



## STAFF REPORT

**Report To:** Board of Supervisors                      **Meeting Date:** December 1, 2022

**Staff Contact:** Darren Schulz, Public Works Director

**Agenda Title:** For Possible Action: Discussion and possible action regarding initiating the process to increase the rates and fees charged for the use of Carson City's landfill ("Landfill"), which could include amending the Landfill rate and fee schedule at Carson City Municipal Code ("CCMC") 12.12.047. (Darren Schulz, dschulz@carson.org and Rick Cooley, rcooley@carson.org)

**Staff Summary:** Staff will present information on the Landfill's current and future funding needs. Staff seeks direction from the Board of Supervisors ("Board") concerning increasing the fees for Landfill use, with those increases designed to support the Landfill's operations, capital improvements and future capacity needs.

**Agenda Action:** Formal Action / Motion                      **Time Requested:** 20 minutes

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### **Proposed Motion**

I move to direct staff to initiate the process of updating the Landfill's rates and fees, as discussed on the record.

### **Board's Strategic Goal**

Sustainable Infrastructure

### **Previous Action**

July 18, 2013 (Item 18): The Board approved changes to how certain wastes are classified and reduced out-of-county rates for Class III (Inert) waste.

October 20, 2011 (Item 12): The Board approved lowering the fees for out-of-county Class III waste.

September 1, 2011 (Item 20A): The Board approved consolidating and modifying rate classes, increasing out-of-county rates for compacted and uncompact MSW and Class III waste and in-county rates for compacted and uncompact MSW and Class III waste.

April 3, 2008 (Item 5): The Board approved the increase in Landfill fees by increasing out-of-county rates 25 percent for compacted and uncompact municipal solid waste ("MSW") and Class III waste, increasing in-county tonnage rates for compacted and uncompact MSW and Class III waste by 4.82 percent and increasing minimums by \$1.00.

### **Background/Issues & Analysis**

The Landfill is a valuable asset to the residents of Carson City and staff is exploring ways to make sure it remains a sustainable asset in the future. Waste being brought to the Landfill has increased approximately 80 percent in the past 10 years, creating a need to update and improve operations, implement additional safety measures, and create a master plan for future Landfill operations, including expansion. Further, environmental

compliance is requiring additional long-term planning and capital plans to be put in place. Staff does not believe these new and growing needs can be addressed without additional revenue for the Landfill.

In addition, the Landfill current rates are well below the rates charged at surrounding solid waste disposal sites. Staff recommends that the Board consider an increase in Landfill fees such that those fees can continue to support the general fund while also increasing funding for the Landfill's operational requirements, capital improvements and future expansion to address capacity needs. Staff proposes increasing in-county and out-of-county rates and fees for all solid waste categories, as well as permitting automatic indexing for Landfill fees, utilizing the Consumer Price Index on July 1 of odd years, or something similar. These suggested changes will not impact the City's Waste Management franchise fees/collection service rates.

If the Board directs staff to initiate a process for increasing Landfill fees, staff proposes doing so by amending CCMC 12.12.047, which would require the development of a business impact statement and two readings of any proposed ordinance.

**Applicable Statute, Code, Policy, Rule or Regulation**

CCMC 12.12.047

**Financial Information**

**Is there a fiscal impact?** No

**If yes, account name/number:** N/A

**Is it currently budgeted?** No

**Explanation of Fiscal Impact:** N/A

**Alternatives**

Do not initiate the process to review and update landfill rates and/or provide alternate direction.

**Attachments:**

[LF Rate BOS Presentation 120122 Final.pdf](#)

**Board Action Taken:**

Motion: _____	1) _____	Aye/Nay
	2) _____	_____
		_____
		_____
		_____

\_\_\_\_\_  
(Vote Recorded By)



# Carson City Landfill Rates and Fees

Board of Supervisors Meeting  
December 1, 2022



# Background

- ▶ Landfill in operation since 1971.
- ▶ Carson City Public Works took over operation of the landfill in 2000.
- ▶ Originally permitted as a 110-acre site.
- ▶ In 1994, site was expanded to 212 acres.
- ▶ Rates were last modified in 2011.



# Historical Data

Fiscal Year	Gross Revenue	Trip Count	Net Tonnage
FY12	\$3,301,011.18	92,485	160,612.27
FY17	\$4,745,063.31	105,184	217,654.63
FY22	\$6,705,741.52	129,018	290,297.54

- Current staffing
  - Supervisor: 1
  - Operations staff: 8
  - Gate house staff: 3
- Public Hours of Operation: 0730 to 1700 hours, Monday-Saturday
- Field Staff Hours of Operation: 0600 to 1730 hours, Monday-Saturday

# Capital Outlay

Fiscal Year	Gross Revenue	General Fund	Operating Expenses	Capital Outlay
FY12	\$3.30M	\$1.71M	\$1.57M	\$18,500
FY17	\$4.75M	\$2.89M	\$1.86M	\$0.00
FY22	\$6.71M	\$1.75M	\$2.42M	\$2.54M

Capital outlay includes:

- Equipment replacement: Approx. \$1.1M per year
- Landfill closure costs: currently at 10% of capital outlay per year
- Capital Improvement Projects

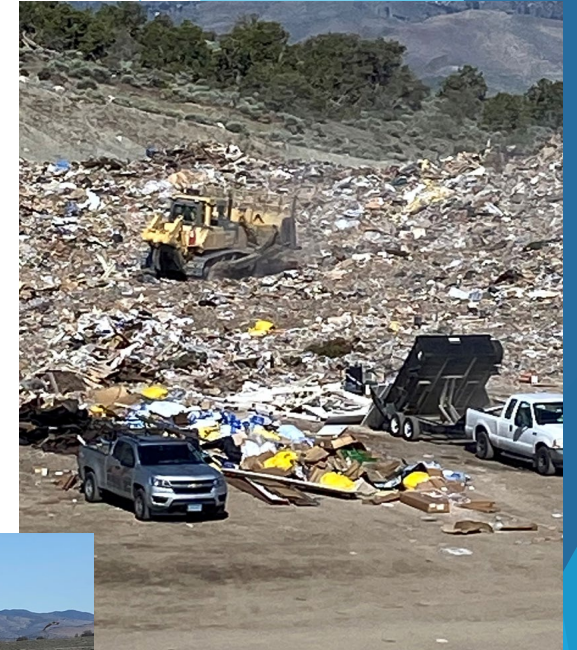
## Landfill Equipment

- |                                    |                         |                     |
|------------------------------------|-------------------------|---------------------|
| (2) Bulldozers                     | (1) Motor Grader        | (1) Tipper          |
| (2) Loaders                        | (1) Backhoe             | (1) Camera Trailer  |
| (2) Compactors                     | (1) Excavator           | (2) Towable magnets |
| (2) Off road haul trucks           | (2) Service trucks      |                     |
| (1) 5 <sup>th</sup> -wheel tractor | (1) 1-ton utility truck |                     |
| (1) Water wagon                    | (3) Pick-ups            |                     |



# Current Capacity

- ▶ FY22 analysis indicates 56% of volume remaining.
  - ▶ Using historical data over the last 10 years, which includes out-of-county customers, the growth of the landfill is approximately 8.0% per year. Staff does not anticipate that this level of increase will continue, but being conservative and using a possible 5% per year increase going forward would result in the life remaining of the current landfill to be approximately 20 years.
- ▶ Need to start planning and funding the future of the City landfill.



# Current and Future Needs

- ▶ Additional Staff
  - ▶ Regulatory/environmental requirements
  - ▶ Equipment maintenance (perform PMs in-house)
  - ▶ Site maintenance
  - ▶ Wood waste and metals recycling
  - ▶ Cover material generation
  - ▶ Load compliance checker (check for illegal dumping)
  - ▶ Gate house (currently no redundancy)
- ▶ Household hazardous waste storage and increased disposal costs
- ▶ Tipping Pad Facility (keeps general public out of actual landfill)
- ▶ Equipment Maintenance / Crew / Office Facility
- ▶ Site selection, environmental review, permitting, and capital outlay for landfill expansion.





# Proposed Tipping Fee Increase

- ▶ Recommended proposed increases equate to roughly a 2.5% increase per year over the last 10 years.
- ▶ Would generate approximately \$1.0M per year for capital and operations.
- ▶ Rate proposal would be effective July 1, 2023.
- ▶ After increase, indexing would be put in place and would be applied on a two-year cycle.

## Exceptions / Options:

- ▶ Franchise Agreement: No increase in fees to keep collections service low.
- ▶ DDI/STI Contract: Will renegotiate in 2026 (anticipate at a higher rate).
- ▶ Refrigerant removal: Add fee per unit for evacuation and disposal costs.
- ▶ Wood/Green Waste
- ▶ Tires: Increase will cover current disposal cost, however, there is a need to find a new disposal vendor.

# In-County Rates

<b>Solid Waste Categories</b>	<b>In-County Current (since 2011)</b>	<b>Proposed In-County</b>	<b>In-County Current Minimum</b>	<b>Proposed in-County Minimum</b>
MSW* Compacted	\$24.00/ton	\$30.00/ton	\$10.00	\$15.00
MSW* Uncompacted	\$24.00/ton	\$30.00/ton	\$10.00	\$15.00
Class III Inert / C&D*	\$24.00/ton	\$30.00/ton	\$10.00	\$15.00
Wood Waste - Green Waste	\$12.00/ton	\$20.00/ton	\$6.00	\$10.00

\*MSW = Municipal Solid Waste  
C&D = Construction and Demolition

# In-County Miscellaneous Rates

Solid Waste Categories	In-County Current (since 2011)	Proposed In-County	In-County Current Minimum	Proposed in-County Minimum
Asbestos	\$50.00/ton	\$63.00/ton	\$25.00	\$31.50
Medical	\$200.00/ton	\$253.00/ton	\$100.00	\$126.50
Dead Animal	\$60.00/ton	\$76.00/ton	\$30.00	\$38.00
Appliances with Refrigerant	No fee	\$25.00/each	No fee	\$25.00
Tires < 36 inches diameter with or without rim	\$3.00/each	\$7.00/each	\$3.00	\$7.00
Tires = or > 36 inches diameter with or without rim	\$20.00/each	\$20.00/each	\$20.00	\$20.00
Tires: Grader, loader, tractor, backhoe, > 36 inches diameter	\$30.00/each	\$30.00/each	\$30.00	\$30.00
Immediate burial	\$40.00/ton	\$50.00/ton	\$20.00	\$25.00
Trailer units or mobile homes = or greater 30 feet in length	\$250.00/each	\$315.00/each	\$250.00	\$315.00
Loader Assistance	\$35.00/occurrence	\$45.00/occurrence	\$35.00	\$45.00



# Out-of-County Rates

Solid Waste Categories	Out-of-County Current (since 2011)	Proposed Out-of-County	Out-of-County Current Minimum	Proposed Out-of-County Minimum
MSW* Compacted	\$58.00/ton	\$74.00/ton	\$30.00	\$37.00
MSW* Uncompacted	\$58.00/ton	\$74.00/ton	\$30.00	\$37.00
Class III Inert / C&D*	\$36.50/ton	\$74.00/ton	\$30.00	\$37.00
Wood Waste - Green Waste	\$24.00/ton	\$74.00/ton	\$12.00	\$37.00

\*MSW = Municipal Solid Waste  
C&D = Construction and Demolition

# Out-of-County Miscellaneous Rates

Solid Waste Categories	Out-of-County Current (since 2011)	Proposed Out-of-County	Out-of-County Current Minimum	Proposed Out-of-County Minimum
Asbestos	Not accepted	Not accepted	Not accepted	Not accepted
Medical	Not accepted	Not accepted	Not accepted	Not accepted
Dead Animal	\$120.00/ton	\$152.00/ton	\$60.00	\$76.00
Appliances with Refrigerant	No fee	\$50.00/each	No fee	\$50.00
Tires < 36 inches diameter with or without rim	\$6.00/each	\$10.00/each	\$6.00	\$10.00
Tires = or > 36 inches diameter with or without rim	\$40.00/each	\$40.00/each	\$40.00	\$40.00
Tires: Grader, loader, tractor, backhoe, > 36 inches diameter	\$60.00/each	\$60.00/each	\$60.00	\$60.00
Immediate burial	\$90.00/ton	\$100.00/ton	\$40.00	\$100.00
Trailer units or mobile homes = or greater 30 feet in length	\$500.00/each	\$630.00/each	\$500.00	\$630.00
Loader Assistance	\$70.00/occurrence	\$90.00/occurrence	\$70.00	\$90.00

# Surrounding Rates

Solid Waste Categories	Lockwood Landfill January 1, 2022 (CY converted to tons)	Douglas County	Carson City In- County (Proposed)
MSW* Compacted	\$46.14/ton	\$113.85/ton	\$30.00/ton
MSW* Uncompacted	\$46.49/ton // \$60.82/ton	\$113.85/ton	\$30.00/ton
Class III Inert / C&D*	\$46.49/ton // \$60.82/ton	\$113.85/ton	\$30.00/ton
Wood Waste - Green Waste	\$79.03/ton	\$51.85/ton	\$20.00/ton
*MSW = Municipal Solid Waste; C&D = Construction and Demolition			



# Questions?