

Postponed indefinitely 5/6/08

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.

6
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:

12
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.
- 29
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.
- 33
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

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

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

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

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

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

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

1. The utility shall sell its products at fair market value.

2. Pricing shall consider current market prices for similar materials, production costs, and a reasonable return on investment.

3. The Director shall set the rates for compost and compost byproduct sales.

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

Page1

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.*

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

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.

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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