

Submitted by: Chair of the Assembly at the  
Request of the Mayor  
Prepared by: Solid Waste Services  
For reading: June 24, 2008

CLERK'S OFFICE

APPROVED

Date: 7-29-08

ANCHORAGE, ALASKA

AO No. 2008-83

**AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER 26.80 TO ELIMINATE SPECIAL DISPOSAL RATES FOR COMMERCIALLY HAULED RESIDENTIAL REFUSE AND CHAPTER 26.70 TO INCREASE RESIDENTIAL GARBAGE COLLECTION RATES COMMENSURATE WITH THE DISPOSAL RATE INCREASE.**

THE ANCHORAGE ASSEMBLY ORDAINS:

**Section 1.** Effective April 1, 2009, Anchorage Municipal Code section 26.80.050A. is amended to delete subsection A.6.:

**26.80.050      Charges.**

A. Fee schedule for secured loads. The following solid waste disposal user charges shall apply to secured loads:

\*\*\*      \*\*\*      \*\*\*

6. Reserved. [USERS WHO ARE COMMERCIAL ENTERPRISES WHICH COLLECT REFUSE FROM ESTABLISHED SINGLE FAMILY AND MULTIPLE FAMILY RESIDENTIAL CAN AND BAG CURBSIDE COLLECTION ROUTES, AND DELIVER THESE LOADS TO A SOLID WASTE TRANSFER STATION OR DISPOSAL FACILITY SHALL HAVE THEIR LOADS COLLECTED FROM RESIDENTIAL CAN AND BAG CUSTOMERS ONLY, WEIGHED AND PAY THE GREATER OF \$15.00 PER LOAD OR \$45.00 PER TON.]

\*\*\*      \*\*\*      \*\*\*

(AO No. 82-224; AO No. 83-196; AO No. 83-221; AO No. 85-9; AO No. 86-203, 1-9-87; AO No. 87-19, 4-1-87; AO No. 89-2; AO No. 93-96(S), § 1, 5-11-93; AO No. 96-18(S), § 1, 4-9-96; AO No. 96-100, § 1, 1-1-96; AO No. 99-107, § 1, 8-10-99; AO No. 2003-76, § 1, 5-13-03; AO No. 2005-13, § 2, 2-15-05; AO No. 2007-146(S), § 2, 1-29-08).

**Section 2.** Effective April 1, 2009, Anchorage Municipal Code section 26.80.060 is amended to delete subsection B.4. in its entirety (*the remainder of the section is shown for context only*):

**26.80.060      Surcharges to support community recycling initiatives.**

\*\*\*      \*\*\*      \*\*\*

- B. The solid waste disposal utility shall collect a surcharge on all wastes delivered to solid waste transfer or disposal facilities to finance the implementation of these initiatives.

\*\*\* \*\*

[4. WASTES DELIVERED BY A COMMERCIAL ENTERPRISE, COLLECTED FROM ESTABLISHED SINGLE FAMILY AND MULTIPLE FAMILY RESIDENTIAL CAN AND BAG COLLECTION ROUTES, SHALL BE EXEMPT FROM THIS SURCHARGE.]

\*\*\* \*\*

(AO No. 2008-62(S), §1, 6-10-08)

**Section 3.** Effective April 1, 2009, Anchorage Municipal Code section 27.70.040C.1. is amended to read as follows (*the remainder of the section is not affected and therefore not set out*):

**26.70.040 Service requests, rates and billing.**

\*\*\* \*\*

C. Rates, fees and charges. Notwithstanding Section 26.10.035, the following rates, fees and charges shall be assessed for municipal solid waste collection:

1. Conventional can or bag service.

a. Basic monthly charge. This rate covers the weekly and bi-weekly collection of a maximum of four collection units, each unit consisting of one conventional 32-gallon garbage can or approved bag. The customer shall place all refuse for collection at the curbside or alley within three feet of the drivable roadway or alley.

TABLE INSET:

Type of Service	Monthly Rate
Single-family residential	\$18.25 [16.35]
Multiple-family residential unit or mobile home or trailer court with more than one trailer or mobile home	\$18.25 [16.35]/unit
Business establishments, each unit consisting of four cans or bags. For each additional unit add \$18.25 [16.35]. For more than once weekly service, multiply units times number of days serviced	\$18.25 [16.35]/unit

\*\*\* \*\*

(CAC 11.12.030; AO No. 77-349; AO No. 78-119; AO No. 81-80; AO No. 82-225; AO No. 83-221; AO No. 85-202, 1-1-86; AO No. 86-203, 1-9-87; AO No. 88-170, 1-1-89; AO No. 89-51(S-3); AO No. 90-72; AO No. 2000-79, § 1, 5-16-00; AO No. 2004-80, § 1, 7-1-04; AO No. 2005-13, § 1, 2-15-05; AO No. 2007-146(S), §1, 1-29-08; AO No. 2008-62(S), §2, 6-10-08)

**Section 4.** Effective July 1, 2008, Anchorage Municipal Code section 27.70.040C.5. is amended to delete the table in C.5.a. and replace it with a new table as follows (*the remainder of the section is not affected and therefore not set out*):

**26.70.040 Service requests, rates and billing.**

\*\*\* \*\*

C. Rates, fees and charges. Notwithstanding Section 26.10.035, the following

rates, fees and charges shall be assessed for municipal solid waste collection:

\*\*\* \*\*

5. *Automated refuse collection service.*

- a. *Basic monthly charge.* This rate covers the weekly and bi-weekly collection of refuse collection units, and bi-weekly collection of recyclable collection units on collection routes designated by the Director to be automated collection routes. Each customer receiving refuse collection service on a designated automated collection route shall subscribe to a service level based on standard refuse volumes as designated in this section. Multiple-family residential units; mobile home or trailer courts with more than one trailer or mobile home; or business establishments shall pay the elected subscription rate per occupancy unit. Subscription rates shall be:

<u>Subscription Volume for Refuse Collection</u>	<u>Monthly Service Charge</u>
<u>48 gallon bi-weekly</u>	<u>\$13.10</u>
<u>48 gallon</u>	<u>\$17.70</u>
<u>64 gallon</u>	<u>\$24.65</u>
<u>96 gallon</u>	<u>\$33.90</u>
<u>Additional Volume</u>	<u>\$9.25/32-gallon increment</u>

[SUBSCRIPTION VOLUME FOR REFUSE COLLECTION	MONTHLY SERVICE CHARGE
32 GALLONS	\$14.00
64 GALLONS	\$22.40
96 GALLONS	\$30.80
ADDITIONAL VOLUME	\$8.40/32-GALLON INCREMENT]

\*\*\* \*\*

(CAC 11.12.030; AO No. 77-349; AO No. 78-119; AO No. 81-80; AO No. 82-225; AO No. 83-221; AO No. 85-202, 1-1-86; AO No. 86-203, 1-9-87; AO No. 88-170, 1-1-89; AO No. 89-51(S-3); AO No. 90-72; AO No. 2000-79, § 1, 5-16-00; AO No. 2004-80, § 1, 7-1-04; AO No. 2005-13, § 1, 2-15-05; AO No. 2008-52(S), §1, 5-6-08)

**Section 5.** Effective April 1, 2009, Anchorage Municipal Code section 27.70.040C.5. is amended to read as follows (*the remainder of the section is not affected and therefore not set out*):

**26.70.040** **Service requests, rates and billing.**

\*\*\* \*\*

- C. Rates, fees and charges. Notwithstanding Section 26.10.035, the following rates, fees and charges shall be assessed for municipal solid waste collection:

\*\*\* \*\*

5. *Automated refuse collection service.*

- a. *Basic monthly charge.* This rate covers the weekly and bi-weekly collection of refuse collection units, and bi-weekly collection of recyclable collection units on collection routes designated by the Director to be automated collection routes. Each customer receiving refuse collection service on a designated automated collection route shall subscribe to a service level based on standard refuse volumes as designated in this section. Multiple-family residential units; mobile home or trailer courts with more than one trailer or mobile home; or business establishments shall pay the elected subscription rate per occupancy unit. Subscription rates shall be:

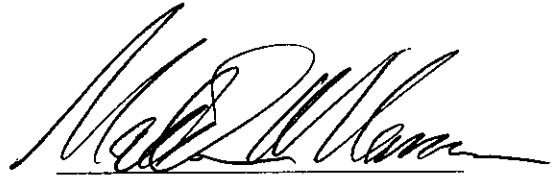
Subscription Volume for Refuse Collection	Monthly Service Charge
48 gallon bi-weekly	\$ 14.10 [13.10]
48 gallons	\$19.10 [17.70]
64 gallons	\$26.56 [24.65]
96 gallons	\$36.50 [33.90]
Additional Volume	\$9.95 [9.25]/32-gallon increment

\*\*\*      \*\*\*      \*\*\*

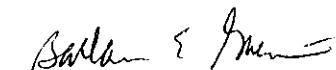
(CAC 11.12.030; AO No. 77-349; AO No. 78-119; AO No. 81-80; AO No. 82-225; AO No. 83-221; AO No. 85-202, 1-1-86; AO No. 86-203, 1-9-87; AO No. 88-170, 1-1-89; AO No. 89-51(S-3); AO No. 90-72; AO No. 2000-79, § 1, 5-16-00; AO No. 2004-80, § 1, 7-1-04; AO No. 2005-13, § 1, 2-15-05; AO No. 2008-52(S), §1, 5-6-08)

**Section 6.** Sections 1, 2, 3 and 5 of this ordinance shall be effective on April 1, 2009; Section 4 of this ordinance shall be effective on July 1, 2008.

PASSED AND APPROVED by the Anchorage Assembly this 29<sup>th</sup> day of July, 2008.

  
Chair of the Assembly

ATTEST:

  
Municipal Clerk

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects -- Collections Utility**

Page1

AO Number: 2008-83

Title: *AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER 26.80 TO ELIMINATE SPECIAL DISPOSAL RATES FOR COMMERCIALY HAULED RESIDENTIAL REFUSE AND AMENDING SECTION 26.70. TO INCREASE RESIDENTIAL GARBAGE COLLECTION RATES COMMENSURATE WITH THE DISPOSAL RATE INCREASE PURSUANT TO AO 2007-146(S).*

Sponsor: Mayor  
 Preparing Agency: SWS  
 Others Impacted: None

<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>	\$ 0 1)	\$ 91 1)	\$ 122 1)	\$ 122 1)	\$ 122 1)	
<b>TOTAL OPERATING REVENUES</b>	<b>\$ 0</b>	<b>\$ 91</b>	<b>\$ 122</b>	<b>\$ 122</b>	<b>\$ 122</b>	
<b>Operating Expenses:</b>	\$ 0	\$ 68 2)	\$ 151 2)	\$ 151 2)	\$ 151 2)	
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 0</b>	<b>\$ 68</b>	<b>\$ 151</b>	<b>\$ 151</b>	<b>\$ 151</b>	
<b>Non-Operating Revenues:</b>	\$ 0	\$ 0	\$ 46	\$ 46	\$ 46	
<b>TOTAL NON-OPERATING REVENUES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 46</b>	<b>\$ 46</b>	<b>\$ 46</b>	
<b>Non-Operating Expenses:</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
<b>TOTAL NON-OPERATING EXPENSES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	
<b>NET INCOME (REGULATED)</b>	<b>\$ 0</b>	<b>\$ 23</b>	<b>\$ 16</b>	<b>\$ 16</b>	<b>\$ 16</b>	
<b>POSITIONS: FT/PT and Temp</b>	<b>0/0</b>	<b>0/0</b>	<b>0/0</b>	<b>0/0</b>	<b>0/0</b>	

**PUBLIC SECTOR ECONOMIC EFFECTS:**

1) Additional revenues reflect an average 7.7% increase in residential automated collection rates for SWS Residential Customers. Conventional Can and Bag rates will increase from \$16.35 to \$18.25. The Utility collects approximately 13,230 residential tons annually.

2) Operating expenses reflect a tipping fee increase on all residential solid waste paid to SWS Disposal Utility, effective April 1, 2009. All refuse collected by SWS goes to the Central Transfer Station and the new disposal rate will be \$63 per ton. The tipping fee expenses paid by the Refuse Utility will then be the same for residential and commercial waste.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

1) Collection rates are adjusted by this ordinance to generate additional revenue to offset tipping fee increases by Solid Waste Disposal Utility. SWS automated rates will increase on average by 7.7%. Can and bag rates increase from \$16.35 to \$18.25 per month. By the end of 2009, all residential garbage will be collected using automated trucks.

2) Rate increases will take effect April 1, 2009.

**MUNICIPALITY OF ANCHORAGE**  
**Summary of Economic Effects -- Disposal Utility**

Page1

AO Number: 2008-83

Title: *AAN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER 26.80 TO ELIMINATE SPECIAL DISPOSAL RATES FOR COMMERCIALY HAULED RESIDENTIAL REFUSE AND AMENDING SECTION 26.70 TO INCREASE RESIDENTIAL GARBAGE COLLECTION RATES COMMENSURATE WITH THE DISPOSAL RATE INCREASE PURSUANT TO AO 2007-146(S).*

Sponsor: Mayor  
 Preparing Agency: SWS  
 Others Impacted: None

CHANGES IN REVENUES AND EXPENSES:		(In Thousands of Dollars)			
	FY08	FY09	FY10	FY11	FY12
Operating Revenues:	\$0	\$ 859 1)	\$ 1164 1)	\$ 1164 1)	\$ 1164 1)
TOTAL OPERATING REVENUES	\$0	\$ 859	\$ 1164	\$ 1164	\$ 1164
Operating Expenses:	\$0	\$0	\$ 32	\$ 32	\$ 32
TOTAL OPERATING EXPENSES	\$0	\$0	\$ 32	\$ 32	\$ 32
Non-Operating Revenues:	\$0	\$0	\$ 30	\$ 30	\$ 30
TOTAL NON-OPERATING REVENUES	\$0	\$0	\$ 30	\$ 30	\$ 30
Non-Operating Expenses:	\$0	\$0	\$0	\$0	\$0
TOTAL NON-OPERATING EXPENSES	\$0	\$0	\$0	\$0	\$0
NET INCOME (REGULATED)	\$ -	\$ 859	\$ 1162	\$ 1162	\$ 1162
POSITIONS: FT/PT and Temp	0/0	0/0	0/0	0/0	0/0

**PUBLIC SECTOR ECONOMIC EFFECTS:**

1) Beginning April 1, 2009, Solid Waste Services (SWS) Disposal Revenue will increase due to a tipping fee increase for all commercial customers hauling residential refuse to the landfill or to the transfer station. Refuse tipping rates from commercially hauled residential refuse will be \$53 per ton at the Anchorage Regional Landfill and will be \$63 per ton at the Central Transfer Station.

SWS Collections Utility will be subject to this tipping fee increase which will increase its operating costs. See the SWS Collection Utility Summary of Economic Effects.

**PRIVATE SECTOR ECONOMIC EFFECTS:**

Commercial waste haulers using SWS transfer stations and disposal facilities will pay \$53 per ton at the Anchorage Regional Landfill, and will pay \$63 per ton at the Central Transfer Station for weighed residential garbage. Prior, commercial waste haulers paid \$45 per ton for commercially hauled residential garbage. These costs will likely be passed along to residential refuse collection customers.

MUNICIPALITY OF ANCHORAGE  
ASSEMBLY MEMORANDUM

No. AM 435-2008

Meeting Date: June 24, 2008

**From: MAYOR**

**Subject: AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER 26.80 TO ELIMINATE SPECIAL DISPOSAL RATES FOR COMMERCIALLY HAULED RESIDENTIAL REFUSE AND CHAPTER 26.70 TO INCREASE RESIDENTIAL GARBAGE COLLECTION RATES COMMENSURATE WITH THE DISPOSAL RATE INCREASE.**

This ordinance eliminates the exemption afforded to commercially hauled residential garbage delivered to solid waste transfer and disposal facilities operated by the Municipality of Anchorage solid waste disposal utility, as introduced in recent rate changes.

On January 29, 2008 the Municipal Assembly approved AO 2007-146(S), increasing the rates charged by the disposal utility for weighed garbage, commonly referred to as tipping fees. The tipping fee was raised from \$45 per ton, for all facilities for loads in excess of 1,000 pounds, to \$50 per ton for loads received at the Anchorage Regional Landfill, and \$60 per ton for loads received at the Central Transfer Station. Tipping fees for garbage collected by commercial enterprises from established residential collection routes (commercially hauled residential garbage) were exempt from this increase. AO 2008-62(S), approved by the Municipal Assembly on June 10, 2008 increased tipping fees collected at all facilities for weighed garbage by \$3 per ton to support recycling. Commercially hauled residential garbage was also excluded from this increase. Currently, the tipping fee for commercially hauled residential refuse is \$45 per ton at both sites. This rate is less than the unit cost to process these materials at the transfer station, resulting in negative revenue to the utility.

When the tipping fees in the referenced ordinances were increased, it was recognized commercial waste haulers would need to be able to recover increased tipping fees from their customers. In addition, the rates charged by commercial waste haulers (excluding the Municipal refuse collections utility) for residential garbage collection is fully regulated by the Regulatory Commission of Alaska (RCA). To institute a rate increase for this type of service requires petitioning of a rate case to the RCA, demonstrating the proposed rates are reasonable and fair to the consumer and are based on the actual cost to provide this service. The exclusions for commercially hauled residential garbage were placed in the ordinances to allow the commercial haulers to establish their rate case, and be afforded ample opportunity to recover additional costs associate with the tipping fee increase.

At the time AO 2007-146(S) was considered, the Administration was developing a comprehensive recycling plan for the community, with likely impact to residential garbage collection rates in the community. The exemption for commercially hauled residential

garbage allowed the Assembly the opportunity to increase tipping fees adequate to meet the immediate revenue requirements of the disposal utility without imposing multiple increases to residential garbage collection rates.

Section 1 of the ordinance repeals the exemption for commercially hauled residential garbage disposal from section 26.80.050 established by AO 2007-146(S). Section 2 repeals the exemption for commercially hauled residential garbage in section 26.80.060 established by AO 2008-62(S). In each case, the repeal is effective April 1, 2009.

Section 3 increases the rates charged by the refuse collection utility for collection of can/bag and automated collection services to recover the increased operating cost imposed on the collection utility. The collection utility must pay tipping fees to the disposal utility at the same rate as all commercial users. Repeal of the tipping fee exemption increases the cost for disposal of refuse collected from can/bag and automated collection routes. Conventional can/bag customer rates will increase by \$1.90 per month, approximately 11.5 percent per household. This rate increase is also effective April 1, 2009.

Section 4 and 5 of the ordinance revise the collection units for automated garbage collection service, to be initiated in October 2008, from a minimum refuse collection can size of 32 gallons to a minimum of 48 gallons. On advice from the SWS roll cart provider, SWS automated truck manufacturer and operations personnel in other cities regarding significant operational problems with using the 32-gallon cart, the collections utility proposes to substitute the larger container. To promote greater recycling volumes, collections will offer a bi-weekly garbage service, resulting in a 24-gallon weekly equivalent. The proposed automated collection rates to be effective on July 1, 2008 are presented in the ordinance as well as the effect of the rate increase to be effective April 1, 2009. The 2009 rate increase results in an average increase of 7.7 percent per household.

**THE ADMINISTRATION RECOMMENDS APPROVAL OF AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER 26.80 TO ELIMINATE SPECIAL DISPOSAL RATES FOR COMMERCIALY HAULED RESIDENTIAL REFUSE AND CHAPTER 26.70 TO INCREASE RESIDENTIAL GARBAGE COLLECTION RATES COMMENSURATE WITH THE DISPOSAL RATE INCREASE.**

Prepared by:	Solid Waste Services
Approved by:	Mark G. Madden, SWS Director
Concur:	Sharon Weddleton, CFO
Concur:	James N. Reeves, Municipal Attorney
Concur:	Michael K. Abbott, Municipal Manager
Respectfully submitted:	Mark Begich, Mayor



**Content ID:** 006505**Type:** Ordinance-Involving Funds - AO

AN ORDINANCE AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER 26.80 TO ELIMINATE SPECIAL DISPOSAL RATES FOR COMMERCIAL

**Title:** HAULED RESIDENTIAL REFUSE AND CHAPTER 26.70 TO INCREASE RESIDENTIAL GARBAGE COLLECTION RATES COMMENSURATE WITH THE DISPOSAL RATE INCREASE.**Author:** kilsonpa**Initiating Dept:** SWS**Keywords:** commercially hauled residential refuse**Date Prepared:** 6/16/08 12:25 PM**Director Name:** Mark G. Madden**Assembly Meeting Date:** 6/24/08**Public Hearing Date:** 7/15/08**Public Hearing Date:** 7/15/08

<b>Workflow Name</b>	<b>Action Date</b>	<b>Action</b>	<b>User</b>	<b>Security Group</b>	<b>Content ID</b>
Clerk_Admin_SubWorkflow	6/20/08 12:01 PM	Exit	Heather Handyside	Public	006505
MuniMgrCoord_SubWorkflow	6/20/08 12:01 PM	Approve	Heather Handyside	Public	006505
MuniManager_SubWorkflow	6/20/08 11:52 AM	Approve	Michael Abbott	Public	006505
Legal_SubWorkflow	6/20/08 11:48 AM	Approve	Rhonda Westover	Public	006505
CFO_SubWorkflow	6/20/08 11:36 AM	Approve	Sharon Weddleton	Public	006505
OMB_SubWorkflow	6/20/08 11:16 AM	Approve	Bruce Holmes	Public	006505
SWS_SubWorkflow	6/19/08 12:44 PM	Approve	Mark Madden	Public	006505
AllFundOrdinanceWorkflow	6/19/08 12:32 PM	Checkin	Patty Kilson	Public	006505
SWS_SubWorkflow	6/19/08 11:34 AM	Reject	Mark Madden	Public	006505
AllFundOrdinanceWorkflow	6/16/08 12:30 PM	Checkin	Patty Kilson	Public	006505

2008 JUN 26 PM 12:13  
CLERK OF COURTS



CONSENT AGENDA - INTRODUCTION