

SOLID WASTE

ACTIVITIES

***Field Operations**

***Post-Closure Operations**

***General Program Operations**

***Capital Construction**

DESCRIPTION

The Solid Waste Program provides for limited support for the municipal portions of franchise management for the two solid waste franchises in Grants Pass. The City now works through the Josephine County Solid Waste Agency for direct franchise administration, the development of recycling opportunities, and solid waste regulation. Historically, the City operated the Merlin Landfill which stopped accepting waste as of December 31, 2000. Under the Merlin Consent Order, entered into by the City with the DEQ, the City now directs the remediation of environmental and groundwater issues. The construction of the landfill's final cover was completed at end of 2001. The landfill has entered into its post-closure maintenance and monitoring period, which is required for at least the next 30 years.

The post-closure monitoring and maintenance of the Merlin Landfill is covered by an insurance policy from American International Group (AIG). This policy was purchased in FY'02 to cover the cost of the landfill's final cover and its post-closure monitoring and maintenance for a total coverage limit of \$13,000,000. In addition, the City purchased a property damage (including natural resource damage) and bodily harm insurance policy with a total coverage limit of \$10,000,000 for the landfill.

Previously, revenues for the Solid Waste Program were generated largely from the disposal rates at the Merlin Landfill. With the closure of the landfill, that revenue source has ceased. Solid Waste Fund balances will provide sufficient resources to complete the capital activities necessary for the final remediation of the landfill, and will meet the limited operating costs for the site.

The primary issues in the solid waste fund for the next two-year period involve three primary areas:

- Completion of the required remediation actions at Merlin as contained in the final Record of Decision
- Reforestation and land management for the Merlin lands
- Payment of debt on behalf of the Solid Waste Activity

	ACTUAL	ACTUAL	BUDGET	MANAGER RECOMMEND	COMMITTEE APPROVED	COUNCIL ADOPTED
	FY'03	FY'04	FY'05	FY'06	FY'06	FY'06
	\$	\$	\$	\$	\$	\$
Program Generated Resources	4,113,959	5,483,613	4,378,918	3,351,575	3,351,575	3,351,575
Total Resources	<u>4,113,959</u>	<u>5,483,613</u>	<u>4,378,918</u>	<u>3,351,575</u>	<u>3,351,575</u>	<u>3,351,575</u>
Requirements						
Solid Waste Field Operations	52,808	1,539,648	38,152	38,194	38,194	38,194
Solid Waste General Operations	169,025	166,463	252,079	215,913	215,913	215,913
Post-Closure Operations	130,543	98,335	166,204	165,310	165,310	165,310
Capital Construction	3,761,583	3,679,167	3,922,483	2,932,158	2,932,158	2,932,158
Total Requirements	<u>4,113,959</u>	<u>5,483,613</u>	<u>4,378,918</u>	<u>3,351,575</u>	<u>3,351,575</u>	<u>3,351,575</u>

Program: Utilities/Solid Waste – Solid Waste Program

Services Delivered:

This activity meets the goals of the City of Grants Pass by providing safe and efficient management of solid waste. Operational programs within this activity include management of franchise collection services for solid waste, environmental remediation at the Merlin Landfill, development of companion programs for recycling and hazardous waste collection, yard and leaf debris collection, administration of the open burning ordinance and planning and development for future disposal opportunities. The program also now accounts for a debt authorized to assist the Grants Pass/Josephine County Solid Waste Agency.

The Solid Waste Program addresses the Council goal of protecting and enhancing the environment. By providing solid waste disposal and recycling opportunities, the service provides an environmentally responsible method for handling the community's solid waste. The ongoing environmental investigations and remediation work also protect the community surrounding the landfill.

FY'06 Anticipated Accomplishments:

The Merlin Landfill is a "closed" landfill. The final Record of Decision (ROD) requires the construction of a municipal water line to supply residents adjacent to the landfill site, and the acquisition of limited properties. Each of these activities will be managed through the capital appropriation for remediation.

The solid waste program will remain responsible for assuring the ongoing monitoring of the closed Merlin Landfill. The ongoing monitoring requirements are all reimbursed; however, the program must assure all required actions are completed, including ongoing groundwater monitoring, maintenance of the final cover, and the completion of all required remediation activities.

This program will also invest in the continued creation of a reforested site. A portion of the borrow areas will be replanted, with remaining planting needed in future years.

Program: Utilities/Solid Waste – Solid Waste Program

Program Financial Summary

Resources	ACTUAL	ACTUAL	BUDGET	MANAGER RECOMMEND	COMMITTEE APPROVED	COUNCIL ADOPTED
	FY'03	FY'04	FY'05	FY'06	FY'06	FY'06
	\$	\$	\$	\$	\$	\$
Beginning Balance	<u>203,191</u>	<u>165,451</u>	<u>119,628</u>	<u>81,129</u>	<u>81,129</u>	<u>81,129</u>
Current Resources						
Activity Generated						
Burn Permits	1,760	2,310	1,825	1,900	1,900	1,900
AIG Reimbursements	127,436	97,444	165,310	165,310	165,310	165,310
Solid Waste Agency	0	26,766	141,572	143,078	143,078	143,078
Interest	2,547	1,234	1,100	1,000	1,000	1,000
Other Revenue	17,442	1,511,241	27,000	27,000	27,000	27,000
Capital Construction	<u>3,761,583</u>	<u>3,679,167</u>	<u>3,922,483</u>	<u>2,932,158</u>	<u>2,932,158</u>	<u>2,932,158</u>
Total Current Resources	<u>3,910,768</u>	<u>5,318,162</u>	<u>4,259,290</u>	<u>3,270,446</u>	<u>3,270,446</u>	<u>3,270,446</u>
Total Resources	<u>4,113,959</u>	<u>5,483,613</u>	<u>4,378,918</u>	<u>3,351,575</u>	<u>3,351,575</u>	<u>3,351,575</u>

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER RECOMMEND	COMMITTEE APPROVED	COUNCIL ADOPTED
	FY'03	FY'04	FY'05	FY'06	FY'06	FY'06
	\$	\$	\$	\$	\$	\$
Field Operations	52,808	1,539,648	38,152	38,194	38,194	38,194
Post Closure Operations	120,271	90,223	133,959	133,065	133,065	133,065
Contingency	0	0	35,000	35,000	35,000	35,000
Indirect Charges	13,846	23,373	26,623	26,747	26,747	26,747
Capital Construction	3,761,583	3,679,167	3,922,483	2,932,158	2,932,158	2,932,158
Debt Service	0	31,574	141,572	143,078	143,078	143,078
Ending Balance	<u>165,451</u>	<u>119,628</u>	<u>81,129</u>	<u>43,333</u>	<u>43,333</u>	<u>43,333</u>
Total Requirements	<u>4,113,959</u>	<u>5,483,613</u>	<u>4,378,918</u>	<u>3,351,575</u>	<u>3,351,575</u>	<u>3,351,575</u>

Program: Utilities/Solid Waste – Field Operations

Services Delivered:

The activity provides for safe and efficient management of the City of Grants Pass's portion of solid waste disposal, collection, and alternatives to disposal. The primary activities are those associated with management of the solid waste collection franchises, management of the landfill post-closure maintenance and monitoring, the oversight of work necessary on the remediation, and the administration of the limited open burning ordinance. The solid waste franchise agreements, now administered by the Josephine County-City of Grants Pass Solid Waste Agency, have placed the following responsibilities on the solid waste haulers: operation of the transfer station and reload station, specialty waste streams (such as household hazardous waste, etc.), recycling, yard and leaf debris collection, and the spring cleanup day.

FY'06 Anticipated Accomplishments:

The activity provides for the use of contracted technical and engineering consulting services to support activities for the solid waste program and activities at and around the landfill not considered part of post-closure maintenance and monitoring. It also provides for the rental of the TerBest property adjacent to the landfill to secure the property and maintain access to our monitoring wells located on the property.

FY'06 Performance Measurements:

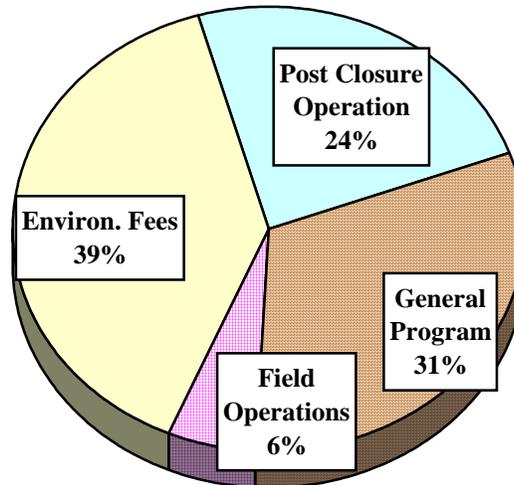
- Capital Construction work will be completed to accomplish the Record of Decision: **Goal #IV**
 - Water Line Construction
 - Land Acquisition
- Rental of the TerBest property will continue with its eventual purchase by the City as required by the Consent Order. **Goal #IV**

Budget Highlights:

The FY'06 budget reflects revenues from the beginning balance, interest on those funds, and burn permits. This activity provides for contracted professional services, rental of the TerBest property and a contingency.

Program: Utilities/Solid Waste – Field Operations

FY'06 Budget Allocations



FY'05 Activity Review:

The Merlin Landfill is in the post-closure period. The City and County created the Josephine County-City of Grants Pass Solid Waste Agency to oversee the solid waste program throughout the County and City, and the City issued debt to support the solid waste activities at Marlsan.

FY'05 Performance Indicators:

- A Record of Decision (ROD) will be obtained from the DEQ. **Target met.**
- Capital Construction work will be completed to accomplish the ROD: **Target not met.**
 - Water Line Construction
 - Land Acquisition
- Rental of the TerBest property will continue with its eventual purchase by the City as will be required by the Consent Order. **Target met.**

Program: Utilities/Solid Waste – Field Operations

Financial Summary

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER RECOMMEND	COMMITTEE APPROVED	COUNCIL ADOPTED
	FY'03	FY'04	FY'05	FY'06	FY'06	FY'06
	\$	\$	\$	\$	\$	\$
Personal Services	(1,800)	0	0	0	0	0
Materials & Supplies	39	29	0	0	0	0
Contractual/Prof Services	52,049	1,537,339	36,200	36,200	36,200	36,200
Direct Charges	2,162	2,280	1,952	1,994	1,994	1,994
Capital Outlay	<u>358</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenses	<u>52,808</u>	<u>1,539,648</u>	<u>38,152</u>	<u>38,194</u>	<u>38,194</u>	<u>38,194</u>

Program: Utilities/Solid Waste – Field Operations

Program: Utilities/Solid Waste – Post Closure Operations

Services Delivered:

This activity provides for the post-closure maintenance and monitoring of the Merlin Landfill and the costs reimbursed by AIG insurance. Activities include maintenance and monitoring of the final cover, gas collection system, leachate collection and hauling, storm water system, groundwater recovery wells and treatment system, groundwater monitoring, and permit compliance.

FY'06 Anticipated Accomplishments:

Utilities staff mainly from the JO-GRO™ facility will complete the majority of the activities, with major contracts in place for groundwater monitoring.

FY'06 Performance Measurements:

- Maintain and monitor the Merlin Landfill assuring no failures in any of the monitoring or containment systems 100% of the time. **Goal #IV**
- Assure all incurred costs are reimbursed by the insurance policy covering post-closure of the Merlin landfill, written by AIG. **Goal #IV**

Budget Highlights:

The costs reflect the monitoring and maintenance of the landfill to be reimbursed by AIG plus a contingency for any unexpected costs.

FY'05 Activity Review:

The Merlin Landfill's final cover and gas collection system operation were monitored with 100% success through the period. The cover integrity and maintenance of the site, as well as all required monitoring, were completed in a timely manner, with full reimbursement from the insurance for the site.

FY'05 Performance Indicators:

- Maintain and monitor the Merlin Landfill assuring no failures in any of the monitoring or containment systems 100% of the time. **Target met.**
- Assure all incurred costs are reimbursed by the insurance policy covering post-closure of the Merlin landfill, written by AIG. **Target met.**

Program: Utilities/Solid Waste – Post Closure Operations

Financial Summary

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER RECOMMEND	COMMITTEE APPROVED	COUNCIL ADOPTED
	FY'03	FY'04	FY'05	FY'06	FY'06	FY'06
	\$	\$	\$	\$	\$	\$
Materials & Supplies	0	0	3,000	3,000	3,000	3,000
Contractual/Prof Services	108,773	64,828	108,525	108,525	108,525	108,525
Direct Charges	11,498	15,566	22,434	21,540	21,540	21,540
Capital Outlay	0	9,829	0	0	0	0
Contingency	0	0	20,000	20,000	20,000	20,000
Indirect Charges	9,622	7,218	12,245	12,245	12,245	12,245
Ending Balance	<u>650</u>	<u>894</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenses	<u>130,543</u>	<u>98,335</u>	<u>166,204</u>	<u>165,310</u>	<u>165,310</u>	<u>165,310</u>

Program: Utilities/Solid Waste – General Program Operations

Services Delivered:

This activity provides for expense which is not directly allocated to the field operations for solid waste or for the post closure activities. The contingency is appropriated in this activity, along with the debt repayment for the full faith and credit obligation issued by the City of Grants Pass to support the Josephine County/City of Grants Pass Solid Waste Agency. The debt instrument is repaid from the environmental program fees (EPF) paid by solid waste franchises to both the City and County, consolidated in the Agency, and paid to the City to allow repayment of the obligation to the issuer of the note.

FY'06 Anticipated Accomplishments:

This activity will assure payment on outstanding debt.

FY'06 Performance Measurements:

Payment will be made on debt promptly and collections of EPF will be assured. **Goal #VI**

Program: Utilities/Solid Waste – General Program Operations

Financial Summary

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER RECOMMEND	COMMITTEE APPROVED	COUNCIL ADOPTED
	FY'03	FY'04	FY'05	FY'06	FY'06	FY'06
	\$	\$	\$	\$	\$	\$
Contingencies	0	0	15,000	15,000	15,000	15,000
Indirect Charges	4,224	16,155	14,378	14,502	14,502	14,502
Debt Service	0	31,574	141,572	143,078	143,078	143,078
Ending Balance	<u>164,801</u>	<u>118,734</u>	<u>81,129</u>	<u>43,333</u>	<u>43,333</u>	<u>43,333</u>
Total Expenses	<u>169,025</u>	<u>166,463</u>	<u>252,079</u>	<u>215,913</u>	<u>215,913</u>	<u>215,913</u>

Program: Utilities/Solid Waste – Capital Construction

Basic Functions:

This activity provides for the planning, engineering and construction of solid waste facilities.

Activity Highlights:

This fiscal year will continue to implement the Record of Decision (ROD) and continue to monitor the remediation programs.

Budget Highlights:

A list of projects for FY'05 and FY'06 is shown on the following page.

The History Through FY'03 column shows project costs through June 30, 2003. The FY'04 Actual column shows actual expenditures for the fiscal year July 1, 2003 through June 30, 2004. The Budget FY'05, Recommend FY'06, Approved FY'06 and Adopted FY'06 columns reflect the total amount of resources available or expected to be available to the project during the respective fiscal years.

Program: Utilities/Solid Waste – Capital Construction

FY '05 & FY '06 PROJECTS

		Through FY'03	Actual FY'04	Budget FY'05	Recommend FY'06	Approved FY'06	Adopted FY'06
LA2640	Remediation	1,794,740	76,589	1,856,278	799,453	799,453	799,453
LA4691	Clean Up Program	0	44,060	1,486,478	1,540,478	1,540,478	1,540,478
LA0000	Miscellaneous Projects	<u>516,614</u>	<u>35</u>	<u>579,727</u>	<u>592,227</u>	<u>592,227</u>	<u>592,227</u>
	Total Projects	<u>2,311,354</u>	<u>120,684</u>	<u>3,922,483</u>	<u>2,932,158</u>	<u>2,932,158</u>	<u>2,932,158</u>

Program: Utilities/Solid Waste – Capital Construction

Financial Summary

	<u>Thru FY'03</u>	<u>Actual FY'04</u>	<u>Revised FY'05</u>	<u>Recommend FY'06</u>	<u>Approved FY'06</u>	<u>Adopted FY'06</u>
Resources						
Beginning Fund Balance	<u>0</u>	<u>3,630,364</u>	<u>3,558,483</u>	<u>2,597,658</u>	<u>2,597,658</u>	<u>2,597,658</u>
Current Resources						
AIG Reimbursements	263,352	0	0	0	0	0
Investment Interest	411,529	15,640	20,000	54,000	54,000	54,000
Interest Payment/Bancroft Fund	7,869	11,554	18,000	18,000	18,000	18,000
Interest Payment /Lands & Buildings	0	21,609	35,000	12,500	12,500	12,500
Miscellaneous	0	0	250,000	250,000	250,000	250,000
Transfer from Solid Waste Operations	3,789,430	0	0	0	0	0
Transfer from Closure Fund	1,432,867	0	0	0	0	0
Transfer from Post Closure Fund	36,671	0	0	0	0	0
Transfer from Lands & Buildings	<u>0</u>	<u>0</u>	<u>41,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Current Resources	<u>5,941,718</u>	<u>48,803</u>	<u>364,000</u>	<u>334,500</u>	<u>334,500</u>	<u>334,500</u>
Total Resources	<u>5,941,718</u>	<u>3,679,167</u>	<u>3,922,483</u>	<u>2,932,158</u>	<u>2,932,158</u>	<u>2,932,158</u>
Requirements						
Expense	2,311,354	79,684	1,074,825	187,680	187,680	187,680
Transfers to other Funds	0	41,000	0	0	0	0
Contingency	0	0	250,000	250,000	250,000	250,000
Ending Fund Balance	<u>3,630,364</u>	<u>3,558,483</u>	<u>2,597,658</u>	<u>2,494,478</u>	<u>2,494,478</u>	<u>2,494,478</u>
Total Requirements	<u>5,941,718</u>	<u>3,679,167</u>	<u>3,922,483</u>	<u>2,932,158</u>	<u>2,932,158</u>	<u>2,932,158</u>

Program: Utilities/Solid Waste – Capital Construction

Project	LA2640	Remediation
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Project Description

This project funds the activities required to mitigate the groundwater contamination and other environmental problems associated with the Merlin Landfill. The ROD was issued from the Department of Environmental Quality in FY'05. Actions required under the Record of Decision (ROD) include purchase of property, fencing, site reforestation, extension of a City water main, supplying City water, deed restrictions, and continued monitoring.

Need for Project

The remediation project is required as an outcome of the D E Q's Consent Order Record of Decision (ROD). This ROD requires the City to take specific remediation actions to mitigate the environmental impacts of the landfill. In this fiscal period, the land required for purchase will be secured, the construction of the water line will be completed, and the supply of water to the adjacent properties will be initiated.

Estimated Total Project Cost: \$3,043,000

Funding Sources		Project Expenses by Budget Year	
Solid Waste Operations	3,043,000	Prior Years	1,100,000
	0	FY '04	77,000
	0	FY '05	1,057,000
	0	FY '06	170,000
TOTAL	3,043,000	TOTAL	2,404,000

Program: Utilities/Solid Waste – Capital Construction

Project	LA4691	Clean Up Program
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Project Description

This project will fund the clean up program that will run in conjunction with the proposed Enforcement Program. It will allow the City to develop an enforcement program to assist in removal of refuse and debris throughout the community. The program will utilize existing personnel from building, field operations, planning and other functions in conjunction with civilian service officers from Public Safety. The key to the program is the use of a part time coordinator and a full time clerk to coordinate activities.

This is proposed as an ongoing transfer from solid waste to the code program. The projected transfer is based on the revenue from interest on existing balances. The interest rate is assumed to be 2% per year.

Need for Project

The City receives complaints from neighbors frustrated with problems in their neighborhoods. They are concerned about trash in yards, abandoned vehicles and dangerous buildings. The City has been unable to provide the response these citizens are requesting. This program will be a major improvement.

Estimated Total Project Cost: \$96,465 for FY'06 and approximately \$100,000 / year thereafter. Cost to the Solid Waste Fund will be the interest revenues on \$1,572,500. No transfer will be made in FY'06, however, the transfer will occur in years following.

Funding Sources		Project Expenses by Budget Year	
Interest		Prior Years	0
Transfer from Post Closure	1,433,000	FY '04	43,000
Transfer from Closure	37,000	FY '05	(41,000)
Interest Revenue	74,000	FY '06	0
	TOTAL \$1,544,000	TOTAL	\$2,000

Program: Utilities/Solid Waste – Capital Construction

Project	LA0000	General Projects
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Project Description

This project accounts for small miscellaneous projects, closed projects and projects that are in the process of starting up. Fund balances and miscellaneous expenditures that are not attributable to a specific project are accounted for in this project. Resources from a large variety of sources are distributed from this project to other active projects.

Need for Project

This Project allows for tracking of fund balances and miscellaneous expenditures.

Estimated Total Project Cost: \$ There is no true cost associated with this project.

Funding Sources		Project Expenses by Budget Year	
Transfer from Solid Waste Operations	62,000	Prior Years	255,000
Investment Interest	550,000	FY '04	0
Miscellaneous Revenue	500,000	FY '05	268,000
		FY '06	268,000
TOTAL	\$1,112,000	TOTAL	\$791,000

WHERE THE ROGUE RIVER RUNS



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