

Solid Waste Cost of Service Study

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PRESENTED TO
LOGAN CITY COUNCIL

JULY 16, 2024



Introduction

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- Independent Consultants
Specializing in the **Municipal Waste Management Sector**
- Wide Knowledge of **National Waste Management Best Practices**
- Industry-Leading **Solid Waste Operational Evaluation & Performance Modeling**
- Specialization in **Solid Waste Utility Cost-of-Service & Rate Analysis**



Cost of Service Study

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- Identify costs of the full system as of June 30, 2024
- Identify costs of the full system moving forward with in-city collections only
- Identify costs of specific lines of service
- Compare existing revenue sources to full costs
- Identify rates for user groups to cover costs

Vertically Integrated Solid Waste Management

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Collection

Processing of
Recyclables

Management/
Administration

Processing of
Compostables

Disposal

Logan Solid Waste Collection Services

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Residential Collection



**Automated Trucks & Carts
Garbage – Recycling – Yard Waste**

Commercial Collection



**Front Load & Roll-off Trucks
Garbage - Recycling**



Logan Transfer Station

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Scale House



Transfer Station



Transfer Trailer

Logan North Valley Landfill

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- Many years of capacity
- Average 16 city transfer trailers/day



- Limited access due to nearby community traffic restrictions
- Scale not open to private haulers



Logan Landfill

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- Nearing end of life for C&D Disposal (est.3-5 yrs) then will haul to NVL



Logan HHW

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- New Facility in 2023



- Adjacent to the Transfer Station



Compost Facility

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- Expansion at WWTP for incorporating biosolids



- EPA SWIFR funding for Compost Facility!



Financial Analysis

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**CITY DOES NOT INCUR DEBT FOR
PURCHASES AND INFRASTRUCTURE**

Solid Waste Fund Budgets

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Account Type	Actual 2022	Actual 2023	Approved 2024	Department 2025*
Revenues	\$20,334,090	\$21,056,267	\$22,205,876	\$14,330,000
Expenses	\$17,617,787	\$18,110,153	\$21,657,702	\$13,603,902

** First year of budgeting for city-only collection*

Routes Reduced

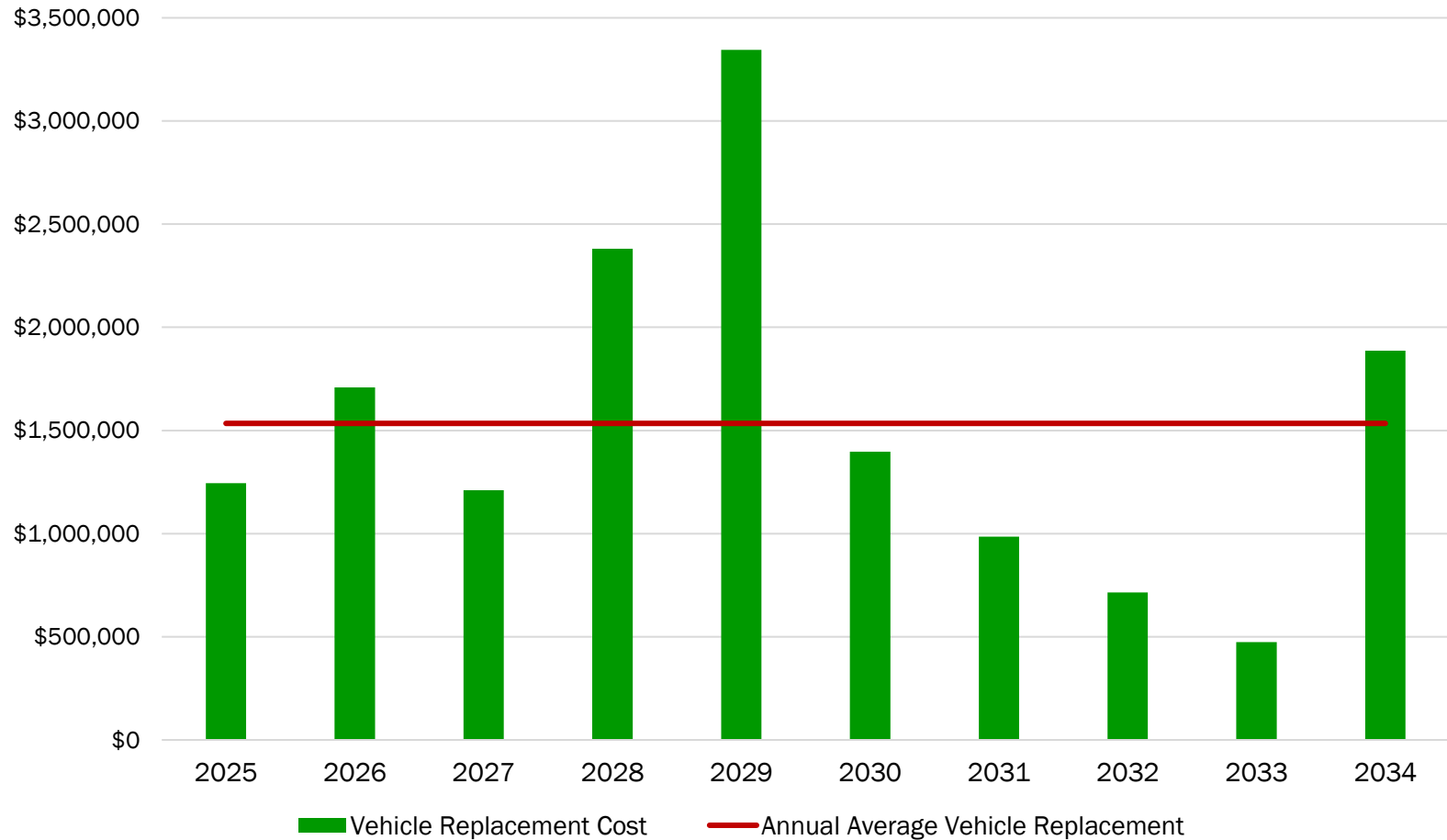
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Service	Total Routes for Countywide Service	Total Routes Starting Oct. 2023	Change	Percent Change
Residential Garbage	40	15	-25	-63%
Residential Recycling	20	10	-10	-50%
Residential Green Waste	13	5	-8	-62%
Frontload Garbage	26	16	-10	-38%
Frontload Recycling	5	5	0	0%
Frontload OCC	5	5	0	0%
Roll-Off Garbage	26	16	-10	-38%
Total Weekly Routes	135	72	-63	-47%

- Extra trucks sold
- Staff used in other operations or vacancies

Vehicle/Equipment Replacement

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Capital Improvement Project/Plan (CIP)

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Capital Item	Year	Amount
Logan Landfill Partial Closure (North and East Slope)	2026	\$1,060,900
North Valley Landfill Improvements (Scalehouse/Office/Shop)	2026	\$848,720
C&D Transfer Station	2027	\$3,824,545
New Compost Site Next to WWTP Phase 2	2027	\$2,813,772
Logan Landfill Partial Closure (North and West Cap)	2028	\$2,251,018
North Valley Landfill Cell Liner (10 Acres)	2033	\$5,871,479
Gas Collection System at NVL and Logan Landfill	2034	\$4,347,278
10 Year Total		\$21,017,711
<i>Annual Average CIP</i>		<i>\$2,101,771</i>

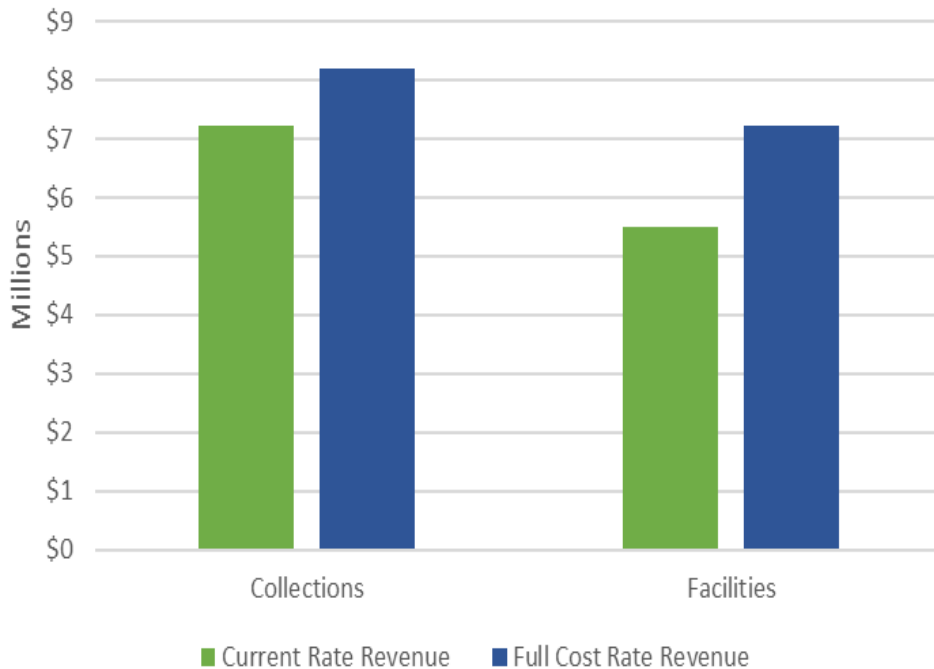
Landfill Closure/Post-Closure

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Item	Amount
Total Closure and Post-Closure Obligation	\$10,617,559
<u>Closure and Post Closure Reserve as of June 30, 2023</u>	<u>\$6,364,218</u>
Remaining Obligation	\$4,253,341
<i>10-Year Average</i>	<i>\$425,334</i>

Cost-of-Service Summary

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**Full Cost of
Service**

**Current Rate
Revenue**

\$15,418,050

\$12,729,952

We are recommending the first rate increases since 2018

Rates - Residential

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Service	Current Rate	Full Cost Rate	Recommended Rate	% Change
1x/wk Garbage 60-Gal Cart, EOW Recycling 90-Gal Cart	\$15.40	\$15.66	\$15.90	3.2%
1x/wk Garbage 90-Gal Cart, EOW Recycling 90-Gal Cart	\$17.65	\$16.92	\$18.15	2.8%
1x/wk Green Waste	\$5.00	\$6.05	\$4.00	-20%

COMPARISON ON RESIDENTIAL GARBAGE RATES

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	90 Gallon Garbage Can and Recycling Can	60 Gallon Garbage Can and Recycling Can	Green waste
Logan City	\$ 17.65	\$ 15.40	\$ 5.00
Hyde Park	\$ 23.00	\$ 22.00	N/A
Providence City	\$ 22.50	N/A	\$ 8.00
Smithfield	\$ 27.15	\$ 24.90	\$ 9.00
Wellsville	\$ 21.00	\$ 20.00	\$ 10.50
North Logan City	\$ 22.49	\$ 21.49	\$ 10.50

Rates - Commercial

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- Garbage 15-25% increase depending on dumpster size
- Recycling 15% increase
- Roll-off

Service	Current Rate	Full Cost Rate	Recommended Rate	% Change
Roll-Off Pull Charges (Per Pull) Permanent Containers (Min.\$175/Mo.)	\$126.00	\$181.84	\$182.00	44.4%
Roll-Off Pull Charges (Per Pull) Temporary Containers (Min.\$225/Mo.)	\$126.00	\$181.84	\$225.00	78.6%

Rates - Disposal

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Tip Fee	Current Rate	Full Cost Rate	Recommended Rate	% Change
C&D	\$30.00	\$42.64	\$38.00*	26.7%
MSW	\$34.50	\$42.64	\$38.00*	10.1%
Green Waste - Compost Facility	\$0.00	\$42.64	\$25.00	N/A

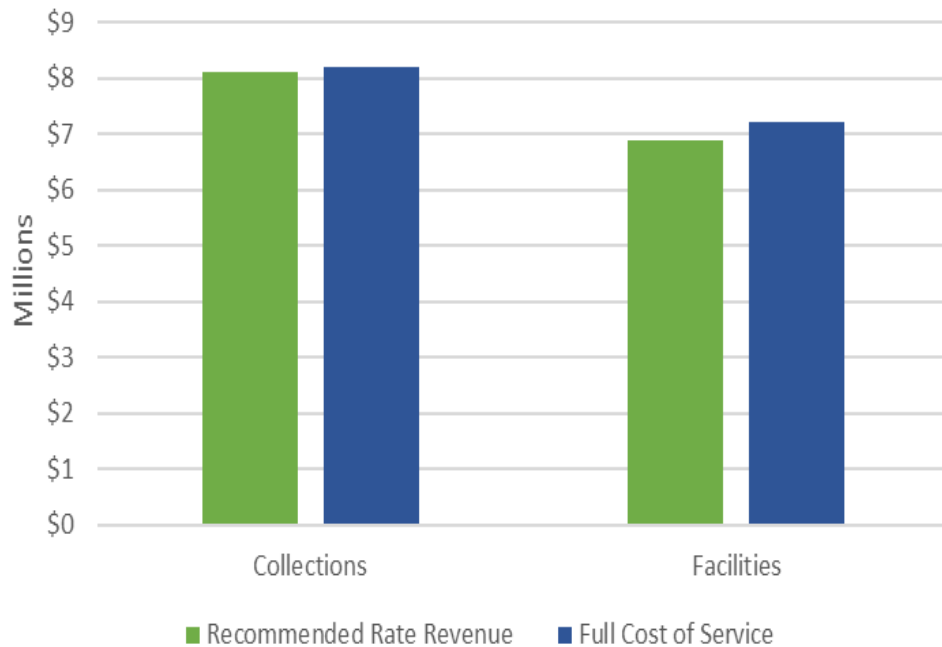
**Increases to \$40 in FY2027*

How this compares regionally
(per ton unless otherwise noted)

Landfill	MSW	C&D	GW
Bountiful	\$40.00	\$40.00	\$5-15/load
Box Elder Co.	\$34.00	\$34.00	\$34.00
NPSWSSD	\$38.00	\$28.50	\$28.50
SUVSWD	\$38.00	\$38.00	\$38.00
Trans-Jordan	\$39.00	\$39.00	\$39.00
Salt Lake Co.	\$34.00	\$34.00	\$27.00
Wasatch Int	\$42.00	\$42.00	\$25.00
Weber County	\$50.00	\$50.00	\$30.00

Cost-of-Service Summary Findings

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**Full Cost of
Service**

**Recommended
Rate Revenue**

\$15,418,050

\$15,016,988

Closing Remarks

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- Solid waste services are critical for maintaining a healthy standard of living.
- The city operates state-of-the-art regional facilities for disposal of MSW, C&D, green waste, HHW, and most recently, biosolids.
- Rates have not been increased since 2018.
- Rising costs of labor, equipment & fuel the past few years result in full costs being more than current rate revenue.
- Rate increases are required to maintain the financial health of the enterprise for the future.

Questions/Discussion?

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