

COUNCIL ACTION FORM

SUBJECT: 2011 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 2011 Resource Recovery Annual Report shows 55,270 tons of Municipal Solid Waste (MSW) was received at the plant during the year with 6.5% (3,566 tons) from Iowa State University. Of the total tons received at the plant, 92% (50,611 tons) was processed with 68% (34,422 tons) of that amount becoming Refuse Derived Fuel (RDF). The remaining 8% (4,659 tons) of MSW not processed at the plant was sent to the Boone County Landfill. Additional information regarding materials processed at the plant is presented in the attached report.

Revenues from all sources totaled \$4,697,573, and total expenses were \$3,729,248. This resulted in net income of \$968,325 for 2011. Due to the continued financial strength of the system and increased population based on the certified 2010 census, the 2011 per capita charge will be reduced from \$10.50 to \$9.10. The tipping fee for haulers will remain at \$52.75 per ton.

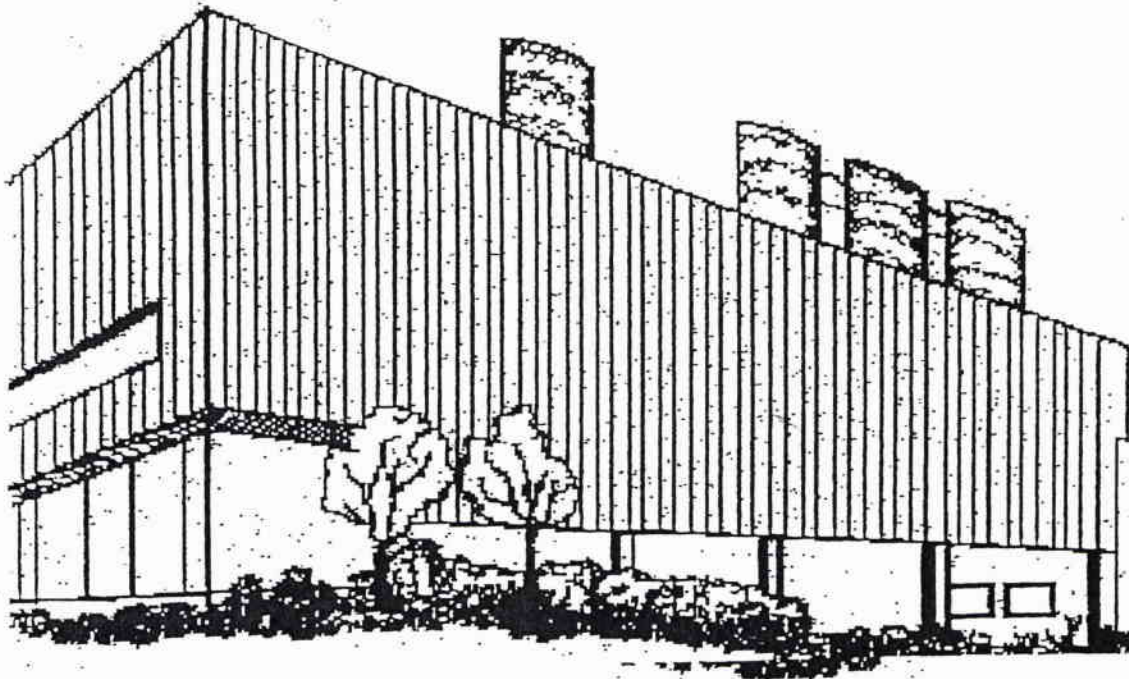
ALTERNATIVES:

1. Accept the 2011 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 2011 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
2011**



CITY OF AMES, IOWA





Public Works Department

515 Clark Avenue, Ames, Iowa 50010
Phone 515-239-5160 ♦ Fax 515-239-5404
jjoiner@city.ames.ia.us

2011 Resource Recovery Annual Report

February 14, 2012

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)** that 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.

Due to the continued financial strength of the system and updated census counts, **the 2011 per capita**, which is payable on July 1, 2012, and December 1, 2012, **will be reduced to \$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 Plant also received national recognition for excellence in environmental and safety performance. The American Society of Mechanical Engineers (ASME) selected RRP as the recipient of the **2011 Facility Recognition Award**. The award was presented to Gary Freel, Assistant Superintendent, and Rob Weidner, Lead Operator, at the 19th Annual North American Waste-to-Energy Conference (NAWTEC 19) in Lancaster, Pennsylvania, in May, 2011.

The Resource Recovery System also continues to offer drop-off Household Hazardous Materials disposal on an appointment basis, keeping **over 7 tons** of household hazardous materials from the landfill. This activity is coordinated through the Metro Waste Authority in the Des Moines area.

The privately-owned construction and demolition (C&D) landfill in Ames closed in 2011. Citizens and businesses with C&D materials now must sort their waste so that paper and plastics go to the Resource Recovery Plant (RRP); true C&D materials must go to the Boone County Landfill for C&D disposal.

Innovative ideas and improvements to the system are continuing to be evaluated. One of these continues to be further assessment of potential alternative conversion technologies, as an option to further process the traditional RDF.

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 will also be renewed this 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 John Pohlman, Superintendent.

Sincerely,

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

CITY OF AMES, IOWA
RESOURCE RECOVERY SYSTEM
ANNUAL BILLING

Participating Communities
For Calendar Year 2011

REVENUES:

Per Capita	725,188	
Refuse sold for fuel	821,503	
Sale of metals	412,106	
Public fees	128,322	
Regular customers	2,354,290	
Reimbursements and refunds	5,567	
Other governmental units	30,585	
Out of County Revenue	33,564	
Scrap tires	3,321	
I.S.U. participation	160,145	
Interest Revenue	22,982	
		4,697,573

EXPENSES:

Operations	\$3,729,248	
Debt Service		
		<u>\$3,729,248</u>
	Net Income	968,325

PER CAPITA

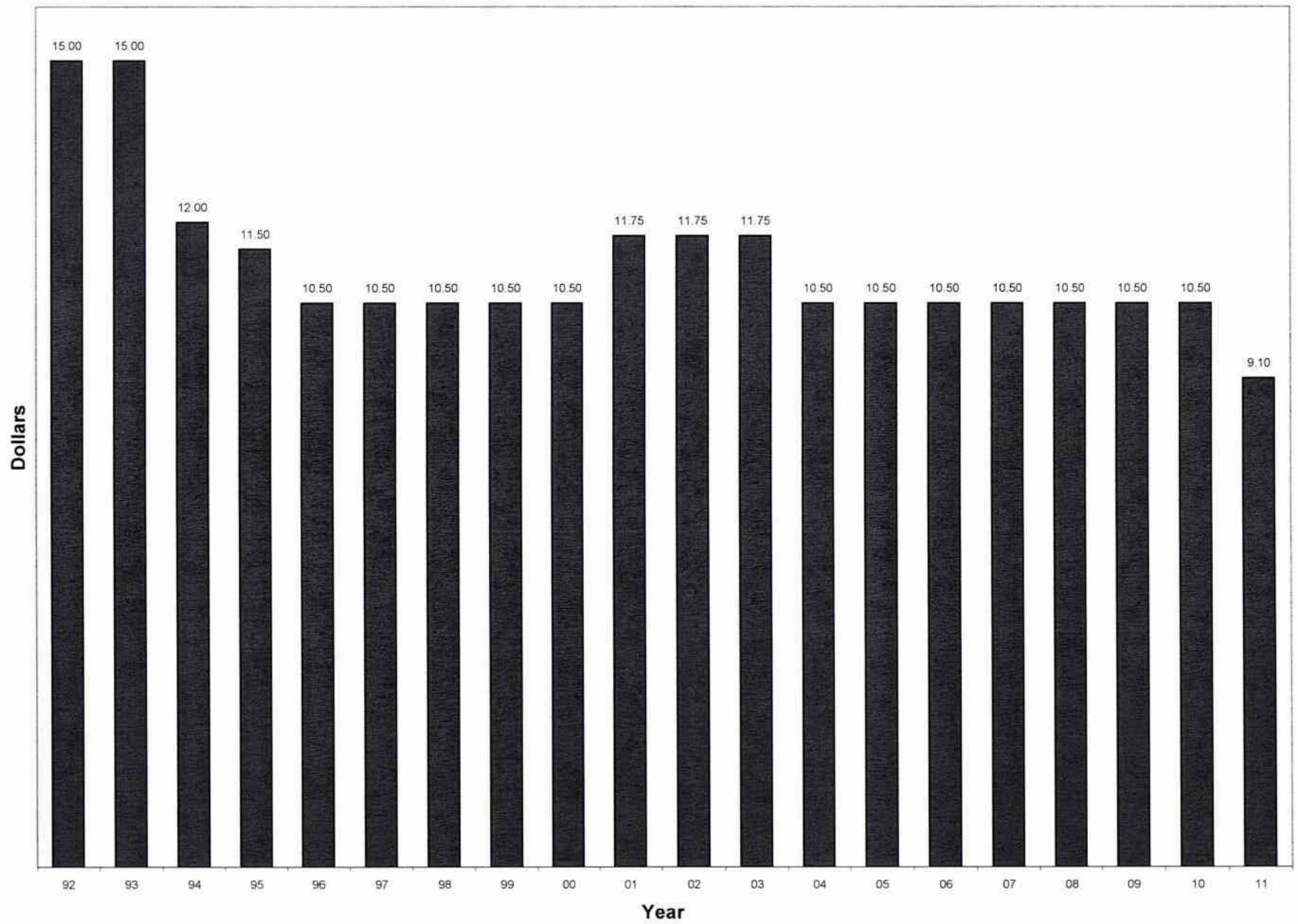


Figure 2

MATERIALS, REVENUES & EXPENSES RESOURCE RECOVERY SYSTEM

YEAR	AVAILABLE	TO PROCESS	(%)	FERROUS	(%) ¹	RDF	(%) ¹	(%) ²	REVENUES	EXPENSES	REV/EXP	NET EXPENSE (\$/TON)
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)
2011	55,270	50,611	92%	2,166	4%	34,422	68%	62%	4,697,573	3,729,248	126%	(17.52)
20 YEAR												
TOTAL	988,131	928,070	94%	35,339	4%	627,798	68%	64%	\$67,295,696	\$67,848,174	99%	\$0.56

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>	\$68.10
<i>\$/Incoming Ton Expense, Net</i>	\$0.56
<i>Percent Recovery - R.D.F.</i>	64%
<i>Percent Recovery - Ferrous</i>	4%

Figure 3

CITY OF AMES, IOWA

POPULATION - PERCENTAGES - CHARGES

Annual Billing - Calendar 2011

Per Capita - \$9.10

	<u>POPULATION</u> ¹	<u>PERCENT OF 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 - 2011**

	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	4,192	319	22	15	3,836
February	3,891	304	25	15	3,547
March	4,608	343	32	15	4,218
April	4,766	284	21	22	4,439
May	5,134	454	40	11	4,629
June	4,820	254	33	11	4,522
July	4,710	212	41	12	4,445
August	5,521	319	24	10	5,168
September	4,547	219	19	6	4,303
October	4,368	276	23	10	4,059
November	4,582	299	17	7	4,259
December	4,131	283	28	11	3,809
TOTAL	55,270	3,566	325	145	51,234
% OF TOTAL	100.0%	6.5%	0.6%	0.3%	92.6%

**CITY OF AMES, IOWA
RESOURCE RECOVERY PLANT VOLUMES
12/31/2011**

CLASS	2011 TRIPS	2011 WEIGHT	PERCENT OF TOTAL WEIGHT
Non-Scale Refuse (Car line)	4,487	1,249	2.3%
Commercial Haulers	9,610	43,803	79.2%
Private Industry/Contractors	631	1,338	2.4%
City of Ames	57	40	0.1%
Iowa State University	917	3,566	6.5%
Iowa Dept of Transportation	314	145	0.2%
U S D A Lab	175	325	0.6%
Directly to Boone	990	4,804	8.7%
TOTALS	17,181	55,270	100.0%

CITY OF AMES, IOWA

RESOURCE RECOVERY SYSTEM FEE SCHEDULE

YEAR	TIPPING FEE	CARLINE	
		CARS	PICKUPS
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
2011/12	\$52.75/TON	\$8.00	\$22.00
2012/13	\$52.75/TON	\$8.00	\$22.00