

Submitted by: Chair of Assembly at the  
Request of the Mayor  
Prepared by: Solid Waste Services  
For reading: March 25, 2008

ANCHORAGE, ALASKA

AO No. 2008- 53

1 AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE  
2 CHAPTER 26.80 TO ADD A SECTION ALLOWING THE SOLID WASTE  
3 DISPOSAL UTILITY TO OPERATE A COMPOST FACILITY, SELL FINISHED  
4 COMPOSTED PRODUCT AND ESTABLISH TIPPING FEES FOR DISPOSAL  
5 OF ORGANIC MATERIALS.

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7 THE ANCHORAGE ASSEMBLY ORDAINS:

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9 **Section 1.** Anchorage Municipal Code chapter 26.80 is amended to add a new  
10 section regarding operation of a facility to compost organic wastes to read as  
11 follows:

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13 **26.80.070 COMPOSTING**

- 14  
15 A. The solid waste disposal utility may operate a facility to compost  
16 organic wastes. This facility may be operated separately from  
17 existing transfer station and disposal facilities.
- 18  
19 1. Organic material includes, but is not limited to, brush, lawn  
20 clippings, garden wastes, manure, and wood wastes.
- 21  
22 2. Organic wastes specifically exclude, but are not limited to,  
23 septic sludges, fecal material from carnivorous animals, and  
24 putrescible food wastes.
- 25  
26 3. The Director is authorized, in his/her sole discretion, to accept  
27 or exclude any materials as deemed in the best interest of the  
28 facility operations.
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30 B. The solid waste disposal utility shall collect disposal fees and sell  
31 finished product. Revenues generated by these activities shall  
32 finance all operation of the compost facility.
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34 1. Each user who delivers compostable organic material to a  
35 compost production facility in quantities weighing less than  
36 1,000 pounds and having a total volume of less than 5 cubic  
37 yards shall pay \$8.00 per visit. Users delivering similar loads  
38 to a solid waste transfer or disposal facility which is

1 designated to accept separated compostable materials shall  
2 pay \$10.00 per visit.

3  
4 2. At a compost production facility having working scales, each  
5 user who delivers compostable organic material in quantities  
6 weighing more than 1,000 pounds and having a total volume  
7 greater than 5 cubic yards shall pay the greater of \$8.00 per  
8 visit or \$30.00 per ton of organic material delivered. At a solid  
9 waste transfer station or disposal facility having working scales  
10 and designated to accept compost materials, each user who  
11 delivers compostable organic materials weighing more than  
12 1,000 pounds or greater than 5 cubic yards shall pay the  
13 greater of \$10.00 per visit or \$40.00 per ton.

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15 3. At a compost production facility that does not have  
16 operational scales, each user who does not meet the  
17 requirements of subsection B.1 of this section shall pay  
18 \$20.00 per cubic yard of organic material delivered as  
19 measured by the facility attendant. At a solid waste transfer  
20 station or disposal facility which does not have working scales  
21 and is designated to accept compost materials, each user who  
22 does not meet the requirements of subsection B.1 of this  
23 section shall pay shall pay the greater of \$10.00 per visit or  
24 \$30.00 per cubic yard of organic material delivered as  
25 measured by the facility attendant.

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27 4. Mixed waste, which may or may not include compostable  
28 organic waste, shall not be accepted at the compost  
29 production facility.

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31 5. Users delivering mixed waste which includes compostable  
32 organic materials to a solid waste transfer facility shall pay the  
33 standard tipping fee for refuse disposal as defined in Section  
34 26.80.050 regardless of the proportions of compostable and  
35 non-compostable materials

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37 C. The solid waste disposal utility shall produce and sell compost and  
38 compost byproducts.

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40 1. The utility shall sell its products at fair market value.  
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42 2. Pricing shall consider current market prices for similar  
43 materials, production costs, and a reasonable return on  
44 investment.  
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46 3. The Director shall set the rates for compost and  
47 compost byproduct sales.

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**Section 2.** This ordinance shall be effective May 1, 2008.

PASSED AND APPROVED by the Anchorage Assembly this \_\_\_\_\_ day of \_\_\_\_\_, 2008.

\_\_\_\_\_  
Chair

ATTEST:

\_\_\_\_\_  
Municipal Clerk

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects -- Utilities**

AO Number: 2008-53  
 Amended  
 Sponsor: Mayor  
 Preparing Agency: SWS  
 Others Impacted: None

Title: AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER 26.80 TO ADD A SECTION ALLOWING THE SOLID WASTE DISPOSAL UTILITY TO OPERATE A COMPOST FACILITY, SELL FINISHED COMPOSTED PRODUCT AND ESTABLISH TIPPING FEES FOR DISPOSAL OF ORGANIC MATERIALS.

<b>CHANGES IN REVENUES AND EXPENSES:</b>		<b>(In Thousands of Dollars)</b>				
	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	
<b>Operating Revenues:</b>						
	\$ 150 1)	\$ 240	\$ 240	\$ 240	\$ 240	
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 150</b>	<b>\$ 240</b>	<b>\$ 240</b>	<b>\$ 240</b>	<b>\$ 240</b>	
<b>Operating Expenses:</b>						
	\$ 144	\$ 229	\$ 229	\$ 229	\$ 229	
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 144</b>	<b>\$ 229</b>	<b>\$ 229</b>	<b>\$ 229</b>	<b>\$ 229</b>	
<b>Non-Operating Revenues:</b>						
	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Non-Operating Expenses:</b>						
	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>NET INCOME (REGULATED)</b>	<b>\$ 6</b>	<b>\$ 11</b>	<b>\$ 11</b>	<b>\$ 11</b>	<b>\$ 11</b>	
<b>POSITIONS: FT/PT and Temp</b>	<b>0/2</b>	<b>0/2</b>	<b>0/2</b>	<b>0/2</b>	<b>0/2</b>	

**PUBLIC SECTOR ECONOMIC EFFECTS:**

- 1) Revenues from compost facility are based on acceptance of 8,000 tons annually at \$30/ton disposal fee, beginning May 1, 2008. No revenues are included for sale of product
- 2) Expenses are based on an estimated processing cost of \$27 plus Municipal revenue sharing and MUSA.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Customers will pay \$30 per ton for disposal of organic wastes delivered to the compost facility. Rates at the formerly operating facility were \$25 per ton.

H.O.A.  
 2008 APR 11 PM 12:58  
 CLERK'S OFFICE



# MUNICIPALITY OF ANCHORAGE

## ASSEMBLY MEMORANDUM

AM No. 212-2008

Meeting Date: March 25, 2008

**From:** Mayor

**Subject:** An Ordinance Amending Anchorage Municipal Code Chapter 26.80 to Add a Section Allowing the Solid Waste Disposal Utility to Operate a Compost Facility, Sell Finished, Composted Product and Establish Tipping Fees for Disposal of Organic Materials

As part of a Comprehensive Integrated Waste Management initiative, the Municipality of Anchorage, through the Department of Community and Economic Development (DCED) and Solid Waste Services Department (SWS) intends to implement new programs in 2008 which will include operation of a compost facility to process organic wastes.

While the ultimate goal of the program is to foster development of a privately owned or operated self-sustaining facility, certain impediments to achieving that goal exist that will preclude establishing a long-term operational contract in calendar year 2008. Several community groups within the Municipality have a strong interest in having a compost facility to process wastes including horse owners, home owners and lawn maintenance companies. It is the intention of the Administration that a compost facility will be available within the Municipality during 2008, and will be operated by the Solid Waste Services Department refuse disposal utility.

A financially viable compost facility must be able to accept organic waste at a tipping fee less than the cost to landfill these products. Additionally, the facility must have the ability to sell finished product at a reasonable price. This ordinance will allow the refuse disposal utility to operate a compost facility, collect tipping fees for receiving organic wastes and sell composted product. Provisions are also included in this ordinance for the utility to accept organic wastes at locations other than the proposed compost facility, and to collect fees equal to the tipping fee at the compost facility plus recovery of reasonable costs to transport these materials to that facility.

Recommended by: Mark G. Madden, Director, Solid Waste Services  
Concur: Wanda J. Phillips, Director, OMB  
Concur: Sharon Weddleton, CFO  
Concur: James N. Reeves, Municipal Attorney  
Concur: Michael Abbott, Municipal Manager  
Respectfully submitted: Mark Begich, Mayor