

Submitted by: Chairman of Assembly at
the Request of the Mayor
Prepared by: Solid Waste Services
For Reading: April 15, 2008

CHIEF OF CLERK

DATE: 4-15-08

ANCHORAGE, ALASKA
AR. NO. 2008- 75

A RESOLUTION OF THE ANCHORAGE ASSEMBLY REVISING THE APPROVED 2008 SOLID WASTE SERVICES OPERATING BUDGETS TO REFLECT RECENT ASSEMBLY APPROVAL OF RATE INCREASES.

WHEREAS, Solid Waste Services is comprised of two separate utilities – the Refuse Collection Utility which collects refuse from commercial and residential customers in the former City of Anchorage collections area, and the Solid Waste Disposal Utility which operates the Anchorage Regional Landfill, and transfer stations in Girdwood, mid-town Anchorage (Central Transfer Station) and at the landfill. The Solid Waste Disposal Utility also operates a fleet of vehicles to haul refuse from the transfer stations to the Anchorage Regional Landfill for final disposal.

WHEREAS, On January 29, 2008 the Assembly approved AO 2007-146(S) authorizing and approving a rate increase effective April 1, 2008 for the Solid Waste Services Refuse Collection Utility and Solid Waste Disposal Utility Operating Budgets; and

WHEREAS, the Solid Waste Services 2008 Approved Operating Budget must be revised to provide for the rate increase;

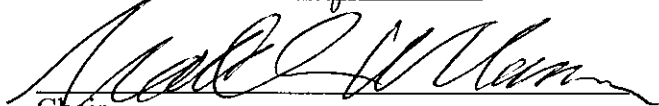
NOW THEREFORE, the Anchorage Assembly resolves:

Section 1. That the 2008 Solid Waste Services Operating Budget is revised as follows:

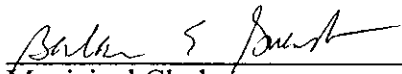
| Fund | Utility | Approved 2008 Operating Budget | Revised 2008 Operating Budget |
|------|-------------------|-----------------------------------|----------------------------------|
| 560 | Refuse Collection | \$ 6,837,460 | \$ 7,783,620 |
| 562 | Disposal | \$ 16,213,950 | \$ 18,547,580 |

Section 2. This resolution shall take effect immediately upon passage and approval by the Anchorage Municipal Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 15th day of April, 2008.


Chair

ATTEST:


Municipal Clerk

MUNICIPALITY OF ANCHORAGE
MEMORANDUM

No. AM 232 -2008

Meeting Date: April 15, 2008

From: Mayor

Subject: A RESOLUTION OF THE ANCHORAGE ASSEMBLY REVISING THE APPROVED 2008 SOLID WASTE SERVICES OPERATING BUDGETS TO REFLECT RECENT ASSEMBLY APPROVAL OF RATE INCREASES.

On January 29, 2008 the Assembly approved AO 2007-146(S) authorizing and approving a rate increase effective April 1, 2008 for the Solid Waste Services (SWS) Refuse Collection Utility and the Solid Waste Disposal Utility. The primary component of the rate increase was an increase in tipping fees for the Disposal Utility collected at the landfill and transfer stations. SWS had requested an increase of \$10 per ton to a rate of \$55 per ton at all locations for weighed refuse, and an increase from \$10 to \$15 per pickup truck load. Mary Ann Pease, a financial consultant hired by the Assembly, recommended a differential rate structure to distribute the costs associated with transfer operations to customers who deliver waste to the transfer stations. Ms. Pease recommended a tipping fee of \$60 per ton for weighed garbage and \$20 per pickup load for refuse delivered to the transfer stations, and \$50 per ton of weighed garbage and \$15 per pickup load for refuse delivered to the landfill. To avoid raising residential refuse collection rates throughout the Municipality, the tipping fee for commercially collected residential garbage was held at \$45 per ton at all locations. The final approved ordinance included the variable tipping fees recommended by Ms. Pease with the exception that the pickup rate will be \$15 at all locations.

The Refuse Collection Utility must pay tipping fees for disposal of refuse. All garbage collected by the Collection Utility is delivered to the Disposal Utility at the Central Transfer Station in Anchorage. The tipping fee granted to the Disposal Utility consequently results in an increase in operating costs to the Collections Utility of \$15 per ton of refuse collected from commercial customers. AO 2007-146(S) granted the Collections Utility an increase of thirty percent to fees charged to its commercial customers to recover the cost of the increased tipping fees.

The intent of AO 2007-146(S) was to generate adequate revenues to cover rising operating costs incurred by the Disposal Utility and to ensure that the Collections Utility could recover increased operating costs associated with the tipping fee from its customers. The attached resolution increases the operating budgets of the two utilities to allow them to utilize the additional revenues generated by the approved rate increase to continue normal operations.

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2 THE ADMINISTRATION RECOMMENDS THE APPROVAL OF THE ATTACHED
3 RESOLUTION REVISING THE APPROVED 2008 OPERATING BUDGETS FOR THE SOLID
4 WASTE SERVICES REFUSE COLLECTION UTILITY AND SOLID WASTE DISPOSAL
5 UTILITY.
6

7 Prepared by: Mark G. Madden, Director, Solid Waste Services

8 Concur: Wanda J. Phillips, Director, OMB

9 Concur: Sharon B. Weddleton, CFO

10 Concur: Michael K. Abbott, Municipal Manager

11 Respectfully submitted: Mark Begich, Mayor
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Content ID: 006187**Type:** AR_FundsApprop - Funds Approp Resolution

Title: A RESOLUTION OF THE ANCHORAGE ASSEMBLY REVISING THE
APPROVED 2008 SOLID WASTE SERVICES OPERATING BUDGET TO
REFLECT RECENT ASSEMBLY APPROVAL OF RATE INCREASES.

Author: maglaquijp**Initiating Dept:** SWS**Description:** SWS Budget Revision**Date Prepared:** 4/2/08 3:35 PM**Director Name:** Mark G. Madden

Assembly Meeting Date: 4/15/08

2008 APR -7 PM 3:42
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| Workflow Name | Action Date | Action | User | Security Group | Content ID |
|--------------------------|--------------------|---------------|-------------------|-----------------------|-------------------|
| Clerk_Admin_SubWorkflow | 4/4/08 4:18 PM | Exit | Heather Handyside | Public | 006187 |
| MuniMgrCoord_SubWorkflow | 4/4/08 4:18 PM | Approve | Heather Handyside | Public | 006187 |
| MuniManager_SubWorkflow | 4/4/08 1:56 PM | Approve | Michael Abbott | Public | 006187 |
| MuniManager_SubWorkflow | 4/4/08 11:59 AM | Checkin | Joy Maglaqui | Public | 006187 |
| Finance_SubWorkflow | 4/4/08 11:49 AM | Approve | Sharon Weddleton | Public | 006187 |
| OMB_SubWorkflow | 4/3/08 4:06 PM | Approve | Wanda Phillips | Public | 006187 |
| SWS_SubWorkflow | 4/2/08 4:58 PM | Approve | Mark Madden | Public | 006187 |
| FundsAppropWorkflow | 4/2/08 4:52 PM | Checkin | Patty Kilson | Public | 006187 |
| SWS_SubWorkflow | 4/2/08 4:23 PM | Reject | Mark Madden | Public | 006187 |
| FundsAppropWorkflow | 4/2/08 3:46 PM | Checkin | Patty Kilson | Public | 006187 |