

**SALT LAKE CITY COUNCIL STAFF REPORT**  
**BUDGET ANALYSIS – FISCAL YEAR 2005**

**DATE:** November 8, 2005

**BUDGET FOR:** Salt Lake Valley Solid Waste Management Facility - Proposed 2006 Calendar Year Budget

**STAFF REPORT BY:** Sylvia Jones, Research and Policy Analyst

**cc:** Cindy Gust-Jenson, Rocky Fluhart, Rick Graham, Steve Fawcett, Kevin Bergstrom, Greg Davis, Romney Stewart and Stuart Palmer

The Solid Waste Management Council has forwarded the proposed 2006 calendar year Solid Waste Management Facility budget for the City Council’s review. A representative of the Solid Waste Management Facility will be present at the November 10th briefing to respond to inquiries from the City Council.

<b>SALT LAKE VALLEY SOLID WASTE MANAGEMENT FACILITY PROPOSED BUDGET</b>				
	Amended 2005	Proposed 2006	Difference	Percent Change
<b>Revenue &amp; other sources</b>				
Landfill Fees	\$14,280,000	<b>\$12,300,000</b>	(\$1,980,000)	(13.9%)
Compost Sales	400,000	<b>400,000</b>	- 0 -	- 0 -
Salvage Sales	220,000	<b>220,000</b>	- 0 -	- 0 -
Interfund Charges	105,000	<b>100,000</b>	(5,000)	(4.8%)
Interest	675,000	<b>640,000</b>	(35,000)	(5.2%)
Other Sources	257,000	<b>257,000</b>	- 0 -	- 0 -
<b>Total revenue &amp; other sources</b>	<b>\$15,937,000</b>	<b>\$13,917,000</b>	(\$2,020,000)	(12.7%)
<b>Expenditures and uses</b>				
Salaries, Wages and Benefits	\$4,062,252	<b>\$ 3,352,878</b>	\$ (709,374)	(17.5%)
Operating and Maintenance Supply	261,200	<b>231,500</b>	(29,700)	(11.4%)
Charges and Services	7,765,757	<b>7,658,345</b>	(107,412)	(1.4%)
<b>Total Operating Expenses</b>	<b>12,089,209</b>	<b>11,242,723</b>	(846,486)	(7.0%)
Transfer to trust fund	1,110,000	<b>- 0 -</b>	(1,110,000)	(100%)
Purchase of surety bond	- 0 -	<b>275,000</b>	275,000	
Capital Outlay	1,149,300	<b>1,412,200</b>	262,900	22.9%
Appropriation to Fund Balance	1,588,491	<b>987,077</b>	(601,414)	(37.9%)
<b>Total Expenses</b>	<b>\$15,937,000</b>	<b>13,917,000</b>	(\$2,020,000)	(12.7%)

The Salt Lake City Council may wish to hold a public hearing and consider adopting this budget on December 6, 2005. The Salt Lake County Council will also hold a public hearing and consider adopting this budget on December 6, 2005.

The Administration's paperwork outlines the proposed changes to the Solid Waste Management Facility's budget. Calendar year 2006 revenues are estimated at \$13,917,000; expenditures are estimated at \$12,929,923. Excess revenues over expenditures of \$987,077 are proposed to accumulate in the fund balance to be used for future capital costs and for COLA (cost of living) mid-year adjustments (estimated to be \$125,000). The county uses a calendar year budget, and when the budget is prepared in August, there is no way of knowing what, if any, the county's COLA adjustment will be.

## **POTENTIAL MATTERS AT ISSUE:**

The most significant changes to the budget as compared to the amended 2005 budget are as follows:

1. Landfill tipping revenues are projected to decrease by \$1,980,000 or (13.9%) based on a projected decrease in tonnage resulting from Allied Waste's new landfill in Tooele. According to the Administration, however, some additional tonnage is expected at the City/County Landfill from ACE, Waste Management, and A1, as well as baled waste from the privately owned Metro Waste Transfer Station, therefore offsetting a portion of the loss of tonnage from Allied Waste.
2. As a result of the decrease in tonnage revenues, a reduction in force of 16 FTE's (22%) is proposed which equates to a reduction in personal services costs of \$709,374. The Landfill currently has 72.75 FTE. With the reduction in force, the number of personnel will decrease to 56.75 FTE.

Landfill management indicated that a portion of the 16 employees have found other county positions or jobs with other employers, or will have retired by the time the reduction in force takes place.

3. The annual budget transfer to the trust fund is proposed to be eliminated (a decrease of \$1,110,000). To operate the landfill, the State Department of Environmental Quality requires a permit which is renewable every five years. The last permit from the state, which expired March 31, 2005, required a trust fund be established so that the state could close the landfill should the City and County abandon it.

To renew the permit for the next five years, the State Department of Environmental Quality (DEQ) increased the trust fund amount to \$23,376,105, which is an increase of \$12,224,973. According to Landfill management, in prior years, the state required the bottom lining of modules to be HDPE (high-density polyethylene), and the top to be closed with 1½ feet of soil. To renew the permit for another five years, the state now requires both the top and bottom to be HDPE, which reflects a large portion of the increase to the trust fund. At the time the budget was prepared in August, the Landfill Council considered other methods for satisfying the state mandated trust fund, including insurance, surety bonds, etc.

For budget purposes, the Landfill Council decided in August to set aside funds to purchase a surety bond, which will be purchased only if necessary. The \$275,000 listed in the proposed budget reflects the cost of an annual premium for the surety bond. Subsequent to the presentation of the 2006 budget, the Landfill Council

decided to submit a proposal to transfer \$12,224,973 from Landfill reserve funds to the trust fund to meet the closure/postclosure liability. If this proposal is accepted, Landfill Council will come back to the City Council (and County Council) during a budget opening.

The Landfill Council is continuing to discuss issues relating the use of fund balance. Landfill management has asked representatives from both the city and the county to provide recommendations as to what to do with the fund balance, including recommendations on how to fund the trust fund closure costs in the future. Legal opinions have been requested from the district attorney as well as the state in regards to the proper use of fund balance. According to the Administration, the Landfill Council is waiting for a final recommendation from staff on what funding level should be maintained and how the fund should grow in the future. The Council plans to have this issue resolved by the first of the year.

4. Contract hauling costs associated with the existing contractor are anticipated to increase by \$143,000. The budget reflects an increase in the costs of hauling refuse from the City's transfer station.
5. Capital expenditures are anticipated to increase by \$262,900. The capital expenditures include the perforated methane gas line installation \$400,000; and the following equipment will be replaced: D9T dozer \$633,000, loader \$140,000, submersible pumps \$34,200, three rolloff containers (at \$5,500 each) \$16,500, a steamer \$8,500, and a trammel screen used in the composting operation \$180,000.
6. While fleet fuel costs will decrease by \$33,730 as a result of handling less tonnage, the fleet maintenance budget reflects an increase of \$113,394. In actuality, according to Landfill management, maintenance costs are decreasing because in 2005, the Landfill was able to subsidize its maintenance budget with \$252,593 of accumulated monies from the County's fleet maintenance fund.
7. Facility maintenance costs are projected to decrease by \$197,815, given that there are no structural improvements planned for 2006.
8. Costs for computer software will decrease by \$22,300.
9. Clothing provisions and laundry costs will decrease by \$5,000.
10. Small equipment expenses will decrease by \$2,400.

*The Council may wish to ask whether Landfill management is considering re-evaluating or adjusting tipping fees to remain competitive with other transfer stations and landfills.*

*If the City Council wishes to make modifications to the budget, the Council may wish to ask how this would be coordinated logistically with the County, given that the public hearings for the City and County are the same day, December 6, 2005.*

*Included in the Council packets is the Landfill's third quarter update relating to major goals and programs for 2005, and the 3<sup>rd</sup> quarter statistical summary on landfill activity.*

## **CURRENT MARKET CONDITIONS AND BACKGROUND:**

The Salt Lake City/County Solid Waste Management Facility is jointly owned and operated by Salt Lake City and Salt Lake County. The Solid Waste Management Facility's operation is based on an Interlocal agreement entered into by Salt Lake City and Salt Lake County in 1978 and updated in 2000. The Interlocal agreement establishes a Salt Lake Valley Solid Waste Management Council. The Management Council appoints the Director of the Solid Waste Management Facility, who supervises and manages the day-to-day activities of the Facility. Information on the facility and its programs has been provided by the Administration.

The Salt Lake Valley Solid Waste Management Council worked with the Facility's Director to develop a proposed 2006 calendar year operating and capital improvement budget for the Facility. The Landfill Council reviewed and approved the proposed budget on August 26, 2005. According to the agreement both the City Council and the County Council must approve a budget for the landfill.

According to the Administration, since 1998, the City and County have been sending municipal waste using the transfer station to East Carbon County's landfill. As mentioned earlier in this report, the changing circumstances in the waste market may dramatically influence the City/County Landfill waste revenue. For instance, a private transfer station was recently opened in West Salt Lake. The waste coming through this transfer station is hauled to the Goshute Indian Reservation, causing the City/County Landfill to lose a portion of its commercial waste stream. Additionally, Allied Waste (owners of East Carbon County landfill) opened a new landfill in Tooele County, and will soon open its own transfer station in February 2006. Allied currently hauls approximately 150,000 tons of commercial waste to the City/County Landfill; however, Allied may not continue this practice once their transfer station is opened.

The Administration states that the life of the landfill according to consultants is projected to be over 45 years. The Landfill Council is considering re-bidding its hauling contract to explore whether other providers want the business. It is also considering hauling its own waste from the transfer station to the landfill. Additionally, it is considering expansion of the recycling program at the transfer station.

**COUNCIL TRANSMITTAL**

**TO:** Rocky Fluhart *RF* **Date:** October 26, 2005  
Chief Administrative Officer

**FROM:** Rick Graham *RG*  
Public Services Department

**SUBJECT:** Salt Lake Valley Landfill Calendar Year 2006 Budget

**STAFF CONTACT:** Greg Davis 535-6397  
Stuart Palmer 974-6920  
Salt Lake Valley Solid Waste Facility

**DOCUMENT TYPE:** Budget

**RECOMMENDATION:** That the City Council adopt the proposed budget.

**BUDGET IMPACT:** User fees collected and managed by Salt Lake County.

**DISCUSSION:** The FY 2006 budget reflects changes to the ongoing Landfill operations. The proposed budget was reviewed and approved by the Salt Lake Valley Solid Waste Management Council on October 19, 2005. The Salt Lake County Council has scheduled its public hearing and formal adoption of the proposed budget on December 6, 2005. Schedules attached.

**PUBLIC PROCESS:** Conducted by Salt Lake County. (See above)

**SLVSWMF 2006 Budget**

Initiative Name

**2005-06**

Fiscal Year

Initiative Number

**Public Services**

**Co-Approve SLVSWMF Annual Budget**

Department

**Greg Davis**

Type of Initiative

**535.6397**

Prepared By

Telephone Contact

**General Fund ( Fund Balance) Impact**

**Revenue Impact By Fund:**

**1st Year**

**2nd Year**

2005

2006

**General Fund**

	Total	\$0	\$0
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**Internal Service Fund**

	Total	\$0	\$0
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**Enterprise Fund**

Salt Lake Valley Solid Waste Management Facility

Interest		640,000	640,000
Landfill Fees		12,300,000	12,300,000
Compost Sales		400,000	400,000
Salvage Sales		220,000	220,000
Interfund Charges		100,000	100,000
Other Sources		257,000	257,000
Fund Balance...(Favorable) / Unfavorable		601,414	(621,099)

	Total	\$14,518,414	\$13,295,901
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**Other Fund**

	Total	0	\$0
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**Staffing Impact:**

Existing Number of FTE's		72.75	0.00
Change In Number of FTE's		(16.00)	0.00
<b>Total</b>		<b>56.75</b>	<b>0.00</b>
Description			

**Accounting Detail**Grant # and CFDA # If Applicable: **Revenue:**

Cost Center Number

Object Code Number

Amount

**Expenditure:**1st Year  
20052nd Year  
2006

	1st Year 2005	2nd Year 2006
Personal Services	3,352,878	3,520,522
Operating and Maintenance Supplies	231,500	231,500
Charges and Services	7,933,345	8,131,679
Capital Outlay	1,412,200	1,412,200
Total	12,929,923	13,295,901

**Additional Accounting Details:**

(1) SLVSWMF budgets on a calendar year.

(2) This is a co-approval budget opening for the SLVSWMF. Accounting for this facility is handled by Salt Lake County. Therefore, cost centers and object codes are not applicable.

**Grant Information:**

Grant funds employee positions? (Yes or No)

Is there a potential for grant to continue? (Yes or No)

If grant is funding a position is it expected the position will be eliminated at the end of the grant? (Yes or No)

Will grant program be complete in grant funding time frame? (Yes or No)

Will grant impact the community once the grant funds are eliminated? (Yes or No)

Does grant duplicate services provided by private or Non-profit sector? (Yes or NO)

<b>Initiative Name:</b>	<b>Title of Initiative</b>
<b>Initiative Number:</b>	<b>Blank</b>
<b>Initiative Type:</b>	<b>Type of Initiative</b>
<p><b>Initiative Discussion:</b></p> <p>Each year the Salt Lake Valley Solid Waste Management Facility (SLVSWMF), which is jointly owned by Salt Lake County and Salt Lake City, submits its budget to Salt Lake City for its approval. Salt Lake City last provided its approval of the SLVSWMF budget in December 2004 for calendar year 2005.</p> <p>SLVSWMF has submitted its 2006 budget to Salt Lake County for approval. SLVSWMF is also seeking the approval of the 2006 budget from Salt Lake City.</p> <p>Revenue is proposed to match expense with a contribution being made to fund balance. Year-to-year both revenue and expense will decrease by \$1,418,586 after a contribution to fund balance of \$987,077. The contribution to fund balance in calendar year 2006 is budgeted to be \$601,414 less than the amended calendar year budget for 2005.</p> <p>The major changes to revenue and expense follow. Landfill tipping fees are budgeted to decrease by \$1,980,000 based on a projected double digit decrease in tonnage. This change in tonnage has two components. Allied Waste has constructed a new landfill in Tooele County. As a result, the Allied tonnage will no longer be tipped at the SLVSWMF. Offsets to this decrease however are anticipated. Tonnage from ACE, Waste Management, A1 and baled waste from the privately owned Metro Waste Transfer Station are expected to increase. Hence, tonnage at the landfill is projected to drop by 14% which will result in a corresponding 14% drop in tipping fee revenue. Expense at the SLVSWMF is proposed to decrease by \$1,418,586. To compensate for the loss in tons, a reduction in force of 16.00 FTEs has been proposed. This will reduce personal services costs year-to-year by \$709,374. Supplies will also be decreased by \$29,700 based on reduced tonnage and the proposed reduction in force. The costs associated with contract hauling will increase by \$143,000 based on the existing contract with Allied. Landfill closure costs are proposed to decrease by \$835,000. Existing cash balance is being transferred from undesignated cash and designated cash to the landfill closure trust fund. Hence, less revenue collected from operations will be used for closure trust funding. No structural improvements are budgeted for 2006. Therefore, facility maintenance will decrease by \$197,815. Planned capital expenditures will continue at the landfill. Year-to-year, the cost of capital is proposed to increase by \$262,900.</p> <p>It is recommended that the Council approve the SLVSWMF budget.</p>	



**SOLID WASTE MANAGEMENT FACILITY**

Funding	Interest	Fees and Charges				Other Sources	Use / (Add To) Fund Balance	Total
		Landfill Fee	Compost Sales	Salvage Sales	Interfund Charges			
FY0405 Budget - Adopted	675,000	14,280,000	400,000	220,000	105,000	257,000	(1,379,437)	14,557,563
FY0405 Budget - Mid year adjustments							(209,054)	(209,054)
FY0405 Budget - Amended	675,000	14,280,000	400,000	220,000	105,000	257,000	(1,588,491)	14,348,509
<b>Significant Changes</b>								
Conservative stance on interest rates	(35,000)							(35,000)
Allied/BFI waste going to new landfill sites		(1,980,000)						(1,980,000)
Health Department transfer to landfill					(5,000)			(5,000)
Fund Balance							601,414	601,414
Total Changes	(35,000)	(1,980,000)			(5,000)		601,414	(1,418,586)
FY0506 Budget	640,000	12,300,000	400,000	220,000	100,000	257,000	(987,077)	12,929,923
per landfill budget			-14%					13,917,000

Budget History	FTE	Personal Services	Materials/Supplies	Charges/Services	Capital	Fund Balance	Total
FY9697 Budget - Amended	55.67	2,387,951	457,800	5,615,273	9,511,000		17,972,024
FY9798 Budget - Amended	71.67	2,728,761	688,824	11,682,792	9,809,000		24,909,377
FY9899 Budget Amended	73.67	3,136,899	642,000	7,521,650	2,539,300		13,839,849
FY9900 Budget - As Adjusted	70.90	3,263,984	645,000	7,819,478	4,428,140		16,156,602
FY0001 Budget - Adopted	70.90	3,300,011	669,000	13,720,218	1,494,000		19,183,229
Technical Adjustments		62,061	36,750	(123,032)			(24,221)
FY0001 Budget - As Amended	70.90	3,362,072	705,750	13,597,186	1,494,000		19,159,008
FY0102 Budget - Adopted	71.40	3,402,305	762,200	8,547,788	2,158,900		14,871,193
Technical Adjustments		125,371	(525,000)	688,804			289,175
FY0102 Budget - As Amended	71.40	3,527,676	237,200	9,236,592	2,158,900		15,160,368
FY0203 Budget - As Adopted	71.40	3,574,438	295,700	9,414,379	2,466,900		15,751,417
Technical Adjustments		25,056		(32,363)	739,703		732,396
FY0203 Budget - As Amended	71.40	3,599,494	295,700	9,382,016	3,206,603		16,483,813
FY0304 Budget - Adopted	72.40	3,738,118	265,700	9,315,031	2,241,000		15,559,849
FY0304 Budget - Mid year adjustments	0.35	162,732		(41,832)			120,900
FY0304 Budget - As Amended	72.75	3,900,850	265,700	9,273,199	2,241,000		15,680,749
FY0405 Budget - Adopted	72.75	3,940,420	261,200	9,206,643	1,149,300		14,557,563
FY0405 Budget - Mid year adjustments		121,832		(330,886)			(209,054)
FY0405 Budget - As Amended	72.75	4,062,252	261,200	8,875,757	1,149,300		14,348,509

<b>Significant Changes</b>							
Adjustment to Base		2,439			(1,149,300)		(1,146,861)
Reduction in force	(15.00)	(675,985)					(675,985)
Temporary Employees	(1.00)	(35,828)					(35,828)
Computer Supplies + Computer Components			(22,300)				(22,300)
Clothing Provisions + Laundry			(5,000)				(5,000)
Small Equipment, value <\$1,000			(2,400)				(2,400)
Contract hauling				143,000			143,000
Fleet maintenance				113,394			113,394
Contract labor				50,500			50,500
Fleet fuel				(33,730)			(33,730)
Travel + Mileage Allowance				1,600			1,600
Landfill closure costs				(835,000)			(835,000)
Maintenance of facilities 'n grounds + office equip+ s/w				(197,815)			(197,815)
Landfill Cover Material				(60,000)			(60,000)
Vehicle Rental 'n Replacement Charge				44,045			44,045
Utilities				(33,796)			(33,796)
Intergovernmental Charges				(33,500)			(33,500)
Consulting:							
SLC City Engineering Support				(68,510)			(68,510)
Environmental + aerial monitoring				(25,000)			(25,000)
Gas Collection / Flare				(5,000)			(5,000)
Compost Operation				(2,000)			(2,000)
D9T Dozer					633,000		633,000
Perforated Gas Line Installation					400,000		400,000
Trommel Screen					180,000		180,000
Loader					140,000		140,000
Submersible pumps					34,200		34,200
Rolloff Container, qty 3					16,500		16,500
Steamer					8,500		8,500
Miscellaneous adjustments				(600)			(600)
Total Changes	(16.00)	(709,374)	(29,700)	(942,412)	262,900		(1,418,586)
FY0506 Budget	56.75	3,352,878	231,500	7,933,345	1,412,200		12,929,923

SALT LAKE CITY ORDINANCE  
No. \_\_\_\_\_ of 2005

(Adopting the Solid Waste Management Facility budget,  
which has been prepared and submitted by the  
Salt Lake Valley Solid Waste Management Council  
for calendar year 2006, subject to specific policy directives)

AN ORDINANCE ADOPTING THE SOLID WASTE MANAGEMENT  
FACILITY BUDGET, AS PREPARED AND SUBMITTED BY THE SALT LAKE  
VALLEY SOLID WASTE MANAGEMENT COUNCIL, FOR CALENDAR YEAR  
2006, SUBJECT TO SPECIFIC POLICY DIRECTIVES.

PREAMBLE

On November 14, 2000, Salt Lake City (the "City") and Salt Lake County (the "County") entered into an Interlocal Cooperation Agreement (the "Agreement"), pursuant to Title 11, Chapter 13 of the Utah Code Annotated, regarding the joint management and operation of a Solid Waste Management Facility. The Agreement established the Salt Lake Valley Solid Waste Management Council and provided it with authority and responsibility relating to the operation and management of the Solid Waste Management Facility.

Pursuant to the Agreement, all actions by the Salt Lake Valley Solid Waste Management Council constitute recommendations to the City and the County and the City and the County have the power to review, ratify, modify or veto any action of the Salt Lake Valley Solid Waste Management Council.

The Salt Lake Valley Solid Waste Management Council has prepared the attached Solid Waste Management Facility budget for calendar year 2006 and has submitted said attached budget to the City Council for their approval. The City Council has authority

relating to budgets and appropriation of funds and, therefore, must approve, on behalf of the City, the Solid Waste Management Facility budget. The attached Solid Waste Management Facility budget has been available for public inspection in the Office of the City Recorder for at least ten days.

The City Council fixed the time and place for a public hearing to be held on December 6, 2005 to consider the adoption of the attached Solid Waste Management Facility budget and ordered notice thereof be published at least seven days prior to the hearing. Notice of said public hearing was duly published as required herein. A public hearing to consider adoption of said Solid Waste Management Facility budget was held on December 6, 2005, in accordance with said notice, at which hearing all interested persons were heard for and against the estimates of revenue and expenditures in the Solid Waste Management Facility budget.

The City Council wants to adopt the attached Solid Waste Management Facility budget for calendar year 2006, submitted by the Salt Lake Valley Solid Waste Management Council, subject to specific policy directives.

Be it ordained by the City Council of Salt Lake City, Utah:

SECTION 1. PURPOSE. The purpose of this Ordinance is to adopt the attached Solid Waste Management Facility budget, prepared and submitted by the Salt Lake Valley Solid Waste Management Council, for calendar year 2006, subject to the attached policy directives.

SECTION 2. ADOPTION OF BUDGET. The attached Solid Waste Management Facility budget, prepared and submitted by the Salt Lake Valley Solid

Waste Management Council, for calendar year 2006, is hereby adopted subject to the attached policy directives, and subject to similar approval by the County.

SECTION 3. RESERVE THE RIGHT TO AMEND. The City reserves the right to amend the attached Solid Waste Management Facility budget at any time, consistent with the Agreement.

SECTION 4. PUBLIC INSPECTION. Copies of the attached Solid Waste Management Facility budget shall be available for public inspection during regular business hours in the Office of the City Recorder.

SECTION 5. EFFECTIVE DATE. This Ordinance shall take effect on its first publication.

Passed by the City Council of Salt Lake City, Utah, this 6th day of December, 2005.

\_\_\_\_\_  
CHAIRPERSON

ATTEST:

\_\_\_\_\_  
CHIEF DEPUTY CITY RECORDER

APPROVED AS TO FORM  
Salt Lake City Attorney's Office  
Date 10-21-05  
By Boyd Ferguson

Transmitted to the Mayor on \_\_\_\_\_.

Mayor's Action:  Approved.  Vetoed.

\_\_\_\_\_  
MAYOR

ATTEST:

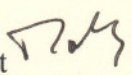
\_\_\_\_\_  
CHIEF DEPUTY CITY RECORDER

(SEAL)


Bill No. \_\_\_\_\_ of 2005.

Published: \_\_\_\_\_.

**COUNCIL TRANSMITTAL**

**TO:** Rocky Fluhart   
Chief Administration Officer

**Date:** October 28, 2005

**FROM:** Rick Graham, Director   
Public Services Department

**SUBJECT:** Salt Lake Valley Solid Waste Management Facility Update

**STAFF CONTACT:** Rick Graham 535-7774  
Romney Stewart 974-6920

**DOCUMENT TYPE:** Information Only

**RECOMMENDATION:** No action requested

**FUNDING:** None

**BACKGROUND/DISCUSSION:** The City Council has requested a quarterly update on the operation of the Landfill facility. Attached, is the 3<sup>rd</sup> Quarter Update relating to Major Goals and Programs for 2005, and the 3<sup>rd</sup> Quarter Statistical Summary on landfill activity. This report is submitted to you for informational purposes only.

**PUBLIC PROCESS:** Not required

**SALT LAKE VALLEY SOLID WASTE MANAGEMENT FACILITY  
MAJOR GOALS AND PROGRAMS FOR 2005**

**3rd QUARTER UPDATE**

**Institutional and Administrative:**

- 1. Staff shall monthly assess market related waste trends and their potential impact on the Long Term Strategic Plan. Steps will be initiated to adjust expenditures based on incoming tonnage revenue. The Council shall quarterly evaluate organizational structure and program budget categories to ensure that we are in line with market conditions.**

Waste volumes during the first three months were very consistent with previous years except for clean fill that is not charged a fee. With the opening of the Metro Waste Transfer Station in Salt Lake City commercial waste volumes in the second quarter were down 16% from 2004 and City and County residential waste volumes were up 5% over 2004. With the large reduction of commercial tonnage and revenue a cost reduction plan was submitted to the Landfill Council on June 23<sup>rd</sup> reducing the work force by 15 positions. In the third quarter waste tonnage landfilled was only 52% of the amount landfilled last year. Staff, equipment, and other costs are being reduced in accordance with the loss of revenue.

- 2. Updating the Salt Lake Valley Landfill Master Plan will enable us to professionally renew our DEQ permit in March 2005, ensure ongoing regulatory compliance, maximize landfill life capacity, follow the preferable sequence for module excavation and landfilling, and phase the development of a beneficial end use plan. The master plan will provide a valuable data base to determine the impact of increasing/decreasing the amount of tonnage landfilled or exported through the transfer station.**

The updated master plan has been submitted to DEQ for their review and the contract with EMCON/OWT was extended to the September 30th to address some additional items. Three preliminary alternative landfill end use plans were reviewed by Salt Lake City and Salt Lake County Parks for their input. Another extension was granted to November 30th to incorporate some additional data into the plan and to finalize the construction of the model.

- 3. Re-evaluate our designated reserve funds. Review fund objectives, cap amounts, and annual contribution amounts based on projected tonnage inflow and the updated landfill master plan. Consider fund adjustments if there is substantial loss of commercial waste at the Salt Lake Valley Landfill and the use of fund resources to purchase additional property to extend life of the landfill.** The funding amounts required for the Closure and Post-Closure reserve funds are going up substantially. The fund balances were based on the previous master plan now being updated. There has been extensive review and lengthy discussions about the designated reserve funds. Other 'financial assurance mechanisms' are being evaluated and staff recommended using a combination of mechanisms including an insurance policy to fund the future liability. We should allow the market to stabilize before commitments are made to reduce and/or reallocate reserve funds in behalf of Salt Lake City and Salt Lake County. Staff has requested a fund transfer from the designated funds to the trust fund to be in compliance with the new permit application. Staff has asked for recommendations from S.L. County Risk Management on specific fund balances for the insurance and environmental designated funds. Staff met with S.L. County Auditors and requested written recommendations on the use of other financial mechanisms. Staff has also met with Utah DEQ and legal staff from the Attorney General's Office to request a written legal opinion on the proper use of fund balances.
- 4. To retain our customer base and waste flow at a preferable level for Salt Lake City and Salt Lake County consider measures such as reducing & adjusting tipping fees, entering into contracts with commercial haulers, and/or modifying the Geographical Limitation Ordinance.** The Metro/Ace transfer station opened on April 28<sup>th</sup>. Waste Mgmt. and other commercial customers are taking waste to this transfer station rather than to our landfill because tipping fees are lower. Construction of the Allied Waste transfer station is now in process. Our tipping fees should be evaluated and perhaps adjusted if necessary to recover a good portion of our wastestream. A Request for Information was suggested by Council members to identify and evaluate various options.
- 5. Continually assess the future impact of anticipated decreases in tonnage to be landfilled, calculate the financial impacts of revenues and expenditures, determine the pros and cons of various options and then determine the next step to take in order to keep our landfill a viable disposal operation.** A mid-year budget adjustment was approved for the purchase of 5 transport trucks and trailers. Numerous scenarios and options have been prepared, presented, and discussed. The bids for the trucks and trailers came in under budget. A bid for commercial hauling of waste from our transfer station was opened in September. The low bid was \$5.65 per ton.



## Environmental, Technical & Construction Services:

- 1. Ensure compliance with the updated Landfill Master Plan as tonnages change due to the export or loss of incoming waste to newly developed regional landfills.** The updated Landfill Master Plan is still in the process of being completed. The landfill permit renewal has been submitted to DEQ with the necessary changes to ensure permit compliance to the master plan. Solid waste staff met with Parks Dept. planning staff from Salt Lake County and Salt Lake City and they have jointly blended landfill end use alternatives and their preferences were submitted to EMCON. At the Solid Waste Management Council meeting on August 26<sup>th</sup> EMCON presented the draft master plan update. The completion date for this contract was extended to November 30, 2005.
- 2. Jointly work with DTE Energy Biomass in a cooperative and aggressive manner to accommodate installing the reciprocating engines in a timely manner and to consistently maximize the collection and sale of our landfill methane gas.** We have successfully worked with DTE to amend our contract for electricity instead of direct methane gas usage. In May DTE obtained a 10 yr. contract with Murray City for purchase of the electricity in December/January when reciprocating engines become operational at the landfill. An interconnection agreement between DTE and Utah Power is in the process. Landfill Energy Systems (LES) has completed the soils analysis for the area where the reciprocating engines and electrical generators will be installed. LES has applied for air quality permits required for their operation.
- 3. Monitor closely the soils regeneration contractor's ongoing odor reduction and relocation efforts so that inbound waste assessment, soil processing, and soil amendment delivery arrangements are mutually beneficial.** E.T. Technologies, the soils regeneration site contractor, has been successful in reducing odors from their processing operation. There are fewer odor problems than in previous years. The landfill continues to benefit from the regenerated topsoil and revenue from this operation.
- 4. Insure the proper design and timely completion of capital improvement and maintenance projects especially the installation of perforated methane gas lines in Module 6.** The capital improvement and maintenance projects are in various design/construction stages. All projects are complete except for the installation of the gas collection line and header pipe. Hughes Construction is now under contract to connect the installed Module 6 gas collection line. The transfer station rail extension and fan installation project have both been canceled.

5. **Obtain the necessary permits for continued operation of the Salt Lake Valley Landfill and the Salt Lake Valley Transfer Station.** All permits for the operation of the landfill and transfer station are current. Re-application for the permits are made prior to the expiration dates.
6. **Evaluate more efficient and environmental beneficial methods for leachate treatment, storage, and disposal. Determine the pros & cons of each.** The EMCON master plan update to be completed in November will include the most up-to-date methods to properly manage landfill leachate.
7. **Complete a written preventative maintenance plan for the Solid Waste Facilities. Finalize and implement the maintenance plan for the remaining facility equipment.** The preventative maintenance plan for the various landfill facilities is in draft form and will be submitted for implementation next quarter.

#### Operations:

1. **Continue to landfill in Module 7, complete the bottom layer and then start a second layer on Module 7. Stockpile all gravel products on Modules 3,4,& 5.** The bottom layer on Module 7 is completed and we are now working on the second layer. Incoming gravel products are being stockpiled on Modules 3, 4, & 5.
2. **Maintain a good driving surface at the tipping face for customers, keep incoming roads at the landfill in good visual appearance, and ensure proper drainage throughout the year.** This is complied with on a continual basis. During the 3<sup>rd</sup> Quarter a road was constructed in Module #7 in preparation for the winter months.
3. **Increase the recycling tonnage recovered from the landfill tipping face, citizen unloading station, and the transfer station over the amount in 2004. Evaluate new recycling opportunities and continually have premium compost available for sale.** At the end of the first quarter steel recycling is down 15% from last year because the price for metals is high and fewer citizens are brings metal to the landfill. Commercial solid waste tonnage coming to the landfill has decreased and as a result metal recycling has also decreased. The price for metal has gone down to \$79 per ton from well over \$100 per ton. The recycling of electronics is increasing. There is a very large inventory of compost available.

4. **Continue to work closely with Salt Lake City, Salt Lake County, and West Valley City's residential bulky waste and weekly collection services.** All bulky waste collection services began in May and are in operation. We are doing well to weekly coordinate with local governments doing residential collection. Salt Lake County's bulky waste collection was completed by mid-October.
  
5. **Purchase all budgeted operational equipment in a timely manner and consistently conduct preventative maintenance on all equipment.** All budgeted items are in the purchasing process but we are experiencing lengthy delays. Both service technicians doing preventative maintenance have resigned. New experienced employees have transferred into these positions.
  
6. **Continue to maintain a good neighborly working relationship with landfill (Brashers Auto & Legacy Subdivision) and transfer station neighbors (Quikrete, Golf in the Round, and Central Valley Water Reclamation).** The City and County Attorney's have completed a license agreement for use of the transfer station road to access their work site. The City and County have signed the agreement and has been delivered to Quikrete for their signature.
  
7. **Keep the landfill office area and the transfer station free of weeds and litter. Also add new garden grade mulch to landscaped areas and keep the interior of the transfer station building clean.** Litter collection is being done daily. The weeds are a spring, summer, and fall project. Oxbow Jail trustees and volunteers are working on landscape projects.
  
8. **Assess the value and cost of a GPS system to track disposal locations and purchase an appropriate system to track disposal locations.** Staff has met with a vendor and is evaluating options. A GPS system has been purchased. Daily records are being maintained of landfill locations.

## Public Information and Recycling Office:

- 1. Promote and market Solid Waste Facility services and products, HHW, compost, woodchips, recycling drop-off center, wildlife overlook to the public.** The 2005 Recycling Guide was distributed in the Salt Lake Tribune, Morning Deseret News and libraries throughout Salt Lake County. The guide provides information on recycling drop-off locations, green waste, and HHW. A new website has been created to be more interactive and give out more information on recycling services. On April 1<sup>st</sup> Channel 4 ran a story on the landfill and recycling. In May Channel 2 featured the HHW Facility and the computer-recycling program. We sponsored a Compost Bin Sale and sold over 1,200 bins to the public to promote home composting. We also attended the Utah Arts Festival, Live Green, Greater Avenues, Fit Well Fair, Salt Lake Marathon, and Salt Lake County Fair promoting landfill services and recycling.
- 2. Improve and update the content of tours and presentation for groups and publicize the services and programs of the Recycling Information Office.** The education building has been updated with a new message and display. Reminder flyers were distributed to schools promoting recycling, waste reduction tours and presentations for Earth Day. YTD we have interacted with 11,886 students.
- 3. Encourage and support valley-wide recycling activities, e.g. America Recycles Day, Christmas Tree Recycling, and Earth Day.** Earth Day was celebrated on April 23<sup>rd</sup>. The Recycling Information Office sponsored an Earth Day celebration for the community involving non-profit and governmental agencies to promote environmental topics. The main attraction was our "recycled fashion show"!
- 4. Continue developing programs with local government entities and increase the frequency of events to reduce the amount of electronic waste e.g. computers, monitors, televisions, etc. coming to the landfill for disposal.** On January 9<sup>th</sup> we held a computer-recycling event in Salt Lake City; 167 items were collected including 21 TV's and 24 monitors. Electronic waste will now be collected at a designated location at the Landfill and Transfer Station free of charge to the public. On April 9<sup>th</sup> 840 items were collected from the public including 39 TV's and 101 monitors. On July 9<sup>th</sup> 122 citizens brought in 557 electronic items to be recycled. Residents now daily utilize the electronic waste drop-off locations free of charge at the Landfill and Transfer Station.

5. **Educate businesses on the advantages of recycling and alternatives to disposing of recyclable materials in the landfill.** We distribute handouts with recycling options and a list of recycling companies to businesses who inquire about recycling and waste reduction.
  
6. **Evaluate more efficient ways to save space in the landfill and implement new and updated recycling programs for the landfill, citizen unloading facility and break room.** New signage is being placed on bins in the office and at the citizen unloading station. The Quarterly News Letter is a fun way to bring employees up to date and is a reminder for them to recycle. The RIO officer is now spearheading the recycling efforts for all divisions of the County by gathering information, meeting with representatives, gathering ideas, and implementing a recycling program for each department.

**SALT LAKE VALLEY SOLID WASTE MANAGEMENT FACILITY**  
**Statistical Summary**  
**3<sup>rd</sup> Quarter: January → September 2005**

	WASTE VOLUMES		
	2004	2005	Variance
<b>Tonnage Crossing Scales</b>	<b>853,519</b>	<b>765,536</b>	<b>- 87,983</b>
<b>Landfilled MSW Tons</b>	<b>485,711</b>	<b>416,275</b>	<b>- 69,436</b>
<b>Transfer Station MSW</b>	<b>116,918</b>	<b>107,923</b>	<b>- 8,995</b>
<b>Total Landfill &amp; Transfer Station MSW Tons</b>	<b>602,629</b>	<b>524,198</b>	<b>- 78,431</b>
<b>Clean Fill Tons</b>	<b>129,145</b>	<b>108,397</b>	<b>- 20,748</b>
<b>Other Diverted Material Tons</b>	<b>121,745</b>	<b>132,990</b>	<b>+ 11,245</b>
<b>Citizen Loads</b>	<b>85,983</b>	<b>77,463</b>	<b>- 8,520</b>

The 2005 decrease in tonnage crossing the scales is largely because of the opening of the Metro Waste Transfer Station in late May. Since June 2005 there has been a 28% decrease in waste landfilled compared to last year. However without a one time cement kiln dust clean up project contractor bringing in 39,274 tons of cement kiln dust the amount of waste landfilled in 2005 would be 54% less than 2004 for the same four month period. Citizen tonnage was up 3% and ET Tech tonnage up 33% in the 3<sup>rd</sup> Quarter. Salt Lake City and Salt Lake County Sanitation waste were both up about 1%.

Other diverted material is waste crossing the scales that is not landfilled and is used beneficially on or off-site. It includes auto fluff, E.T. waste, yardwaste, broken concrete/asphalt, metals, carpet pad, and batteries.

**REVENUES**

Landfill Fee Payments Received: \$9,933,275 or 69.6% of the \$14,280,000 budgeted for 2005. The average annual revenue thru September is 76.33%. Revenues from sales of compost are expected to meet or exceed the 2005 budgeted amount and salvage sales have already exceeded the budgeted 2005 amount by 16%.