MEMORANDUM

TO: Dale Tech, City Council

CC: Solid Waste Staff

FROM: Karl Merbach

SUBJECT: Justification for Landfill Rate Adjustments- October 3, 2016

DATE: November 11, 2016

Timeline of Adjustment of Landfill Fees:

• 2011-
  o Last phased increase in landfill rates for all full price categories to $58/ton (plus $1/ton in State disposal fee.) 2007 council approval of annual increases from 2007 through 2011 for full-price waste production only. No adjustments to reduced rate items such as shingles, clean wood, tires since 2004.

• 2012-
  o Solid Waste Collection rates mandated reduction of 8% without a rate study
  o All collection and landfill fees were removed from City ordinance and placed in fee resolution.
  o Senior discount changed to match income and ability requirement for water and sewer customers. Eligible customers dropped by 90% from 2,400 to 240 customers.

• 2014-
  o Proposed the current rate changes to Public Works Director
  o November 2014- All City fees moved to one rate resolution

• 2015-
  o October- current small fee adjustments, including shingles, tires, car flat rate, placed into City Wide fee resolution update. Approved by then DPW Terry Wolterstorff.
  o December- Solid Waste small fee adjustments removed from resolution update by Mayor until further review

• 2016-
  o May- received approval from Mayor and DPW to place revised small fee rates on fee resolution update for Council approval.
June- Fee resolution with landfill adjusted fees approved by L&F on June 1 and City Council on June 6.

August 3- letter sent to all landfill account holders and private haulers regarding adjusted rates beginning October 3, 2016. Proposed changes flyer handed out to customers at the scale window.

Meeting held on August 12 with private haulers to discuss proposed changes in medical waste fees and manifest to assures medical loads were rendered non-infectious. Only 1 of 4 haulers invited attended.

October 3, adjusted rates in effect at landfill.

Justification of Landfill Rate Adjustments:

- Flat Rate Car Load- $2.00 to $5.00
  - “Car” included any enclosed vehicle including large SUV and van. Changed to make all minimum loads $5.00, including trucks and other small loads.

- Regulated Medical Waste- $59/ton to $87/ton
  - Special handling of non-infectious medical waste. Additional inspections, handling of manifest forms, and segregating of waste on landfill tipping face to separate from public. Approved by previous DPW in December 2015.

- Petroleum Contaminated Soil- $4.50/ton to $10.00/ton
  - Cost increase reflects time to review analytical results, document waste compliance and monitor disposal as daily cover.

- Tires
  - Various increases in individual tires or tires by the ton to reflect actual cost of disposal outside of Rapid City. Previous charges were below actual cost of disposal. Previous fee $210.00/ton collected, with disposal cost of $220.00/ton

- Dead Animals- Decrease from $118.00/ton to $59.00/ton
  - Reflects actual cost of disposal. Very low volumes of material come through this account.

- Asphalt Shingles- $16.00/ton to $59.00/ton & Wood Shingles $20.00/ton to $59.00/ton
  - Rate verified back to 2004 in available records.
    - Places shingle disposal in line with other materials, including household waste and construction debris.
    - Encourages contractors to recycle shingles at other venue in the Rapid City area.
    - No further disagreement with contractor over whether shingle is clean (shingles & tar paper) or dirty (clean shingles mixed with wood, metal, material wrapping paper, etc.).
    - Asphalt shingles is difficult material to work with on landfill. Difficult to move with landfill equipment.

- Composts- Eliminate MSW- Eliminate Co-compost (free) and add 50:50 MSW/Yardwaste compost at $20.00/ton
  - No longer making straight MSW compost to keep potential odors at a minimum.

- Sale of Recycled Asphalt- $10.00/ton to $25.00/ton
  - New cost reflects market cost with other asphalt companies in the area.
    - Normally not available due to in-house use by landfill. Previous cost at $10.00/ton allowed contractors to purchase and resell at a profit.