

COUNCIL ACTION FORM

SUBJECT: 2010 RESOURCE RECOVERY SYSTEM 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 then prepared for the participating communities and Iowa State University.

The 2010 Resource Recovery Annual Report shows a total of 58,756 tons of Municipal Solid Waste (MSW) was received at the plant during the year. Of that amount, 3,875 tons (or 6.6%) were from Iowa State University. Revenues from all sources totaled \$4,937,018, and total expenses were \$4,605,121. This resulted in net income of \$331,897 for 2010.

Of the 58,756 tons of MSW accepted at the plant during the year, 57,494 tons (98%) were processed. The remaining 2%, which are generally bulky rejects, were sent to the Boone County Landfill. Of the 57,494 tons that were processed, 37,865 tons (66%) became Refuse Derived Fuel (RDF), 4% were recovered metals, and the remaining 30% was landfilled in Boone County. The per capita charge to Story County and the participating cities will remain at \$10.50 for 2011, as it was for 2010. The tipping fee for haulers will remain at \$52.75 per ton.

ALTERNATIVES:

1. Accept the 2010 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.

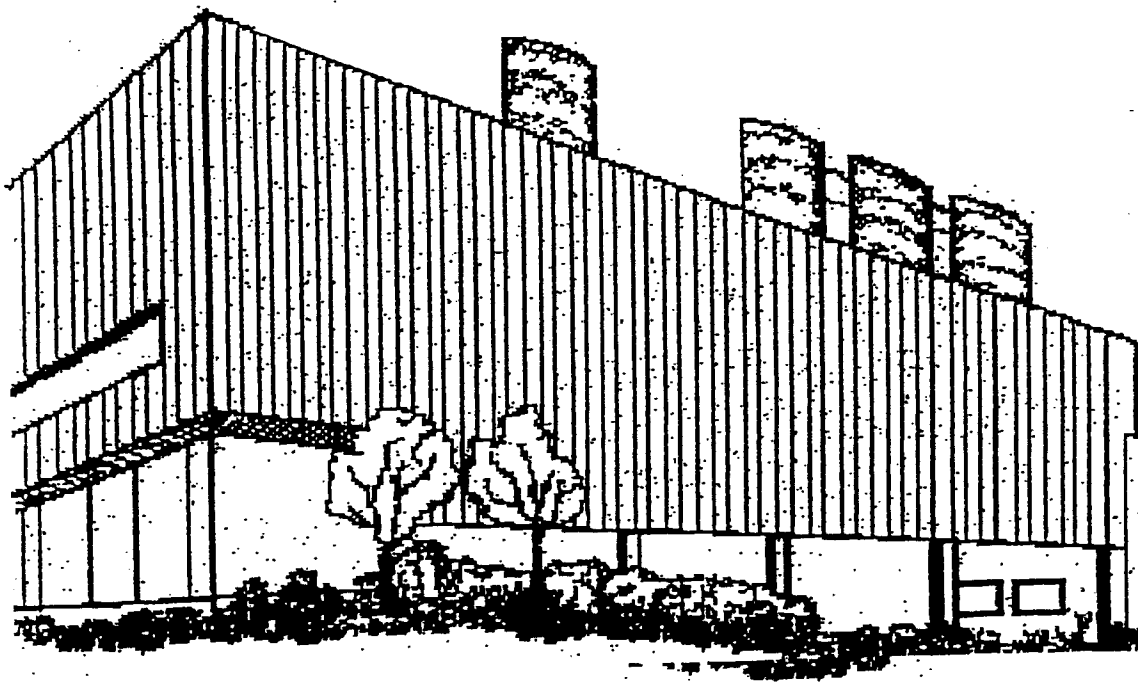
MANAGER'S RECOMMENDED ACTION:

This report confirms the Resource Recovery Systems revenues and expenditures for 2010, as well as the per capita billing charge and the charge for Iowa State University.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No.1, thereby accepting the 2010 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

2010



CITY OF AMES, IOWA





Public Works Department

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2010 Resource Recovery Annual Report

February 8, 2010

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. Over 70% of the waste delivered to the plant is processed into Refuse Derived Fuel (RDF) that is used as an alternative to coal for electric generation at the City of Ames power plant or recovered as metals and other materials for recycling. The remaining fraction, less than 30% of the waste stream, is delivered to the Boone County Landfill for disposal. This waste is delivered in a reduced size which results in saving landfill space.

Innovative ideas and improvements to the system are continuing to be evaluated. One of these is assessing potential alternative conversion technologies, as an option to further process the traditional RDF. In partnership with Ames Municipal Electric Services, URS Corporation is currently studying the various available conversion technologies from an enhancement and business model standpoint.

The per capita rate will remain at \$10.50 for the 2011 calendar year. The per capita charges will be based on the certified 2000 census until the 2010 census is certified. These are payable on July 1, 2011, and December 1, 2011. **The tipping fee rate will remain at \$52.75 per ton due to the continued financial strength of the system.**

The Resource Recovery System also continues to offer drop-off Household Hazardous Materials disposal on an appointment basis. This activity is coordinated through the Metro Waste Authority in the Des Moines area.

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 John Pohlman, Resource Recovery Superintendent.

Sincerely,

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

CITY OF AMES, IOWA
RESOURCE RECOVERY SYSTEM
ANNUAL BILLING

Participating Communities
For Calendar Year 2010

REVENUES:

Per Capita	723,429	
Refuse sold for fuel	890,386	
Sale of metals	328,257	
Public fees	101,557	
Regular customers	2,607,009	
Reimbursements and refunds	2,468	
Other governmental units	27,914	
Out of County Revenue	15,618	
Scrap tires	2,525	
I.S.U. participation	222,141	
Interest Revenue	15,714	
		4,937,018

EXPENSES:

Operations	\$4,172,683	
Debt Service	432,438	
		<u>\$4,605,121</u>

Net Income	331,897
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PER CAPITA

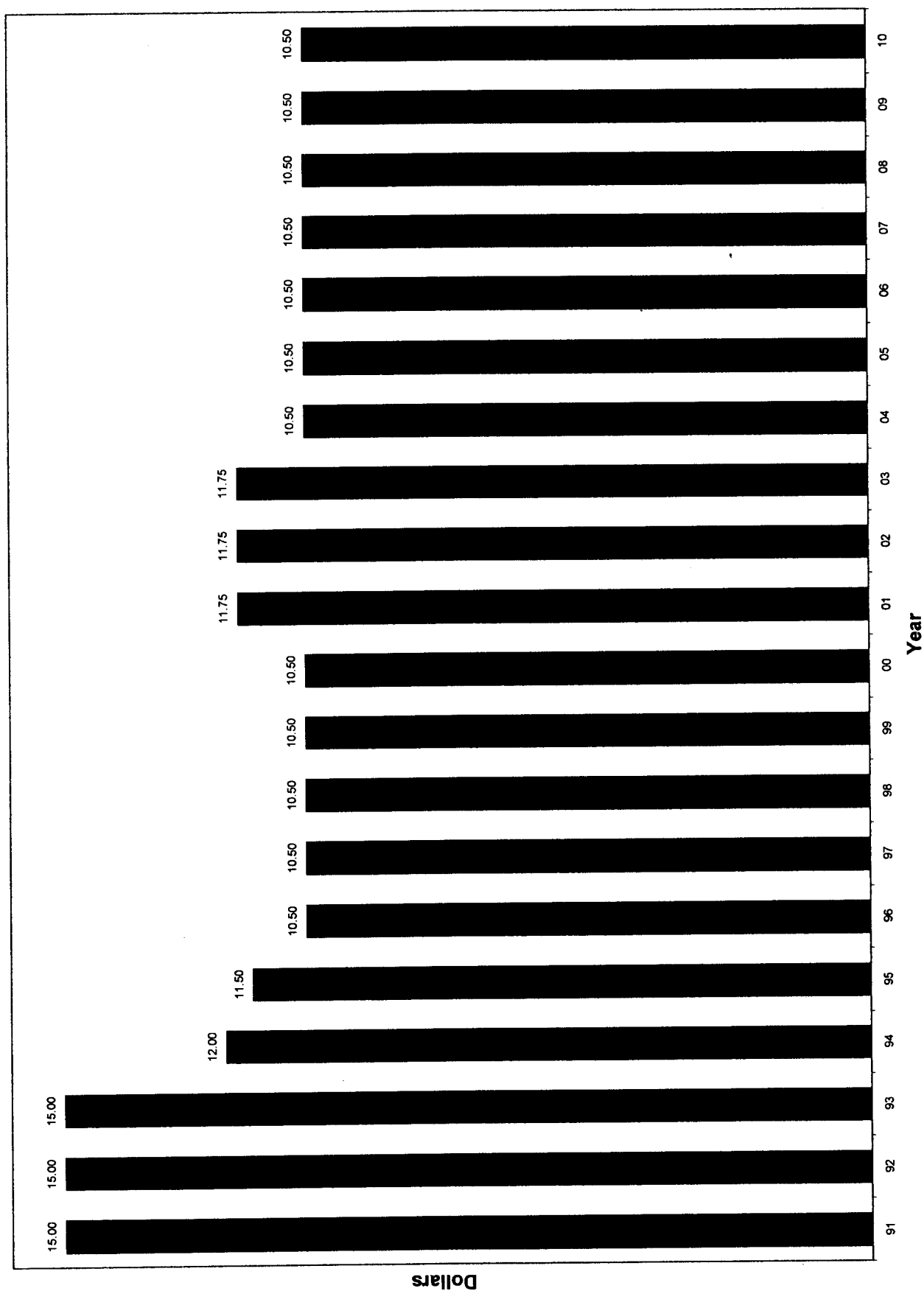


Figure 2

MATERIALS, REVENUES & EXPENSES RESOURCE RECOVERY SYSTEM

YEAR	AVAILABLE	TO PROCESS	(%)	FERROUS	(%) ¹	RDF	(%) ¹	(%) ¹	REVENUES	EXPENSES	REV/EXP	NET EXPENSE (\$/TON)
1991	48,759	44,966	92%	1,545	3%	33,177	74%	68%	1,004,752	1,921,590	52%	18.80
1992	45,420	42,126	93%	1,755	4%	32,292	77%	71%	1,238,445	2,056,239	60%	18.01
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)
20 YEAR TOTAL	981,620	922,425	94%	34,718	4%	626,553	68%	64%	\$63,602,875	\$66,040,516	96%	\$2.48

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

\$/Incoming Ton Revenue	\$64.79
\$/Incoming Ton Expense, Net	\$2.48
Percent Recovery - R.D.F.	64%
Percent Recovery - Ferrous	4%

CITY OF AMES, IOWA

POPULATION - PERCENTAGES - CHARGES

Annual Billing - Calendar 2010

Per Capita - \$10.50

	<u>POPULATION</u> ¹	<u>PERCENT OF POPULATION</u>	<u>TOTAL</u>
Ames	40,331 ²	58.54%	\$423,475.50
Story County	9,019	13.09%	\$94,699.50
Nevada	6,658	9.66%	\$69,909.00
Story City	3,228	4.69%	\$33,894.00
Huxley	2,316	3.36%	\$24,318.00
Roland	1,324	1.91%	\$13,902.00
Slater	1,306	1.90%	\$13,713.00
Gilbert	987	1.43%	\$10,363.50
Colo	868	1.26%	\$9,114.00
Cambridge	819	1.19%	\$8,599.50
Maxwell	807	1.17%	\$8,473.50
Zearing	617	0.90%	\$6,478.50
McCallsburg	318	0.46%	\$3,339.00
Kelley	300	0.44%	\$3,150.00
TOTALS	68,898	100.00%	\$723,429.00

¹ Based on 2000 U.S. Census

² 50,731 minus I.S.U. 10,400

APPENDIX

**CITY OF AMES, IOWA
MONTHLY REFUSE VOLUMES - 2010**

	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	4,044	315	17	18	3,694
February	3,748	296	22	10	3,420
March	5,224	311	19	13	4,881
April	4,895	319	15	12	4,549
May	4,703	454	25	11	4,213
June	5,009	251	28	14	4,716
July	5,071	247	23	10	4,791
August	6,893	389	9	14	6,481
September	5,536	390	17	15	5,114
October	4,657	329	17	12	4,299
November	4,656	309	17	14	4,316
December	4,320	265	24	15	4,016
TOTAL	58,756	3,875	233	158	54,490
% OF TOTAL	100.0%	6.6%	0.4%	0.3%	92.7%

**CITY OF AMES, IOWA
RESOURCE RECOVERY PLANT VOLUMES
12/31/2010**

CLASS	2010 TRIPS	2010 WEIGHT	PERCENT OF TOTAL WEIGHT
Non-Scale Refuse (Car line)	4,946	2,577	4.4%
Commercial Haulers	10,043	49,083	83.4%
Private Industry/Contractors	730	1,046	1.8%
City of Ames	63	45	0.1%
Iowa State University	1,019	3,875	6.6%
Iowa Dept of Transportation	350	158	0.3%
U S D A Lab	141	233	0.4%
Directly to Boone	353	1,739	3.0%
TOTALS	17,645	58,756	100.0%

CITY OF AMES, IOWA

RESOURCE RECOVERY SYSTEM FEE SCHEDULE

YEAR	TIPPING FEE	CARLINE	
		CARS	PICKUPS
2002/03	\$52.75/TON	\$8.00	\$22.00
2003/04	\$52.75/TON	\$8.00	\$22.00
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
PROPOSED 2011/12	\$52.75/TON	\$8.00	\$22.00