

SOLID WASTE

ACTIVITIES

***Field Operations**

***Post-Closure Operations**

***General Program Operations**

***Capital Construction**

DESCRIPTION

The Solid Waste Program provides 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 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 run out after FY'08 and will not be sufficient to meet the ongoing management and limited operating costs for the site. We are currently contracting with a private consulting firm for this work and will be recommending transfers from the capital program to cover those costs.

The primary issues in the solid waste fund 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 for the Marlsan Landfill Cover on behalf of the Solid Waste Agency

	ACTUAL FY'05 \$	ACTUAL FY'06 \$	BUDGET FY'07 \$	MANAGER RECOMMEND FY'08 \$	COMMITTEE APPROVED FY'08 \$	COUNCIL ADOPTED FY'08 \$
Program Generated Resources	<u>4,040,386</u>	<u>4,177,961</u>	<u>4,093,633</u>	<u>3,418,792</u>	<u>3,418,792</u>	<u>3,418,792</u>
Total Resources	<u>4,040,386</u>	<u>4,177,961</u>	<u>4,093,633</u>	<u>3,418,792</u>	<u>3,418,792</u>	<u>3,418,792</u>
Requirements						
Solid Waste Field Operations	40,903	23,893	42,141	31,982	31,982	31,982
Solid Waste General Operations	248,248	408,260	361,031	161,849	161,849	161,849
Post-Closure Operations	83,486	79,570	143,000	122,000	122,000	122,000
Capital Construction	3,667,749	3,666,238	3,547,461	3,102,961	3,102,961	3,102,961
Total Requirements	<u>4,040,386</u>	<u>4,177,961</u>	<u>4,093,633</u>	<u>3,418,792</u>	<u>3,418,792</u>	<u>3,418,792</u>

Program: Utilities/Solid Waste – Solid Waste Program

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 '08 Anticipated Accomplishments:

The Merlin Landfill is a "closed" landfill. The final Record of Decision (ROD) required 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 that 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	COMMITTEE	COUNCIL
	FY'05	FY'06	FY'07	RECOMMEND	APPROVED	ADOPTED
	\$	\$	\$	FY'08	FY'08	FY'08
Beginning Balance	<u>119,628</u>	<u>98,164</u>	<u>56,665</u>	<u>0</u>	<u>0</u>	<u>0</u>
Current Resources						
Activity Generated						
Burn Permits	2,160	2,110	2,000	2,000	2,000	2,000
AIG Reimbursements	82,592	78,680	142,001	122,000	122,000	122,000
State Grants	18,000	2,000	0	0	0	0
Solid Waste Agency	136,944	318,645	333,506	141,831	141,831	141,831
Interest	1,294	124	0	0	0	0
Transfers	0	0	0	38,000	38,000	38,000
Other Revenue	12,019	12,000	12,000	12,000	12,000	12,000
Capital Construction	<u>3,667,749</u>	<u>3,666,238</u>	<u>3,547,461</u>	<u>3,102,961</u>	<u>3,102,961</u>	<u>3,102,961</u>
Total Current Resources	<u>3,920,758</u>	<u>4,079,797</u>	<u>4,036,968</u>	<u>3,418,792</u>	<u>3,418,792</u>	<u>3,418,792</u>
Total Resources	<u>4,040,386</u>	<u>4,177,961</u>	<u>4,093,633</u>	<u>3,418,792</u>	<u>3,418,792</u>	<u>3,418,792</u>
Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL
	FY'05	FY'06	FY'07	RECOMMEND	APPROVED	ADOPTED
	\$	\$	\$	FY'08	FY'08	FY'08
Field Operations	40,903	23,893	42,141	31,982	31,982	31,982
Post Closure Operations	76,474	71,428	105,450	101,665	101,665	101,665
Contingency	0	0	36,284	12,805	12,805	12,805
Capital Construction	3,667,749	3,666,238	3,547,461	3,102,961	3,102,961	3,102,961
Indirect Charges	20,333	41,369	28,791	27,548	27,548	27,548
Debt Service	136,763	318,368	361,031	141,831	141,831	141,831
Ending Balance	<u>98,164</u>	<u>56,665</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenses	<u>4,040,386</u>	<u>4,177,961</u>	<u>4,093,633</u>	<u>3,418,792</u>	<u>3,418,792</u>	<u>3,418,792</u>

Program: Utilities/Solid Waste – Field Operations

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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.

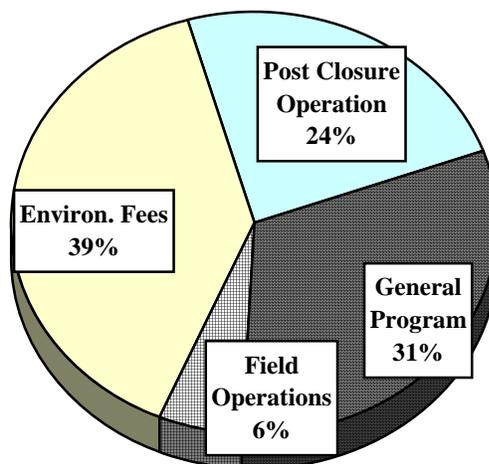
FY'08 Anticipated Accomplishments:

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 maintenance of properties adjacent to the landfill secured by the City in order to create the necessary buffer zone and to maintain access to our monitoring wells located on the properties.

Budget Highlights:

The FY'08 budget reflects revenues from the beginning balance, the transfer station lease, interest on those fund, and burn permits. This activity provides for solid waste activities not associated with the landfill property itself, contracted professional services, and a contingency.

FY'07 Budget Allocations



FY'07 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. The City issued debt to support the solid waste post-closure activities at the Marlsan Landfill.

Program: Utilities/Solid Waste – Field Operations

Financial Summary

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL
	FY'05	FY'06	FY'07	RECOMMEND	APPROVED	ADOPTED
	\$	\$	\$	FY'08	FY'08	FY'08
Personal Services	0	52	1,963	0	0	0
Materials & Supplies	5	70	0	0	0	0
Contractual/Prof Services	39,922	22,859	35,500	30,900	30,900	30,900
Direct Charges	976	912	1,082	1,082	1,082	1,082
Debt Service	<u>0</u>	<u>0</u>	<u>3,596</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenses	<u>40,903</u>	<u>23,893</u>	<u>42,141</u>	<u>31,982</u>	<u>31,982</u>	<u>31,982</u>

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'08 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.

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'07 Activity Review:

The Merlin Landfill's final cover and gas collection system operation were monitored through this period. We have transferred this responsibility to new personnel to insure the quality of continued operations. Last year, a small area of the final cover was repaired, however the breach in the cover allowed for a subterranean fire to start. The fire appears to be out at this time, but we will continue to monitor for any future flare ups. No emissions or immediate hazards have resulted from the fire.

Program: Utilities/Solid Waste – Post Closure Operations

Financial Summary

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL
	FY'05	FY'06	FY'07	RECOMMEND	APPROVED	ADOPTED
	\$	\$	\$	FY'08	FY'08	FY'08
Materials & Supplies	0	0	3,000	3,000	3,000	3,000
Contractual/Prof Services	63,707	61,194	78,450	77,125	77,125	77,125
Direct Charges	12,767	10,234	24,000	21,540	21,540	21,540
Contingency	0	0	27,005	10,169	10,169	10,169
Indirect Charges	6,122	7,143	10,545	10,166	10,166	10,166
Ending Balance	<u>890</u>	<u>999</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenses	<u>83,486</u>	<u>79,570</u>	<u>143,000</u>	<u>122,000</u>	<u>122,000</u>	<u>122,000</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'08 Anticipated Accomplishments:

This activity will assure payment on outstanding debt.

Program: Utilities/Solid Waste – General Program Operations

Financial Summary

Requirements	ACTUAL	ACTUAL	BUDGET	MANAGER	COMMITTEE	COUNCIL
	FY'05	FY'06	FY'07	RECOMMEND	APPROVED	ADOPTED
	\$	\$	\$	FY'08	FY'08	FY'08
Contingencies	0	0	9,279	2,636	2,636	2,636
Indirect Charges	14,211	34,226	18,246	17,382	17,382	17,382
Debt Service	136,763	318,368	140,315	141,831	141,831	141,831
Ending Balance	<u>97,274</u>	<u>55,666</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenses	<u>248,248</u>	<u>408,260</u>	<u>167,840</u>	<u>161,849</u>	<u>161,849</u>	<u>161,849</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'06, FY'07 and FY'08 is shown on the following page.

The History through FY'05 column shows project costs through June 30, 2005. The FY'06 Actual column shows actual expenditures for the fiscal years July 1, 2005 through June 30, 2006. The Budget FY'07, Recommend FY'08, Approved FY'08, and Adopted FY'08 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'06, FY'07 & FY'08 PROJECTS

		History through FY'05	Actual FY'06	Budget FY'07	Recommend FY'08	Approved FY'08	Adopted FY'08
LA2640	Remediation	1,453,227	464,246	1,116,173	616,173	616,173	616,173
LA4691	Clean Up Program	44,060	31	1,541,947	1,597,447	1,597,447	1,597,447
LA0000	Miscellaneous Projects	1,211,529	0	889,341	889,341	889,341	889,341
	Total Projects	<u>2,708,816</u>	<u>464,277</u>	<u>3,547,461</u>	<u>3,102,961</u>	<u>3,102,961</u>	<u>3,102,961</u>

Program: Utilities/Solid Waste – Capital Construction

Financial Summary

	History through FY'05	Actual FY'06	Budget FY'07	Recommend FY'08	Approved FY'08	Adopted FY'08
Beginning Fund Balance	<u>0</u>	<u>3,390,972</u>	<u>3,201,961</u>	<u>2,777,461</u>	<u>2,777,461</u>	<u>2,777,461</u>
Current Resources						
AIG Reimbursements	263,353	0	0	0	0	0
Investment Interest	466,341	72,714	68,000	70,000	70,000	70,000
Interest Payment/Bancroft Fund	32,942	43,767	64,600	90,000	90,000	90,000
Interest Payment/Lands & Buildings Fund	37,185	0	0	0	0	0
Miscellaneous Revenue	0	158,785	212,900	165,500	165,500	165,500
Transfer from Solid Waste Operations	3,789,429	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 Fund	<u>41,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Sub-Total Current Resources	<u>6,099,788</u>	<u>275,266</u>	<u>345,500</u>	<u>325,500</u>	<u>325,500</u>	<u>325,500</u>
Total Resources	<u>6,099,788</u>	<u>3,666,238</u>	<u>3,547,461</u>	<u>3,102,961</u>	<u>3,102,961</u>	<u>3,102,961</u>
Expenses						
Capital Outlay	2,667,816	464,277	500,000	200,000	200,000	200,000
Transfers Out	41,000	0	20,000	58,000	58,000	58,000
Contingency	0	0	250,000	250,000	250,000	250,000
Ending Fund Balance	<u>3,390,972</u>	<u>3,201,961</u>	<u>2,777,461</u>	<u>2,594,961</u>	<u>2,594,961</u>	<u>2,594,961</u>
Total Expenses	<u>6,099,788</u>	<u>3,666,238</u>	<u>3,547,761</u>	<u>3,102,961</u>	<u>3,102,961</u>	<u>3,102,961</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	3,033,000	Prior Years	1,453,000
		FY '06	465,000
		FY '07	500,000
		FY '08	238,000
	TOTAL	\$3,033,000	TOTAL



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 be run in conjunction with the Enforcement Program. It will allow the City to use a team of public safety personnel, building personnel and an attorney to enforce laws such as nuisance, dangerous buildings and erosion.

The ongoing revenue is based on anticipated interest on existing balances. The interest rate is assumed to be 5%.

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: \$20,000 / year

Funding Sources		Project Expenses by Budget Year	
Interest Revenue	205,000	Prior Years	44,000
Transfer from Post Closure	1,433,000	FY '06	0
Transfer from Closure	37,000	FY '07	20,000
Transfer from Lands & Buildings	41,000	FY '08	20,000
	TOTAL	TOTAL	\$84,000
	\$1,716,000		



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: \$ No true cost is associated with this project.

Funding Sources		Project Expenses by Budget Year	
Transfer from Solid Waster Operation	62,000	Prior Years	254,000
Interest	795,000	FY '06	0
Miscellaneous Revenue	537,000	FY '07	250,000
		FY '08	250,000
TOTAL	\$1,394,000	TOTAL	\$754,000

WHERE THE ROGUE RIVER RUNS



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