

COUNCIL ACTION FORM

SUBJECT: 2012 RESOURCE RECOVERY ANNUAL REPORT

BACKGROUND:

A calendar year report of revenues and expenditures is prepared annually for the Resource Recovery System. Based on this annual report, and in accordance with existing contracts, billings are prepared for the participating communities and Iowa State University.

The 2012 Resource Recovery Annual Report shows that 53,106 tons of Municipal Solid Waste (MSW) was received at the plant during 2012 with 6.8 percent (3,660 tons) from Iowa State University. Approximately 93 percent (49,381 tons) of the total tons received at the plant were processed, and 65 percent (32,329 tons) of this amount became Refuse Derived Fuel (RDF). The remaining 3,725 tons (7 percent) not processed at the plant were sent to the Boone County Landfill.

Revenues from all sources totaled \$4,641,704, and total expenses were \$4,089,447. This resulted in net income of \$552,256 for 2012. The per capita will remain at \$9.10 for 2012, and the tipping fee for haulers will remain at \$52.75 per ton.

ALTERNATIVES:

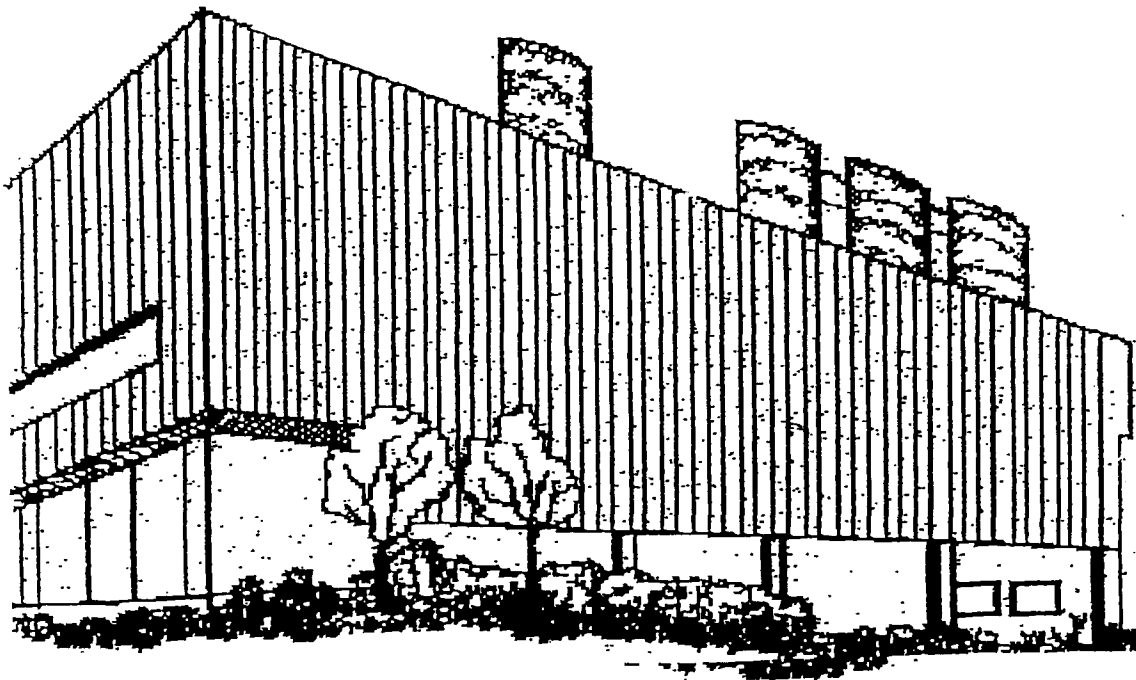
1. Accept the 2012 Resource Recovery Annual Report as presented, and authorize staff to distribute the report and to bill the participating communities and Iowa State University.
2. Request further information from staff.

MANAGER'S RECOMMENDED ACTION:

It is the recommendation of the City Manager that the City Council adopt Alternative No.1, thereby accepting the 2012 Resource Recovery Annual Report as presented, and authorizing staff to distribute the report and to bill the participating communities and Iowa State University.

ARNOLD O. CHANTLAND RESOURCE RECOVERY SYSTEM

2012



CITY OF AMES, IOWA





February 12, 2013

Dear Resource Recovery System Members:

The Resource Recovery Plant continues to be one of the most successful methods of landfill diversion in the state of Iowa. Approximately **70% of the waste processed at the plant becomes Refuse Derived Fuel (RDF)**, which replaces a portion of the coal used for electric generation at the City of Ames Power Plant. Also, more than **2400 tons of metal** and **150 tons of glass** are recovered for recycling.

The **2012 per capita**, which is payable on July 1, 2013 and December 1, 2013, **will be maintained at \$9.10**. The per capita charges will be based on the certified 2010 census. **The tipping fee rate will remain at \$52.75 per ton and the car line rates will continue to be \$8 for cars/passenger vans and \$22 for pickups/trailers.**

The Resource Recovery System continues to offer drop-off Household Hazardous Materials disposal on an appointment basis, keeping **nearly 8 tons** of household hazardous materials from the landfill. This activity is coordinated through the Metro Waste Authority in the Des Moines area. A new, more secure sharps drop-off process has also been established.

Innovative ideas and improvements to the system are continuing to be evaluated. One of these continues to be further assessment of potential gasification technologies as an option to further process the traditional RDF. Additionally, a majority of **fixtures in the plant and offices were converted to LED lighting.**

Replacing the current primary shredder with a new, modern shredder will move forward with design and probable replacement in 2013. This would reduce the amount of electrical demand, operations and maintenance costs, as well as reduce landfill transportation/disposal costs. This will mean **approximately 900 tons per year or more of bulky waste that could be processed** rather than transported to the landfill.

The system **agreements with the county and member communities are to be renewed in 2014**. We will begin conversations this year with the members regarding the services of the system and continuing our partnerships. The agreement with Boone County Landfill was renewed last year.

If you or any of your constituents have questions about this annual report or any of the activities of the Resource Recovery System, please do not hesitate to contact me or our Superintendent, Gary Freel.

Sincerely,

John C. Joiner, P.E.
Public Works Director

CITY OF AMES, IOWA
RESOURCE RECOVERY SYSTEM
ANNUAL BILLING

Participating Communities
For Calendar Year 2012

REVENUES:

Per Capita	725,188.10	
Refuse sold for fuel	794,141.00	
Sale of metals	393,701.95	
Public fees	81,070.76	
Regular customers	2,352,663.27	
Reimbursements and refunds	8,612.59	
Other governmental units	20,287.37	
Iowa DNR SWAP Funding	24,950.00	
Out of County Revenue	22,431.65	
Scrap tires	1,583.00	
I.S.U. participation	198,205.20	
Interest Revenue	18,869.58	
		4,641,704.47

EXPENSES:

Operations	4,089,447.21	
Debt Service	-	
		<u>4,089,447.21</u>
	Net Income	552,256.26

PER CAPITA

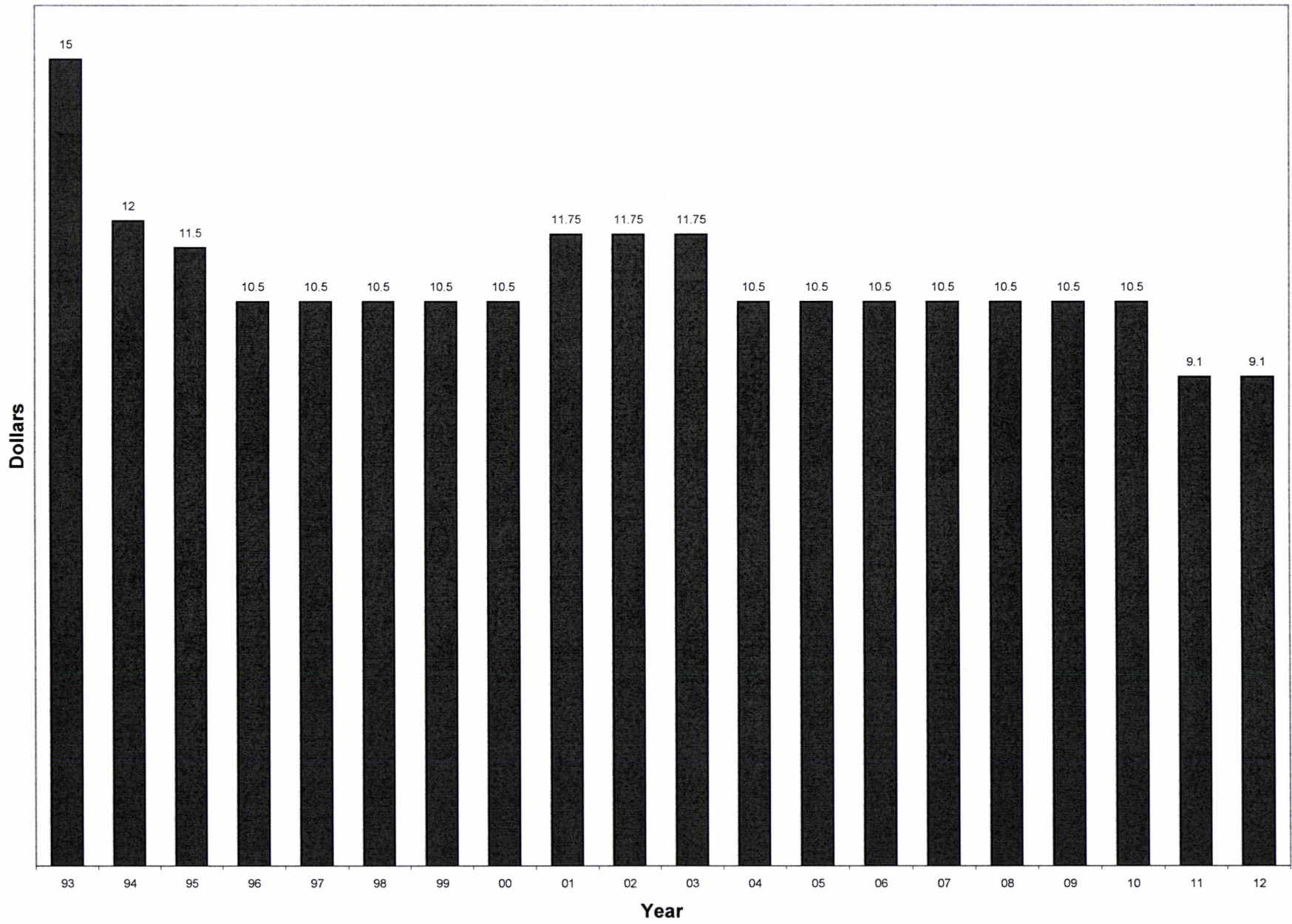


Figure 2

MATERIALS, REVENUES & EXPENSES RESOURCE RECOVERY SYSTEM

YEAR	AVAILABLE	TO PROCESS	(%)	FERROUS	(%) ¹	RDF	(%) ¹	(%) ²	REVENUES	EXPENSES	REV/EXP	NET EXPENSE (\$/TON)
1993	47,832	45,913	96%	1,803	4%	35,120	76%	73%	1,738,610	2,329,256	75%	12.35
1994	47,869	45,540	95%	1,906	4%	34,280	75%	72%	1,937,432	2,197,280	88%	5.43
1995	28,117	28,059	100%	1,097	4%	20,386	73%	73%	1,372,600 *	2,109,276	65%	26.20
1996	28,484	28,452	100%	835	3%	18,875	66%	66%	2,237,072 **	2,628,208	85%	13.73
1997	45,435	42,644	94%	1,464	3%	27,746	65%	61%	3,081,928	3,163,332	97%	1.79
1998	48,643	47,690	98%	1,903	4%	31,138	65%	64%	3,373,503	3,183,602	106%	(3.90)
1999	49,164	46,370	94%	1,654	4%	30,434	66%	62%	3,161,495	3,220,240	98%	1.19
2000	48,896	44,397	91%	1,401	3%	28,095	63%	57%	3,097,282	3,313,053	93%	4.41
2001	50,093	44,955	90%	1,104	2%	30,435	68%	61%	3,353,739	3,281,503	102%	(1.44)
2002	50,267	48,717	97%	1,258	3%	35,147	72%	70%	3,731,348	3,110,513	120%	(12.35)
2003	51,906	47,436	91%	1,678	4%	33,146	70%	64%	3,803,639	3,527,346	108%	(5.32)
2004	53,788	51,026	95%	2,332	5%	34,334	67%	64%	4,017,107	3,462,794	116%	(10.31)
2005	54,493	53,468	98%	2,250	4%	32,621	61%	60%	4,285,110	3,716,566	115%	(10.43)
2006	55,500	50,989	92%	2,229	4%	30,180	59%	54%	4,250,337 ***	4,449,985	96%	3.60
2007	57,333	52,820	92%	2,102	4%	34,182	65%	60%	4,392,686	4,531,663	97%	2.42
2008	57,470	52,716	92%	2,068	4%	36,060	68%	63%	4,632,493	3,725,904	124%	(15.77)
2009	53,395	46,647	87%	1,987	4%	31,040	67%	58%	3,956,279	5,507,045	72%	29.04
2010	58,756	57,494	98%	2,347	4%	37,865	66%	64%	4,937,018	4,605,121	107%	(5.65)
2011	55,270	50,611	92%	2,166	4%	34,422	68%	62%	4,697,573	3,729,248	126%	(17.52)
2012	53,106	49,381	93%	2,177	4%	32,329	65%	61%	4,641,704	4,089,447	114%	(10.40)
20 YEAR TOTAL	995,817	935,325	94%	35,761	4%	627,835	67%	63%	\$70,698,955	\$69,881,382	101%	(\$0.82)

¹Denotes percent of processed material

²Denotes percent of tons available

* Closed for renovation for part of the year (1995, 1996)

** Beginning in 1996, per capita is included as revenue

***Closed for one month for Air Knife Installation

TWENTY YEAR AVERAGES

<i>\$/Incoming Ton Revenue</i>	\$71.00
<i>\$/Incoming Ton Expense, Net</i>	(\$0.82)
<i>Percent Recovery - R.D.F.</i>	63%
<i>Percent Recovery - Ferrous</i>	4%

Figure 3

CITY OF AMES, IOWA

POPULATION - PERCENTAGES - CHARGES

Annual Billing - Calendar 2012
Per Capita - \$9.10

	<u>POPULATION</u> ¹	<u>PERCENT OF</u> <u>POPULATION</u>	<u>TOTAL</u>
Ames	49,765 ²	62.45%	\$452,861.50
Story County	8,706	10.92%	\$79,224.60
Nevada	6,798	8.53%	\$61,861.80
Story City	3,431	4.31%	\$31,222.10
Huxley	3,317	4.16%	\$30,184.70
Slater	1,489	1.87%	\$13,549.90
Roland	1,284	1.60%	\$11,684.40
Gilbert	1,082	1.36%	\$9,846.20
Maxwell	920	1.15%	\$8,372.00
Colo	876	1.10%	\$7,971.60
Cambridge	827	1.04%	\$7,525.70
Zearing	554	0.70%	\$5,041.40
McCallsburg	333	0.42%	\$3,030.30
Kelley	309	0.39%	\$2,811.90
TOTALS	79,691	100.00%	\$725,188.10

¹ Based on 2010 U.S. Census

² 58,965 minus I.S.U. 9,200

APPENDIX

**CITY OF AMES, IOWA
MONTHLY REFUSE VOLUMES - 2012**

	TOTAL REFUSE RECEIVED (Tons)	TONS RECEIVED FROM I.S.U.	TONS RECEIVED FROM N.A.D.C.	TONS RECEIVED FROM I.D.O.T.	TONS RECEIVED FROM OTHER
January	4,076	300	18	10	3,748
February	3,881	340	20	10	3,511
March	4,443	341	20	11	4,071
April	4,337	222	13	6	4,096
May	4,984	352	24	11	4,597
June	4,151	212	19	13	3,907
July	4,797	220	19	9	4,549
August	5,092	337	16	10	4,729
September	4,182	348	20	6	3,808
October	4,815	373	20	10	4,412
November	4,362	337	20	9	3,996
December	3,986	278	19	6	3,683
TOTAL	53,106	3,660	228	111	49,107
% OF TOTAL	100.0%	6.9%	0.4%	0.2%	92.4%

**CITY OF AMES, IOWA
RESOURCE RECOVERY PLANT VOLUMES
12/31/2012**

<i>CLASS</i>	<i>2012 TRIPS</i>	<i>2012 WEIGHT</i>	<i>PERCENT OF TOTAL WEIGHT</i>
Non-Scale Refuse (Car line)	3,583	1,005	1.9%
Commercial Haulers	9,623	43,641	82.2%
Private Industry/Contractors	605	1,095	2.1%
City of Ames	67	46	0.1%
Iowa State University	994	3,660	6.9%
Iowa Dept of Transportation	319	111	0.2%
U S D A Lab	183	229	0.4%
Directly to Boone	651	3,319	6.2%
TOTALS	16,025	53,106	100.0%

CITY OF AMES, IOWA

RESOURCE RECOVERY SYSTEM FEE SCHEDULE

YEAR	TIPPING FEE	CARLINE	
		CARS	PICKUPS
2004/05	\$52.75/TON	\$8.00	\$22.00
2005/06	\$52.75/TON	\$8.00	\$22.00
2006/07	\$52.75/TON	\$8.00	\$22.00
2007/08	\$52.75/TON	\$8.00	\$22.00
2008/09	\$52.75/TON	\$8.00	\$22.00
2009/10	\$52.75/TON	\$8.00	\$22.00
2010/11	\$52.75/TON	\$8.00	\$22.00
2011/12	\$52.75/TON	\$8.00	\$22.00
2012/13	\$52.75/TON	\$8.00	\$22.00
2013/14	\$52.75/TON	\$8.00	\$22.00