


COUNCIL TRANSMITTAL

TO: Rocky Fluhart,  **DATE:** November 2, 2006
Chief Administration Officer

THRU: Sam Guevara
Chief of Staff

FROM: Rick Graham, Director 
Public Services Department

SUBJECT: Salt Lake Valley Solid Waste Management Facility
Waste Hauling Program

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DOCUMENT TYPE: Briefing Report

RECOMMENDATION: No Council action requested.

BUDGET IMPACT: None

DISCUSSION: Salt Lake City and Salt Lake County jointly own the Salt Lake Valley Solid Waste Management Facility (Landfill). A Memorandum of Understanding (MOU) is set up between the City and County that spells out the role and responsibility of each government agency. Under the MOU the County is responsible for management of the Landfill. Management is an executive function, and in the case of the Landfill management decisions are held by the County Mayor and his administrators.

The City and County jointly own the Transfer Station located at 3300 South and 500 West. Municipal waste from both the City and County is hauled to the Transfer Station, and then is reloaded and transferred to a permanent landfill site for final disposal. Since 1999 the City's and County's municipal waste has been hauled from the Transfer Station to private landfill sites under a contractual agreement with Allied Waste. Allied Waste owns the private landfill sites. Currently the Transfer Station waste is hauled to Tooele County. As a private customer, Allied Waste also hauls waste it collects from its

commercial customers to the Landfill. The contract between the Landfill and Allied Waste allows the Landfill to cancel the contract on 30 days notice.

Two recent events have dramatically affected the operation and financial viability of the Landfill. First, the arrangement with Allied Waste to haul waste by rail to its Landfill site in East Carbon County was ended. Allied now hauls the Transfer Station waste by truck to its Tooele County landfill at the same rate it charged to haul by rail to Carbon County. Second, the amount of waste hauled to the Landfill has declined significantly.

The Salt Lake Valley Solid Waste Management Council (Landfill Council) is established under the MOU to represent the interests of the City and County by overseeing the operation of the Landfill. In action to reverse the financial hemorrhaging caused by the recent events the Landfill Council issued a waste hauling RFP for the purpose of considering an alternative waste hauling program. Based on the results of the RFP, and other management considerations the Landfill Council recommended to the City and County Mayors that the contract with Allied Waste be terminated and a new contract be awarded to a private waste hauler that would truck waste from the Transfer Station to the Landfill. This recommendation received unanimous support by the Landfill Council. It is also supported by both Mayors.

Attached, is an analysis of this issue prepared by Salt Lake County. It describes the current situation and recommends three (3) actions the Landfill could take to restore financial stability to the Landfill operation. The analysis also reports that the Landfill has a current estimated life of 49 years.

In conclusion, changes to the Solid Waste Management environment in Salt Lake County forced a change to the current Landfill operation. The attached analysis will show that the decision to hire a private hauling contractor to truck waste from the Transfer Station to the Landfill, coupled with the restructuring of disposal prices will increase operating income at the Landfill by \$2,375,000.

PUBLIC PROCESS: This issue was fully discussed in open public meetings held by the Landfill Council.

Analysis of Current Financial Problems at Salt Lake Valley Solid Waste Operations

Purpose Statement

Assess the current financial situation of the Salt Lake Valley
Landfill and Transfer Station

Explore existing capacity in Salt Lake Valley Solid Waste

Propose a course of action to address the financial loss
associated with lower tonnage being received at the landfill

Current Situation

Two recent events have dramatically affected the operation and financial outlook of the Solid Waste Management Division. First, the previous arrangement of hauling waste via rail to the ECDC facility in Carbon County ended. Second, the amount of waste going to the Salt Lake Valley (SLV) Landfill has declined significantly.

Until April of 2006, Allied Waste (a private solid waste management corporation) annually hauled roughly 165,000 tons of waste collected from commercial customers to the SLV Landfill. Allied also hauled roughly 165,000 tons annually from the SLV Transfer Station to its landfill in Tooele. In April, Allied opened its own transfer station to maximize its profit. The result is that Allied now diverts 40% of the waste it previously took to the SLV Landfill to its transfer station. This action, with all other things being equal, represents an estimated annual loss of income at the SLV Landfill of \$1,130,000 (\$4,300 per day). It is very likely that this situation will worsen as Allied's transfer station becomes fully operational and is able to divert more tonnage to its landfill. In the meantime, the SLV Landfill continues its contract with Allied to haul waste from the SLV Transfer Station to Allied's landfill. We are paying \$23.85 per ton for hauling and disposal.

Continuing the current agreement with Allied will reduce the annual owners' dividend which currently is supporting a program in the Salt Lake Valley Health Department and Salt Lake City's recycling program.

Allied recently submitted a proposal for a new agreement. Its proposal stated the County would **guarantee** Allied 165,000 tons of waste annually and Allied would **seek to supply** 160,000 tons. Allied stated it could not guarantee 160,000 tons because of uncertainty regarding its contracts. Unless there is a ton for ton swap, the proposed agreement does not work financially for the SLV Landfill. There were other issues in Allied's proposal that were less advantageous than the current agreement as well. It did not make good business sense to do anything other than reject Allied's proposal, simply because the contract price to haul and dispose of waste at \$23.85/ton exceeds managements projected cost at \$18.50/ton to do the same.

Plan to Restore the Financial Stability of Salt Lake Valley Solid Waste Operations

The SLV Landfill can stop the financial hemorrhaging by taking three actions.

First, the Landfill Council recommended hiring a private hauling company to haul City and County waste from our transfer station to our own landfill for \$5.50 per ton plus a fuel surcharge. This will replace the waste Allied has diverted to its landfill. Additional revenue from Allied will be lost; however, the high cost to haul and dispose at \$23.85/ton will also be eliminated. An alternative to hiring a private hauling company to haul City and County waste from our transfer station to our own landfill was to purchase trucks and trailers and self haul the waste.

Second, increase the use of the SLV Transfer Station by other commercial haulers by making its pricing structure more competitive. Current policy restricts other commercial haulers from taking waste to our transfer station.

Third, phase out our existing contract with Allied Waste over the next six months. The current Allied contract has a 30-day cancellation provision.

Financial Analysis

The spreadsheets below identify four scenarios and the financial implications of each. The first scenario represents actual revenues and expenditures for 2005. A one-time transfer to designated fund balance was eliminated for comparability. This scenario reflects operations prior to the opening of Allied's transfer station. Operating income in 2005 was \$4,035,496. These funds go toward owners' dividend, which are currently supporting Health Department programs for the County and recycling for the City, pre-subtitle D closure, module construction, restoration and end use, facility replacement, equipment replacement, capital improvement, environmental liability, and post-subtitle D closure/post closure costs.

Scenario 1: 2005 Baseline

<u>Description</u>	<u>Landfill (L/F)</u>	<u>T-Station (T/S)</u>	<u>L/F + T/S</u>
Actual 2005			
Total Tons	<u>626,705</u>	<u>140,197</u>	
Total Revenues	\$13,805,617	\$3,939,444	\$17,745,061
Total Costs	<u>\$8,866,208</u>	<u>\$4,843,357</u>	<u>\$13,709,565</u>
Operating Income	<u>\$4,939,409</u>	<u>(\$903,913)</u>	<u>\$4,035,496</u>

The second scenario represents the projected budget for the balance of 2006. Reflected is the loss of 130,000 tons from the waste stream compared to 2005 tonnage levels. The tons lost by customer is as follows: Allied Waste – 45,100 tons, Waste Management – 40,900 tons, Ace Disposal – 32,200 tons, A-1 Disposal – 6,400 tons, all others – 5,400 tons. It illustrates the impact of Allied diverting 40% of its waste stream away from the SLV Landfill and continuing the contract with Allied wherein it trucks the majority of City and County waste to its landfill. The SLV Landfill and Transfer Station lack hauling capacity and therefore have limited ability to manage income. In essence, income at these facilities become more dependent on Allied's operation than in-house operations. Thus, scenario three is presented expanding hauling capacity.

Scenario 2 : 2006 Projected Budget - Status Quo-Continue Allied Contract/Lose 40% of Allied Waste Stream and loss of additional tons

<u>Description</u>	<u>Landfill (L/F)</u>	<u>T-Station (T/S)</u>	<u>L/F + T/S</u>
Projected Budget 2006			
Total Tons	<u>497,459</u>	<u>130,059</u>	
Total Revenues	\$11,918,631	\$3,719,444	\$15,638,075
Total Costs	<u>\$8,019,685</u>	<u>\$4,731,959</u>	<u>\$12,751,644</u>
Operating Income	<u>\$3,898,946</u>	<u>(\$1,012,515)</u>	<u>\$2,886,431</u>

The third scenario represents the same operating assumptions as scenario two but on a pro forma basis eliminating the profit made by the division during the transition period. The operating income would have been reduced to \$866,991.

Scenario 3: If the Contract change was not made:

<u>Description</u>	<u>Landfill (L/F)</u>	<u>T-Station (T/S)</u>	<u>L/F + T/S</u>
Total Tons	<u>408,518</u>	<u>165,000</u>	
Total Revenues	\$10,649,956	\$3,719,444	\$14,369,400
Total Costs	<u>\$8,683,113</u>	<u>\$4,819,296</u>	<u>\$13,502,409</u>
Operating Income	<u>\$1,966,843</u>	<u>(\$1,099,852)</u>	<u>\$866,991</u>

The fourth scenario represents the recommendation of the Landfill Council, Public Works Department and CFO Office; to contract a private hauling company to haul City and County municipal waste to the SLV Landfill. The assumptions in this scenario are that Allied will divert 80% of its waste to its transfer station rather than the current rate of 40% and assumes the SLV Transfer Station adopts more competitive rates so that other haulers are encouraged by price to use the transfer station. The pro forma projects the addition of 200 tons per day, which is believed to be a realistic estimate. Attached are letters from Waste Management and Utah Independent Waste Handlers and Recyclers, which represent most of the smaller hauling companies, indicating their willingness to bring waste to the SLV Transfer Station if prices are competitive and their waste does not go to their competitor, Allied Waste. Reflected in the budget is the elimination of the hauling/disposal costs to Allied at \$23.85 per ton and the inclusion of the hauling costs to a private hauling company at \$5.50 per ton plus a fuel surcharge. On a forward looking basis, operating income increases by \$2,375,000. This increase will inure to the benefit of Salt Lake County and Salt Lake City via increased dividends and funds for the purposes identified above.

Scenario 4: Contract Haul; 200 TPD from commercial @ \$24/ton; lose 80% Allied waste

<u>Description</u>	<u>Landfill (L/F)</u>	<u>T-Station (T/S)</u>	<u>L/F + T/S</u>
Budget Request 2007			
Total Tons	592,518	217,000	
Total Revenues	\$10,023,956	\$4,867,444	\$14,891,400
Total Costs	\$8,662,113	\$2,986,766	\$11,648,879
Operating Income	\$1,361,843	\$1,880,678	\$3,242,521

Life of the landfill

The current estimated life of the SLV Landfill is 49 years with a capacity of disposing 35 million tons. This calculation does not include an additional 170 acres already owned by Solid Waste Management that yields an additional capacity of 16,400,000 tons, or 23 years.

If we entered into an agreement with Allied where it seeks to supply 160,000 tons annually and is successful in doing that, the life of our landfill would not be extended. We would be close to a ton for ton swap of waste with Allied.

There are a couple of events that might affect the capacity at the SLV Landfill including the pending development of the west bench. Each of these events is briefly addressed below.

Removing waste from old landfills

It is possible the County may have to move waste from its old landfill (that Salt Lake County leased from the LDS Church) to its current landfill. There is roughly 610,000 tons at the old landfill. If we had to accept all the waste from the landfill, it would utilize 2% of the 35,000,000 ton capacity at the current site. That would reduce the life of our landfill by only one year.

There is also an old City landfill that is estimated to contain roughly the same amount of debris as the old County landfill. If we removed all the debris from the old City landfill it would reduce the capacity of our landfill by another 2%.

Removing the debris from both the old landfills would reduce the capacity at our existing landfill by roughly 4%, or two years.

It is likely, however, that Allied and others would compete for that waste. It is entirely possible that the SLV Landfill would not need to take the waste.

Earthquake

To provide some perspective, the California Northridge earthquake generated 5,250,000 tons of debris. An earthquake of that magnitude would use 15%, or 7.35 years, of the capacity of the current landfill operations.

West Bench

The west bench is likely to develop over the next 45 to 70 years. It is incomprehensible that during that timeframe no new technology would be developed to make better use of waste. In fact, we have had a meeting with a company that stated that current technology is in use in Europe to recycle 100% of our waste stream.

If, however, we assume an increase in population from the West Bench of ½ million over 50 years starting in 2010, the life of the current operating landfill would be reduced by five years.

In summary, if there was a convergence of events including level growth on the west bench, a Northridge size earthquake, and removal of debris from both the City's and County's old landfills, capacity at the SLV Landfill would be reduced by 14.4 years. If, however, we add existing owned and permitted capacity of 16,400,000 tons (or 23 years), the net affect would be to reduce the life of the owned and permitted SLV Landfill to 58 years.

Privatization

The division of Solid Waste is an enterprise fund. As such, it is operated like a business. Private alternatives are available in the Salt Lake County market. However, Public Works management has been advised by Management Partners, a national consulting firm, that privatizing public landfills often leads to price increases due to the oligopolistic nature of the industry. It is management's belief the landfill is currently operating at an efficient level. Indeed, the tipping fee of the SLV Landfill is among the lowest in the state. A much more detailed analysis should be conducted before considering privatization as an option.

Conclusion

There have been changes in the solid waste environment in Salt Lake County that create the need for changes to our current operations. The County Mayor has adopted the unanimous recommendation of the Landfill Council to hire a private hauling company to haul waste from the SLV Transfer Station to the SLV Landfill. This decision, coupled with a new pricing structure at the SLV Transfer Station, is projected to increase operating income at the SLV Landfill by \$2,375,000 (or \$9,000/day).

Capacity at the SLV Landfill, including the permitted 170 acres, can absorb:

- Waste from Salt Lake County's and City's old landfills
- Debris from an earthquake the size of the California's Northridge earthquake
- Expansion on the west bench

Even after absorbing solid waste material from these events, the landfill has an estimated remaining life of 58 years.

Additional properties are also available for acquisition to expand capacity for another 29 years.

Solid Waste Council is comprised of:

- Rick Graham, Salt Lake City's Public Services Director
- Ryan Dupont, Head of the Division of Environmental Engineering Division at Utah State
- Russ Willardson, Public Works Director for West Valley and representative for the Council of Governments
- Kent Miner, Salt Lake Valley Health Department
- Linda Hamilton, Salt Lake County's Public Works Director

Salt Lake Valley Solid Waste Management Facility

Financial Analysis-Summary

Scenario 1: 2005 Baseline

<u>Description</u>	<u>Landfill (L/F)</u>	<u>T-Station (T/S)</u>	<u>L/F + T/S</u>
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Operating Income	<u>\$4,939,409</u>	<u>(\$903,913)</u>	<u>\$4,035,496</u>

**Scenario 2 : 2006 Projected Budget - Status Quo-Continue Allied
Contract/Lose 40% of Allied Waste Stream and loss of additional tons**

<u>Description</u>	<u>Landfill (L/F)</u>	<u>T-Station (T/S)</u>	<u>L/F + T/S</u>
Projected Budget 2006			
Total Tons	<u>497,459</u>	<u>130,059</u>	
Total Revenues	\$11,918,631	\$3,719,444	\$15,638,075
Total Costs	<u>\$8,019,685</u>	<u>\$4,731,959</u>	<u>\$12,751,644</u>
Operating Income	<u>\$3,898,946</u>	<u>(\$1,012,515)</u>	<u>\$2,886,431</u>

Scenario 3: If the Contract change was not made with existing tonnages

<u>Description</u>	<u>Landfill (L/F)</u>	<u>T-Station (T/S)</u>	<u>L/F + T/S</u>
Total Tons	<u>408,518</u>	<u>165,000</u>	
Total Revenues	\$10,649,956	\$3,719,444	\$14,369,400
Total Costs	<u>\$7,984,283</u>	<u>\$5,518,137</u>	<u>\$13,502,420</u>
Operating Income	<u>\$2,665,673</u>	<u>(\$1,798,693)</u>	<u>\$866,980</u>

Salt Lake Valley Solid Waste Management Facility

Financial Analysis-Summary

Scenario 4: 2007 Budget Request - Contract Haul; 200 TPD from commercial @ \$24/ton; lose 80% Allied waste

<u>Description</u>	<u>Landfill (L/F)</u>	<u>T-Station (T/S)</u>	<u>L/F + T/S</u>
Budget Request 2007			
Total Tons	<u>592,518</u>	<u>217,000</u>	
Total Revenues	\$10,023,956	\$4,867,444	\$14,891,400
Total Costs	<u>\$8,511,549</u>	<u>\$3,137,330</u>	\$11,648,879
Operating Income	<u>\$1,512,407</u>	<u>\$1,730,114</u>	<u>\$3,242,521</u>

Salt Lake Valley Solid Waste Management Facility
 RFP #PX05364, Transport and/or Disposal of Waste
 Proposals Review - March 2006

Based on 2005 tonnages, costs and revenues

Description	Landfill			T-Station	T-S Hauling	T-Station	T-Station		L/F + T/S	Total	Total	Total
	Total	Fixed	Variable				Fixed	Variable				
Personnel	2,950,158	2,905,906	44,252	374,950	61,038	435,988	429,448	6,540	3,386,146	3,335,354	50,792	
Operating	2,902,068	1,431,129	1,470,939	311,876	50,771	362,647	119,694	242,953	3,264,715	1,550,823	1,713,892	
Closure/Postclosure	1,200,000	1,200,000	0	44,398	7,228	51,625	0	0	1,200,000	1,200,000	0	
Indirect	349,194	349,194	0	581,759	94,705	676,464	676,464	0	400,819	400,819	0	
Depreciation	1,139,681	1,139,681	0	123,017	0	123,017	0	123,017	1,816,145	1,816,145	0	
Health Dept Fee	325,107	0	325,107	0	0	0	0	0	448,124	448,124	0	
Haul/Dispose (ECDC)	0	0	0	0	0	0	0	0	3,193,616	3,193,616	0	
Total	8,866,208	7,025,910	1,840,298	1,436,000	3,407,357	4,843,357	1,277,231	3,566,126	13,709,565	8,303,141	5,406,424	
2005 Tons excludes												
clean fill/ET	0	0	0	0	0	0	0	0	0	0	0	
Landfill / clean fill	0	0	0	0	0	0	0	0	513,103	513,103	0	
Landfill / tipping face	513,103	513,103	0	0	0	0	0	0	113,602	113,602	0	
Landfill / other (wood, salvage, fluff)	113,602	113,602	0	0	0	0	0	0	626,705	626,705	0	
Total Landfill tons	626,705	626,705	0	0	0	0	0	0	1,401,197	1,401,197	0	
Transfer station - ECDC												
Total	626,705	626,705	0	140,197	140,197	140,197	140,197	0	766,902	766,902	0	
Cost per ton	\$14.15	\$11.21	\$2.94	\$10.24	\$24.30	\$34.55	\$9.11	\$25.44	\$17.88	\$10.83	\$7.05	
2005 Revenues												
Tipping Fees	10,922,298	10,922,298	0	3,732,603	3,732,603	3,732,603	3,732,603	0	14,654,901	14,654,901	0	
Landfill / other (ET, wood, salvage, fluff)	949,211	949,211	0	78,089	78,089	78,089	78,089	0	1,027,300	1,027,300	0	
Misc	247,313	247,313	0	128,752	128,752	128,752	128,752	0	376,065	376,065	0	
Interest	1,886,795	1,886,795	0	0	0	0	0	0	1,886,795	1,886,795	0	
Total	13,805,617	13,805,617	0	3,939,444	3,939,444	3,939,444	3,939,444	0	17,745,061	17,745,061	0	
Revenue per ton-total	\$16.62	\$16.62	\$0.00	\$28.10	\$0.00	\$28.10	\$0.00	\$28.10	\$18.28	\$18.28	\$0.00	
Revenue per ton-no clean fill	\$22.03	\$22.03	\$0.00	\$28.10	\$0.00	\$28.10	\$0.00	\$28.10	\$23.14	\$23.14	\$0.00	
Rev/Exp.	\$7.88	\$7.88	-\$6.45	-\$6.45	-\$6.45	-\$6.45	-\$6.45	-\$6.45	\$5.26	\$5.26	-\$6.45	
Operating Income									\$4,035,496	\$4,035,496		

Salt Lake Valley Solid Waste Management Facility-Analysis

2006 Projection

Description	Landfill			T-Station Total	T-Station Fixed	T-Station Variable	Total	Total Fixed	Total Variable		
	Total	Fixed	Variable								
Contract-Haul Cost	0	0	0	0	0	0	0	0	0		
Total	8,019,885	6,557,155	1,462,529	1,418,180	3,313,779	4,731,959	1,440,166	3,291,793	12,751,644	7,997,321	4,754,323
Tons excludes clean fill/ET											
Landfill / clean fill	429,991			0						429,991	
Landfill / tipping face	(46,134)			0						(46,134)	
Loss 28% Allied Lomage	113,602			0						113,602	
Landfill / other (wood, salvage, fluff)	497,459			0						497,459	
Total Landfill tons	0			130,059	130,059	130,059	0	0	0	130,059	0
Transfer station - ECCOC	0			0						0	
Other Commercial Inbound	0			0						0	
Total	497,459			130,059	130,059	130,059	0	0	0	627,518	
Cost per ton	\$16.12	\$13.18	\$2.94	\$10.90	\$25.48	\$36.38	\$11.07	\$25.31	\$20.32	\$12.74	\$7.58
Tipping Fees											
Loss 28% Allied Lomage	8,846,002			3,719,444	3,719,444	3,719,444				12,565,446	
Other Commercial Inbound	(1,014,948)			0						(1,014,948)	
Landfill / other (ET, wood, salvage, fluff)	924,275			0						924,275	
Misc	163,302			0						163,302	
Interest	3,000,000			0						3,000,000	
Total	11,918,631			3,719,444	0	3,719,444				15,638,075	
Revenue per chargeable ton	\$23.96			\$28.60		\$28.60				\$24.92	
Rev/Exp.	\$7.84			-\$7.79		-\$7.79				\$4.60	
Operating Income	\$3,898,946			(\$1,012,515)		\$2,886,431				\$2,886,431	

Sail Lake Valley Solid Waste Management Facility-Analysis

2007 Request Budget Contract with Allied was Continued

Description	Landfill Total	Landfill Fixed	Landfill Variable	T-Station	T-S-Hauling	T-Station Total	T-Station Fixed	T-Station Variable	Total	Total Fixed	Total Variable
Personnel	2,955,008	2,925,955	29,052	391,615	63,751	455,366	447,116	8,250	3,410,374	3,373,072	37,302
Operating	2,881,485	1,677,889	1,203,596	461,543	75,135	536,678	127,478	409,200	3,418,143	1,805,347	1,612,796
Closure/Post closure	435,400	435,400	0	0	0	51,675	0	0	435,400	436,400	0
Indirect	599,961	599,961	0	44,441	7,235	51,675	51,675	0	651,636	651,636	0
Depreciation	1,112,450	1,112,450	0	597,313	97,237	694,550	694,550	0	1,807,000	1,807,000	0
Haul/Dispose (ECDC)	0	0	0	0	3,779,867	3,779,867	0	3,779,867	3,779,867	0	3,779,867
Contract-Haul Cost	0	0	0	0	0	0	0	0	0	0	0
Total	7,984,283	6,751,635	1,232,648	1,494,912	4,023,225	5,518,137	1,320,820	4,197,317	13,502,420	8,072,455	5,429,965
Tons excludes clean fill/ET											
Landfill / clean fill	390,916			0		0			390,916		
Landfill / flipping face	(96,000)			0		0			(96,000)		
Projected Allied lost tons	113,602			0		0			113,602		
Landfill / other (wood, salvage, fluff)	408,518			0		0			408,518		
Total Landfill tons	6,515			165,000	158,485	165,000	0	0	171,515	0	0
Transfer station - ECDC	0			165,000	158,485	165,000	0	0	580,033		
Other Commercial Inbound	415,033			165,000	158,485	165,000	0	0	580,033		
Total	\$19,24	\$16,27	\$2,97	\$9,06	\$24,38	\$33,44	\$8,00	\$25,44	\$23,28	\$13,92	\$9,36
Cost per ton											
Tipping Fees	8,754,556			3,719,444		3,719,444			12,474,000		
Loss 60% Allied tonnage	(2,112,000)								(2,112,000)		
Other Commercial Inbound	900,000								900,000		
Landfill / other (ET, wood, salvage, fluff)	157,400								157,400		
Misc	2,950,000								2,950,000		
Interest	10,649,956			3,719,444	0	3,719,444			14,369,400		
Total											
Revenue per chargeable ton	\$25.66			\$22.54		\$22.54			\$24.77		
Rev/Exp.	\$6.42			-\$10.90		-\$10.90			\$1.49		
Operating Income	\$2,665,673			(\$1,798,693)		(\$1,798,693)			\$866,980		

Salt Lake Valley Solid Waste Management Facility-Analysis

2007 Budget Request

Description	Landfill		T-Station	T-S Hauling		T-Station		T-Station		Total	Total	
	Total	Fixed		Total	Fixed	Variable	Fixed	Variable	Fixed		Variable	
Contract-Haul Cost	0	0	1,267,500	0	0	0	0	0	0	1,267,500	0	1,267,500
Total	6,511,549	6,751,635	1,608,053	1,529,276	3,137,330	1,320,820	1,816,510	11,648,879	8,072,455	3,576,424		
Tons excludes clean fill/ET												
Landfill / clean fill	389,916		0					389,916				
Landfill / tipping face	(128,000)	80%	0					(128,000)				
Loss of Allied tonnage												
Landfill / other (wood, salvage, fluff)	113,602		0					113,602				
Total Landfill tons	375,518		0					375,518				
Transfer station	165,000		165,000	195,000	165,000			165,000				
Other Commercial inbound	52,000		52,000		52,000			52,000				
Total	592,518		217,000	195,000	217,000			592,518				
Cost per ton	\$14.37	\$11.39	\$7.41	\$7.05	\$14.46	\$6.09	\$8.37	\$19.66	\$13.62	\$6.04		
Tipping Fees												
Loss 80% Allied tonnage	8,832,556		3,619,444		3,619,444			12,452,000				
Other Commercial inbound	(2,816,000)		1,248,000		1,248,000			(2,816,000)				
Landfill / other (ET, wood, salvage, fluff)	900,000							900,000				
Misc	157,400							157,400				
Interest	2,950,000							2,950,000				
Total	10,023,956	0	4,867,444	0	4,867,444			14,891,400				
Revenue per chargeable ton	\$16.92		\$22.43		\$22.43			\$25.13				
Rev/Exp.	\$2.55		\$7.97		\$7.97			\$5.47				
Operating Income	\$1,512,407		\$1,730,114		\$1,730,114			\$3,242,521				