%
Dues & Subscriptions	300.00	0.01%
Security	2,100.00	0.06%
Business License	100.00	0.00%
Permits	11,500.00	0.31%
Business property tax	2,000.00	0.05%
Diversion Inventory Cost		0.00%
Miscellaneous	21,900.00	0.60%
Administrative Expenses	184,100.00	5.00%
Total Admin Exp, including Wages	234,400.00	6.37%
Income From Operations - EBITDA	(67,000.00)	-1.82%

Solid Wastes Systems
Statement of Profit & Loss
For the Year Ended December 31, 2010

	Year End 2010	% of Revenue
SHOP LABOR EXPENSE		
Shop Wages	30,545.28	0.83%
Shop Wages - Overtime	1,917.43	0.05%
Payroll Taxes	2,685.16	0.07%
Uniforms	1,690.81	0.05%
Total Shop Labor	36,838.68	1.00%
VEHICLE OPERATING EXPENSES		
Fuel - Diesel	212,736.94	5.78%
Vehicle Licenses	18,413.71	0.50%
Tire Usage / R&M	105,378.60	2.86%
Outside Repairs	14,719.30	0.40%
Property Damage Expense	0.00	0.00%
Diversion Inventory Cost	813.40	0.02%
Total Vehicle Operating Expenses	352,061.95	9.57%
EQUIPMENT & FACILITY RENT		
Equipment Rental	240,608.41	6.54%
Facility Rent	300,000.00	8.15%
Utilities - Facility	16,099.06	0.44%
Building Maintenance & Supplies	10,942.83	0.30%
Property Taxes	0.00	0.00%
Other Facility Operating	138.60	0.00%
Diversion Inventory Cost	7,235.41	0.20%
Total Equipment & Facility Rent	575,024.31	15.63%
INSURANCE EXPENSE		
Insurance - General Liability	52,662.23	1.43%
Diversion Inventory Cost	481.23	0.01%
Total Insurance Expense	53,143.46	1.44%
OPERATING EXPENSES		
Operating Supplies	17,991.57	0.49%
Diversion Inventory Cost	97.95	0.00%
Total Operating Expenses	18,089.52	0.49%
TOTAL OPERATING EXPENSES	1,692,083.55	45.98%
ADMINISTRATIVE WAGES		
Wages - Regular - Admin	35,152.09	0.96%
Wages - Overtime - Admin	51.02	0.00%
Payroll Taxes - Admin	3,670.79	0.10%
Temp Wages - Admin	0.00	0.00%
Diversion Inventory Cost	1,835.46	0.05%
Total Administrative Wages	40,709.36	1.11%
ADMINISTRATIVE EXPENSES		
Telephone	15,115.81	0.41%
Office	20,141.20	0.55%
Postage	1,310.86	0.04%
Accounting	25,798.44	0.70%
Consulting / Professional	33,017.16	0.90%
Legal	12,795.44	0.35%
Bad Debt Expense	2,774.05	0.08%
Advertising & Promotion	10,084.17	0.27%
Charitable Contributions	839.69	0.02%
Dues & Subscriptions	902.23	0.02%
Security	1,024.00	0.03%
Business License	110.00	0.00%
Permits	15,917.69	0.43%
Diversion Inventory Cost	336.42	0.01%
Miscellaneous	13,787.73	0.37%
Administrative Expenses	153,954.89	4.18%
Total Admin Exp, including Wages	194,664.25	5.29%
Income From Operations - EBITDA	(422,702.38)	-11.49%

Solid Wastes Systems
Statement of Profit & Loss
For the Year Ended December 31, 2015

	Year End 2015	% of Revenue
OTHER INCOME (EXPENSES)		
Interest on Loans	(24,600.00)	-0.67%
Gain/loss derivative contract	1,900.00	
Amort Exp - Covenant	(121,200.00)	-3.29%
State Income Taxes	(900.00)	-0.02%
Interest income	17,400.00	0.47%
Total Other Income and Expenses	(127,400.00)	-3.46%
NET INCOME	(194,400.00)	-5.28%

Solid Wastes Systems
Statement of Profit & Loss
For the Year Ended December 31, 2010

	Year End 2010	% of Revenue
OTHER EXPENSES		
Interest on Loans	(73,810.19)	-2.01%
Amort Exp - Covenant	(130,514.52)	-3.55%
State Income Taxes	(1,760.00)	-0.05%
		0.00%
Total Other Income and Expenses	(206,084.71)	-5.60%
NET INCOME	(628,787.09)	-17.09%

Change of Disposal Site - CWS Computation

Disposal Facility Name	Quoted Tip Fee Per Ton	Round Trip Miles	Round Trip Time	Transportation Cost Per Trip \$95 / Hr	Transportation Cost Per Ton	Estimated TOTAL Disposal Cost Per Ton	Estimated Disposal Difference Per Ton
Eastlake Landfill Clearlake, CA	\$41.37	136	3.5	\$332.50	\$15.83	\$57.20	Current Site
Potrero Hills Landfill 3675 Potrero Hills Lane Suisun City, CA 94585	\$23.80	240	5.5	\$522.50	\$23.22	\$47.02	(\$10.18)

Fuel Change	Daly Gallons	Weekly Gallons	Yearly Gallons	June 2016 eia	Cost Per Year	Trips Per Year	Fuel Cost Per Trip	MPG	Fuel/Hr	
Eastlake	122.40	612.00	31,824.00	\$2.782	\$88,534.37	1114	\$79.47		\$22.71	62.2%
Potrero	174.50	872.50	45,370.00	\$2.782	\$126,219.34	1040	\$121.36	5.5	\$22.07	\$202,853.07
	52.10	260.50	13,546.00		\$37,684.97	Increase in Fuel Cost				\$39,606.07

Truck & Driver	Transportation Cost Per Trip	LESS: Fuel Cost Per Trip	Truck & Driver Cost Per Trip	Trips Per Year	Truck & Driver Cost Per Year	
Eastlake	\$332.50	(\$79.47)	\$253.03	1114	\$281,870.63	\$72.29
Potrero	\$522.50	(\$121.36)	\$401.14	1040	\$417,180.66	\$72.93
					\$135,310.03	Increase in Truck & Driver Cost

Tip Fee Change	Tip Fee Per Ton	Tons Per Yr	Tip Fee Per Year	
Eastlake	\$41.37	23,400.00	\$968,058.00	
Potrero	\$23.80	23,400.00	\$556,920.00	
			(\$411,138.00)	Decrease in Tip Fee Cost

Solid Wastes Systems, Inc.
Transfer Station Rate Schedule
 Effective Date January, 2017

<u>Item</u>	2016 <u>Rate</u>	Calculated	NEW
		2017 FA <u>Rate</u>	2017 Rate <u>Rounded *</u>
MSW - Ton	\$81.20	\$92.88	\$92.90
MSW - Yard	\$19.10	\$21.20	\$21.20
Minimum Gate Fee - MSW	Up to 3 cans \$9.55	\$10.60	\$10.60
Per Can Rate - 32 gallon	After 3 cans \$3.20	\$3.53	\$3.55
Green Waste - Ton	\$42.25	\$42.07	\$42.05
Green Waste - Yard	\$6.20	\$6.17	\$6.15
Minimum Gate Fee - Green Waste	\$6.10	\$6.07	\$6.05
Mixed Load - Additional Charge	\$18.90	\$18.82	\$18.80
Appliances	\$10.40	\$10.36	\$10.35
Oil Filters - Small	\$0.35	\$0.35	\$0.35
Oil Filters - Medium	\$0.65	\$0.65	\$0.65
Oil Filters - Large	\$0.90	\$0.90	\$0.90
Concrete - Ton	\$66.25	\$65.97	\$65.95
Dirt - Ton	\$66.25	\$65.97	\$65.95
Sheetrock - Clean	\$42.25	\$42.07	\$42.05
Sheetrock - Dirty	\$66.25	\$65.97	\$65.95
Tires - Bicycle	\$1.20	\$1.19	\$1.20
Tires - Motorcycle	\$2.30	\$2.29	\$2.30
Tires - Passenger Car	\$3.45	\$3.44	\$3.45
Tires - Passenger Car with Rim	\$5.40	\$5.38	\$5.40
Tires - Truck	\$7.35	\$7.32	\$7.30
Tires - Truck with Rim	\$9.90	\$9.86	\$9.85
Tires - Tractor	43.65 - 330.05	43.65 - 330.05	43.65 - 330.05
E-Waste - Computers	No Charge	No Charge	No Charge
E-Waste - Monitors	No Charge	No Charge	No Charge
Scrap Metal	No Charge	No Charge	No Charge

This rate adjusted by 0% (effective rate)

This rate = 24.05% of per ton contractor gate fee PLUS per ton City & MSWMA fees divided by 5.54 (yards / ton)

This rate = MSW Yard fee / 2

This rate - Min Gate fee / 3

These rates adjusted by 0% (contractor rate)

* Rates are rounded to the nearest five cents

SWS Transfer Station Agreement

		Cost/Rev	Adjustment Period	Adjustment Method	Index Used	Cost Group
1,2,4	Construction / Lease	\$2.36 / MSW ton	Annual	100% of index change	CPI - US Cities CPI-U	Base Rate as Adjusted
3	Construction / Lease	\$10.00 / MSW ton	Time to Time	Per City	N/A	Pass Through
1,2	Fuel		Annual	100% of index change	eia CA #2 Diesel Retail all sellers	Base Rate as Adjusted
	Disposal - Landfill		Time to Time	Per Landfill Agreement	N/A	Pass Through
9	Disposal - Processing		Time to Time	Per Processor Agreements	N/A	Pass Through
1,2	Operating Costs		Annual	100% of index change	CPI - US Cities CPI-U	Base Rate as Adjusted
	Per Ton Contractor Gate					
4	City Franchise Fee	\$2.00	Time to Time	Per City	N/A	Pass Through
4	MSWMA Fee	\$5.00	Time to Time	Per MSWMA	N/A	Pass Through
6,7,8	TOTAL GATE FEE					

Notes

- 1 Agreement should state mutually agreed upon Index if Index becomes unavailable
- 2 June to June change
- 3 Lease rate replaces construction rate January 1, 2017 - \$10.00 per ton MSW
- 4 Part of Construction rate left in gate rate to cover triple net lease costs (adjusts by CPI) starting January 1, 2017. i.e.. Prop tax, Insurance & R&M.
- 4 Agreement should state initial rate, subject to change by City / MSWMA action
- 5 Exhibit of calculation to be made part of agreement
- 6 SWS requests new rate by Aug 15, City approves by Oct 15, Pub Notice given by Nov 1, Adjusted Rate goes into effect following January 1.
- 7 Per Yard Gate Fee shall be equal to 24.05% of per ton contractor gate fee PLUS per ton City & MSWMA fees divided by 5.54 (MSWMA yards / ton)
- 8 Rate change is calculated as follows: % annual adjustment X actual prior year (July to June) component cost = new funds needed / total gate revenue
= % adjustment to gate rate.
- 9 Processing contract mutually agreed to with city - i.e. PRS grinding yard rate charged SWS for greenwaste.

City can direct SWS to implement other programs, provided the costs of such programs are covered through increased rates.

Trips	1114		
Miles per trip	136	240	176%
Miles	151504	249600	165%
Fuel cost	\$ 101,582.21	\$ 145,858.71	144%
Cost per mile	\$ 0.67	\$ 0.58	
Index for 2015	3.192	2.782	
Gallons	31,824.00	52,429.44	
Miles per gallon	4.76	4.76	
Trips	1040		
Miles per trip	240		
Miles	249600		
Miles per gallon	4.76	-23640.3336	
Gallons	52,429.44		
Fuel index	2.782		
Recalculated fuel c	145,858.71		
Fuel cost change	44,276.50		

Revenue - Jack	3391323
Revenue - Gordon	3326699
Difference	64623.31
Expenses - Jack	3299676
Expenses - Gordon	3279940
Difference	19735.78
Net - Jack	91646.81
Net - Gordon	46759.28
Difference	44887.53