



MEMORANDUM

Date: April 25, 2017

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to be "CHH", is written over the printed name "C.H. Huckelberry".

Re: **Update on Pima County Solid Waste Activities**

Attached is an April 20, 2017 memorandum from Environmental Quality (DEQ) Director Ursula Nelson regarding a summary of our activities related to solid waste.

Four years ago, Pima County privatized solid waste services with a private contractor, Tucson Recycling and Waste Services (TRWS). This memorandum recites the activities over this time period. Our experience with privatizing has been positive. The current five-year contract expires in 2023, and I will ask the Board of Supervisors to extend the contract to 2028 and revise the five-year entry fee schedule starting in Fiscal Year 2017 to 2022.

For the fiscal year beginning July 1, 2017, our contractor is proposing a reduction in 2017 approved fees at most facilities. Our experience with this contractor has been very positive. In fact, through cooperative planning and assistance from TRWS, the County was able to reduce our closure cost for the Tangerine Landfill from \$10 million to approximately \$5 million.

DEQ staff will prepare an amended contract through the Procurement Department and County Attorney's Office for Board of Supervisors consideration before June 30, 2017.

CHH/anc

Attachment

c: Carmine DeBonis, Jr., Deputy County Administrator for Public Works
Ursula Nelson, Director, Department of Environmental Quality



MEMORANDUM

DATE: April 20, 2017

TO: C. H. Huckelberry
County Administrator

FROM: Ursula Nelson *UN*
Director, PDEQ

RE: Solid Waste Anniversary Update

Four years have passed since the transition of our solid waste services to a private contractor, Tucson Recycling and Waste Services (TRWS). This memo presents information regarding solid waste activities and operations over the past four years and plans going forward. On June 2, 2013, TRWS began operating the County's solid waste facilities under contract to the Pima County Department of Environmental Quality (PDEQ). TRWS is required to provide equal or better services to the residents of Pima County than those that existed at the time of contract initiation. TRWS continues to meet that requirement and to demonstrate responsiveness and dedication to providing excellent customer service. PDEQ solid waste staff continue to maintain oversight of the contract, maintenance of County structures, and conduct environmental compliance activities as well all activities at historic solid waste sites in the County.

Services Currently Provided

TRWS currently operates the following facilities:

- Sahuarita Transfer Station – The Sahuarita Landfill is nearing capacity and has closed to the public. TRWS, at their expense, has constructed and now operates a transfer station at the landfill site. The transfer station accepts the same material as was previously accepted at the landfill, including commercial waste, bagged household waste, green waste, construction debris, as well as recycling and ABOP (antifreeze, batteries, oil, paint) material.
- Ryan Field Transfer Station – The Ryan Field Transfer Station accepts bagged household waste as well as recycling and ABOP (antifreeze, batteries, oil, paint) material.
- Catalina Transfer Station – The Catalina Transfer Station accepts commercial waste, bagged household waste, green waste, construction debris, as well as recycling and ABOP (antifreeze, batteries, oil, paint) material. TRWS increased days of operation from three to six days per week.
- Rural Collection Centers at Arivaca and Arivaca/Sasabe Junction – The RCCs are provided for the disposal of household waste. No fee is charged at the RCCs.

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- Ajo Landfill – The Ajo Landfill accepts residential and commercial waste. In addition, the landfill accepts waste tires and recycling in Ajo. Recycling is a service provided by TRWS that was not previously available when the County operated the landfill.

Tangerine Landfill

The Tangerine Landfill was legally closed in December 2016 in accordance with approved closure plans. Closure included 3 feet of soil cover, seed for shallow-rooted plant growth, erosion control and stormwater management. The original engineer estimate for closure was approximately \$10 million. Under terms of the contract with TRWS, the County was able to obtain soil at no cost except loading and hauling. Final closure costs were approximately \$5 million, considerably less than the original estimate due to TRWS' ability to obtain free cover material.

Ina Road Landfill

The Ina Road Landfill previously accepted construction and demolition (C&D) waste but was closed to the public July 1, 2010 due to limited revenue generated at the site. TRWS, at their own expense, regraded and repaired an eroded side slope immediately adjacent to The Loop. They repaired all erosion damage and pulled the 2:1 slopes back to a much more manageable 3:1 slope.

Waste Tire Program

The County's waste tire program is operated by CRM Inc. at the Ina Road facility. The waste tire program is funded by an allocation from the State based on a fee added to the sale of new tires and distributed based on the number of registered motor vehicles in Pima County and not from the general fund. These funds are restricted for use on the tire program.

In addition to the main tire site, there are also waste tire collection bins for residential use at the transfer stations. Residents can dispose of up to five tires per year at no charge. TRWS provides transportation of these tires to the County's waste tire collection facility.

Additional Services

TRWS maintains the ABOP sites at all locations and also accepts used cooking oil. TRWS was able to include this service at no additional cost to the County or to people using the facilities since the County terminated its involvement with the City of Tucson's Household Hazardous Waste Program.

TRWS supports the County's illegal dumping cleanup program by providing one forty (40) cubic yard roll off per month, including delivery, pickup and disposal of waste. The County's illegal dump inspector may also deposit transient waste collected during his/her routine inspections throughout the County at the closest transfer station at no cost.

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Recycling services are provided at all transfer stations. There is no charge for residents for dropping of only recyclable material. Prior to the initiation of the contract with TRWS, the County was not able to provide recycling services in Ajo; however, TRWS has added this service.

Contract Term and Fee Schedule

The TRWS contract began on June 1, 2013, expires May 31, 2023 and may be extended by three additional five-year periods. The contract specifies that the County shall pay TRWS an annual fee of \$736,560. The current contract specifies an annual increase of the greater of 3% or the change in the CPI. However, this increase is waived in any year there is an increase in the entry fee for the facilities operated by TRWS. The Board of Supervisors sets the entry fee through an ordinance adopted by the Board. All entry fee revenue belong to TRWS. The current five-year fee schedule specifies fees for all facilities through July 2018. The fee schedule includes periodic increases including an upcoming increase on July 1, 2017. TRWS has proposed a reduction of the 2017 approved fees at most facilities. In addition, TRWS has agreed to waive the increase in the contract payment that would otherwise occur as described above.

The contract has been amended once to clarify the facility entry fee schedule regarding the Sahuarita facility since TRWS constructed the transfer station later than originally expected. TRWS also implements the County's reduced facility entry fees under the financial hardship program.

One of the critical components of the contract, as mentioned previously, was the ability for the County to obtain cover material at no cost except for loading and hauling for closure of the Tangerine Landfill. This allowed completion of the closure for approximately \$5 million; the original engineer estimate was approximately \$10 million.

Next Steps

Several changes have occurred since the contract with TRWS began that require an upcoming amendment to the contract.

1. Operations: The Sahuarita Landfill is no longer accepting waste from the public but a transfer station was constructed and is being operated by TRWS. Tangerine Landfill was officially closed. In addition, in order to maintain compliance with the regulatory requirements to maintain landfill soil cover at those landfills that are no longer accepting waste (Sahuarita and Ina Road) as well as the closed Tangerine Landfill, as needed soil cover maintenance services must be available and provided when necessary. Additionally, several pieces of equipment are no longer needed with the change in operations and have been returned from TRWS to the County and are no longer on the list of leased items.
2. Finances
 - a. The facility entry fee schedule specified in the ordinance currently provides for an increase in the entry fee on July 1, 2017, the last year of the currently approved

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- b. schedule. TRWS has requested that the scheduled fee ordinance not go into effect and has proposed a lower increase going forward.
 - c. A previous contract amendment provided an estimated amount of funding to cover the costs of loading and hauling the final cover soil necessary to close the Tangerine landfill. This contract needs to be amended to include costs actually incurred for loading and hauling of the dirt for closure of the Tangerine Landfill.
 - d. TRWS has agreed to removal of the language specifying an increase to the COUNTY fee in years when there is no facility entry fee increase.
 - e. An additional fee schedule needs to be included to address landfill maintenance.
3. Term of the contract: The current contract expires in 2023. The revised facility entry fee five-year schedule will address 2017 to 2022. A new recommended fee ordinance will be submitted for Board consideration prior to contract expiration. Given TRWS' significant investment and excellent performance, it is appropriate to renew the contract for an additional five year period as provided in the contract. This will extend the contract through 2028. The contract funding will also need to be increased to address the increased term and landfill maintenance.

Summary

Private operations of the County's solid waste facilities continue to proceed very smoothly. Services have either remained the same or expanded. TRWS has been very responsive in addressing any needs and issues to improve customer service and operations. The remaining solid waste staff members manage the TRWS contract and provide oversight, as well as ensuring regulatory environmental compliance at all County owned facilities and managing the County's historic solid waste sites.

At this time it is appropriate to amend the contract to reflect current operating conditions, update contract costs and facility entry fee schedules and extend the term of the contract. PDEQ will prepare the amended contract, in consultation with the Procurement Department and County Attorney's Office, for consideration by the Board of Supervisors.

We are available to discuss this issue further at your convenience.

UKN/vb

Attachment: Ordinance with fee revisions

cc: Carmine DeBonis, Deputy County Administrator for PW
Richard Grimaldi, Deputy Director for EQ Division, PDEQ
Dave Eaker, Deputy Director for SW Division, PDEQ



MEMORANDUM

Pima County Department of Environmental Quality

DATE: August 7, 2013

TO: Robin Brigode
Clerk of the Board

FROM: Ursula Kramer *ukk*
Environmental Quality

RE: Amended Solid Waste Fee Schedule Ordinance, 2013-35

The Pima County Department of Environmental Quality has amended the Solid Waste Fee Schedule Ordinance, 2013-35, as requested by the Board of Supervisors at their August 6, 2013, meeting.

If you would like additional information, would you please contact Sarah Walters, Regulatory Manager, at 724-7437.

Thank you for your assistance.

UK/sw

Attachment: Amended Solid Waste Fee Schedule Ordinance

cc: C.H. Huckelberry, County Administrator
John Bernal, Deputy County Administrative for Public Works
Richard Grimaldi, PDEQ Deputy Director
Dave Eaker, PDEQ Deputy Director

ORDINANCE NUMBER 2013-35

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA, RELATING TO SOLID WASTE; REPEALING THE EXISTING FEE SCHEDULE FOR PIMA COUNTY'S SOLID WASTE FACILITIES AND ADOPTING A NEW FEE SCHEDULE FOR PIMA COUNTY'S SOLID WASTE FACILITIES.

BE IT ORDAINED BY THE BOARD OF SUPERVISORS OF PIMA COUNTY, ARIZONA, AS FOLLOWS:

Section 1. Section 2 of Pima County Ordinance Number 2010-41 is repealed.

Section 2. The Fee Schedule for Pima County's Solid Waste Facilities (Landfills and Transfer Stations) is adopted as follows.

FEE SCHEDULE FOR LANDFILLS AND TRANSFER STATIONS

A. COMMERCIAL HAULERS

The fees for commercial haulers shall be prorated fractionally based on tonnage.

September 6, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017
TANGERINE LANDFILL				
\$30/ton (minimum \$10)	N/A	N/A	N/A	N/A
SAHUARITA LANDFILL				
\$32.50/ton (minimum \$15)	N/A	N/A	N/A	N/A
AJO LANDFILL				
\$8/CY loose	\$8/CY loose	\$10/CY loose	\$11/CY loose	\$12/CY loose
\$12/CY Compacted	\$13/ CY compacted	\$14/CY compacted	\$15/ CY compacted	\$16/ CY compacted
Green Waste Disposal				
\$10/Pick-up truck	\$10/Pick-up truck	\$11/Pick-up truck	\$12/Pick-up truck	\$13/Pick-up truck
\$20/Pick-up truck w/trailer	\$20/Pick-up truck w/trailer	\$22/Pick-up truck w/trailer	\$24/Pick-up truck w/trailer	\$25/Pick-up truck w/trailer
CATALINA TRANSFER STATION				
\$39/ton (minimum \$10)	\$40.95/ton (minimum \$15)	\$42.95/ton (minimum \$17.50)	\$45.10/ton (minimum \$20)	\$46.50/ton (minimum \$22.50)
SAHUARITA TRANSFER STATION				
N/A	\$40.95/ton (minimum \$15)	\$42.95/ton (minimum \$17.50)	\$45.10/ton (minimum \$20)	\$46.50/ton (minimum \$22.50)
INA ROAD LANDFILL (Construction Debris ONLY)				
Construction debris, loose or compacted; land clearing plant debris; clean landscaping green waste; and inert material			\$30/ton (minimum \$10)	

ALL SOLID WASTE FACILITIES	
Non-Standard Waste Fee	\$100/ton
Special Handling Fee	\$75/load
Evaluation Fee	\$150/evaluation
Uncovered Load Fee	\$20/load

B. RESIDENTIAL HAULERS

The fees for Residential haulers at, or above, one ton will be prorated fractionally based on tonnage.

September 6, 2013	July 1, 2014	July 1, 2015	July 1, 2016	July 1, 2017
TANGERINE LANDFILL				
\$10/vehicle (less than 1 ton)	N/A	N/A	N/A	N/A
\$30/ton	N/A	N/A	N/A	N/A
SAHUARITA LANDFILL				
\$15/vehicle (less than 1 ton)	N/A	N/A	N/A	N/A
\$32.50/ton	N/A	N/A	N/A	N/A
AJO LANDFILL				
\$5/truck	\$5/truck	\$6/truck	\$6/truck	\$7/truck
\$3/car	\$3/car	\$3/car	\$3/car	\$3/car
CATALINA TRANSFER STATION				
\$10/vehicle (less than 1 ton)	\$15/vehicle (less than 1 ton)	\$17.50/vehicle (less than 1 ton)	\$20/vehicle (less than 1 ton)	\$22.50/vehicle (less than 1 ton)
\$30/ton	\$35/ton	\$39/ton	\$41/ton	\$43/ton
RYAN FIELD TRANSFER STATION				
\$5/vehicle	\$7/vehicle	\$8/vehicle	\$9/vehicle	\$10/vehicle
SAHUARITA TRANSFER STATION				
N/A	\$15/vehicle (less than 1 ton)	\$17.50/vehicle (less than 1 ton)	\$20/vehicle (less than 1 ton)	\$22.50/vehicle (less than 1 ton)
N/A	\$35/ton	\$39/ton	\$41/ton	\$43/ton
INA ROAD LANDFILL (Construction Debris ONLY)				
Construction debris, loose or compacted; land clearing plant debris; clean landscaping green waste; and inert material			\$30/ton (minimum \$10)	
ALL SOLID WASTE FACILITIES				
Uncovered Load Fee	\$20/load			

C. WASTE TIRE COLLECTION

WASTE TIRE COLLECTION SITE	
Standard, on-road tires	\$30/ton (minimum \$15)
Non-Standard, off-road tires	\$150/ton (minimum \$30)
Tires with rims	\$75/load (in addition to tonnage fee)
Special Handling Fee	\$75/load (in addition to tonnage fee)

Section 3. This Ordinance is effective 31 days after the date of its adoption.

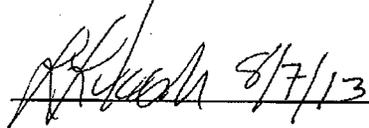
PASSED AND ADOPTED by the Board of Supervisors, Pima County, Arizona, this
____ day of _____, 2013

Chairman of the Board of Supervisors

ATTEST:

Clerk of Board

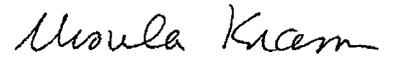
APPROVED AS TO FORM:



8/7/13

Deputy County Attorney

REVIEWED BY:



Ursula Kramer, Director

Department of Environmental Quality