

## Staff Report

**RESOURCE RECOVERY FREE DAYS EVALUATION**

August 9, 2011

This report provides background information on the Resource Recovery System's annual "Free Days", outlines the challenges that accompany these days, and lays out a process for receiving stakeholder input prior to the Council's considering alternative approaches.

Each year since 1977, the City's Resource Recovery Plant has hosted Free Days for trash disposal to those residents who are served by the plant. A brief history of the evolution of these Free Days follows:

- The original concept was introduced at a City Council meeting on April 5, 1977: *"Moved by Stevens, seconded by Koerber, to designate April 23, 1977, as Clean-Up Day and 'National Keep America Beautiful Day,' and that all car line and pick-up truck line charges at the solid waste plant be waived on that date."*
- In June and July 1978, there were discussions to add another Free Day and possibly one in the fall.
- In March 1979, Free Days were set to occur on the second Saturday of the month, May through September.
- At the February 1990 meeting, Council added the second Saturday in April.
- In January 1996, Council resolution reduced the Free Days to two each year, with the first held on the fourth Saturday of April and the second on the second Saturday of September.

Currently two Free Days are held each year, one in April and one in September. These times are always busy times of the year for normal solid waste collections and disposal due to the move-in/move-out cycle for Iowa State University (ISU) students and others.

Large portions of what citizens bring in on Free Days are bulky items, such as furniture, mattresses, carpets, and old televisions. These are items that the garbage haulers will accept but **may** charge extra to haul away. (Note: We only accept items on the Free Day that we ordinarily accept on a regular basis.)

**Due to the large volume of Free Day traffic and quantity of bulky items received, the Plant's tipping floor must be empty at the beginning of a Free Day. In order to accomplish an empty floor during an already busy time, frequently we need to close our doors to our regular customers and haulers for up to three preceding days, resulting in sending them to the Boone County Landfill (BCLF). This results in poor customer service and additional expense to our garbage haulers, as well as lost revenue for our plant. That revenue loss is typically near \$10,000 or more per day.**

**Area garbage haulers also are negatively impacted by Free Days. When we send their loads to the BCLF prior to the Free Day, they lose significant amounts of time, which in turn lessens their ability to serve their customers. Haulers spend an additional \$100 to \$150 per trip when they need to go to BCLF. (Note: The plant pays \$13 per ton to have our own rejected material transported there.) They also lose potential revenue from the material that customers haul themselves on the free days.**

Over the past 11 years, the average number of Free Day participants has nearly tripled from 240 to over 620 in one day. Logistically, this makes hosting Free Days very difficult, and has created long lines and waits for most participants. The long lines have also created traffic congestion, added emissions from idling, blocked drives for neighbors and businesses, and led to poor customer service at the plant. The reality of participants waiting as long as 30 to 45 minutes, led staff to increase staffing levels and to start each Free Day with an empty tipping floor. This increased staffing has reduced some of the long waits and traffic congestion by helping to unload citizen vehicles and directing traffic. However, additional staffing has also increased our labor expense each Free Day from approximately \$2,160 in 2003 to \$5,200 currently.

There are several important aspects of the financial costs for Free Days. First is the actual expense of overtime for labor and additional staff as noted above. There are also disposal costs of excess bulky items that cannot be handled through our process. In addition, there is a significant loss of revenue from not collecting a tipping fee for the material coming in and from the material sent directly to the BCLF.

Using the Spring 2011 Free Day as an example, the financial impact was as follows:

- An additional \$5,200 was spent for extra staffing. This included our entire staff of 15 plus nine extra people from other Public Works divisions.
- Additional landfill expenses were \$680 for the excess bulky materials.
- The loss of tipping fees was \$12,026.
- In order to clear the tipping floor, 455 tons were sent to the landfill prior to and in preparation for the Free Day at a loss of \$24,612 in tipping fees. In addition, there was a loss of \$7,326 in RDF sales and of \$3868 in metals sales. Total lost revenue was \$35,806.
- Advertising costs were \$1,000.

**The net financial impact of the Spring 2011 Free Day on the Resource Recovery Fund, including both actual expenses and lost revenue, was \$52,712.**

The financial impact of the Fall 2010 Free Day was less, and is shown below:

- Extra staffing was \$5,200, including 13 of our staff and nine extra people from other Public Works divisions.
- Additional landfill expenses were not excessive relative to our daily rejects.
- The loss of tipping fees was \$8,564.
- Advertising costs were \$266.

In sum, the net financial impact of the Fall 2010 Free Day was \$14,030.

Residents of all thirteen contract communities, as well as of rural Story County, are eligible to dispose of items during the two annual Free Days. In addition, seven of the thirteen communities actively participate in the spring Free Day by sponsoring their own clean up and collection events and by trucking the material to the Ames plant. This requires involvement of our staff in at least two other communities to monitor what is being dropped off.

Below are some recent tonnage and expense figures for these seven communities at the annual Spring Free Days. These waived fees are in addition to the fund impacts noted above from material directly received at the Resource Recovery Plant.

<b>CITY</b>	<b>DATE</b>	<b>TONS</b>	<b>FEE WAIVED</b>
Cambridge	4/25/09	12.89	\$679.95
	4/24/10	16.56	\$873.54
	4/23/11	7.55	\$398.26
Gilbert	4/26/08	4.39	\$231.57
	4/25/09	10.05	\$530.14
	4/24/10	9.60	\$506.40
Kelley	4/23/11	8.98	\$473.70
	4/25/09	5.69	\$300.15
	4/24/10	5.01	\$264.28
Maxwell	4/23/11	6.93	\$365.56
	4/26/08	12.28	\$647.77
	4/25/09	14.28	\$753.27
McCallsburg	4/26/10	10.19	\$537.52
	4/23/11	9.19	\$484.77
	4/26/08	4.46	\$235.27
Nevada	4/25/09	4.17	\$219.97
	9/12/09	2.19	\$115.52
	4/24/10	4.36	\$229.99
Zearing	4/23/11	3.03	\$159.83
	4/26/08	22.50	\$1,186.88
	4/25/09	21.31	\$1,124.10
	4/24/10	22.87	\$1,206.39
	4/23/11	15.67	\$826.59
	4/24/10	8.73	\$460.51
	4/23/11	4.46	\$235.27

At the Spring 2011 Free Day, these seven communities received a total of \$2,943.98 in fee waivers. In addition, McCallsburg participated in the Fall 2009 Free Day at a cost of \$115.52 to the Resource Recovery System.

## **SUMMARY:**

Free Days are major events that require additional planning and preparation time at the Resource Recovery Plant, which is very difficult to find during the busy spring season. In the fall, it is just as busy as students are moving back in to town.

Since 1996 Free Days have been set by Council Resolution as the fourth Saturday in April and the second Saturday in September. This year there was a conflict with the Easter weekend. In 2006, staff was directed to host a second spring Free Day in June after it was realized that the standard Free Day conflicted with VEISHEA. For several years, the second Saturday in September has also been the date of the annual ISU vs. Iowa football game. This usually brings negative comments from citizens and has created staffing challenges.

When Free Days originally began, Council intended them for “car line and pick-up truck line” customers at the Plant only. However, customer service complaints and other cities’ requests have led to Free Days being expanded to ‘clean-up events’ held in several other communities, as well as local businesses taking advantage of the event. In addition, our staff has observed that some residents accumulate waste all year long with the anticipation of the two Free Days as their only time of disposal.

Although participation on these days represents less than one percent of our county population, these additional costs are shared by all. This equates to \$68,742 divided by the System’s population of 68,898 (2000 Census figures, not including on-campus ISU students) or about \$1.00 per capita. To put this in context, the current “per capita fee” charged to participating jurisdictions is \$10.50 per year. The per capita fee has not increased since 2004, and the tipping fees charged to haulers have not increased since 2002.

**As the popularity of Free Days continues to grow, they are becoming more and more difficult to manage. For Plant staff, each spring and fall these Free Days become the major event to plan and prepare for and to get past, and each year they cost more. If they continue to grow as they have over the last ten years, they will become even more challenging and costly to hold.**

## **STAFF’S RECOMMENDED ACTION:**

**Free Days ideally contribute to community-wide spring cleaning efforts and, therefore, should be continued. However, the increasing costs, logistical challenges, and equity issues led staff to conclude that it is now the appropriate time for the City Council to re-evaluate when and how these “free” days are conducted.**

The City Council is **not** being asked to take any action at this time. Instead, staff plans to host two Open House Public Meetings with stakeholders in September to discuss

these and other related issues. Waste haulers, contract communities, residential customers, and other interested parties will be invited to these meetings, which will be held on Wednesday, September 14 from 5:00 p.m. to 7:30 p.m. in Room 235 in City Hall, and on Thursday, September 15 from 7:00 a.m. to 9:30 a.m. at the Resource Recovery Plant's visitors' center. Verbal and written comments will also be encouraged.

**In October, staff will report back to Council with the results of these meetings. After the October meeting, staff will develop possible alternatives for Council's consideration.**