

# **MOUNTAINVIEW LANDFILL CONTRACT PROPOSAL**

**Allegheny County Commissioners  
and  
Waste Management, Inc.**

June 4, 2008

# LENGTH OF CONTRACT

- The new twenty (20) year contract will take effect on February 2, 2013, when the existing contract is scheduled to expire.
- The County will be notified of remaining landfill capacity on an annual basis or as requested by the County.

# TIPPING FEES

- Using a 3% CPI (All Urban Consumers) factor, the following in-county base tipping fee rates are proposed as “not to exceed” for the start of the new contract term (i.e., for the period starting February 2013)
  - Municipal Solid Waste - \$50/ton
  - Demolition Material - \$64/ton

- Each year thereafter, the in-county “not to exceed” base tipping fee rates may be adjusted annually on April 1<sup>st</sup> of each year based upon the 12-month change in the CPI Index, modified by agreement of the parties, to eliminate the effects of changes in the price of on-highway diesel fuel, described below. Waste Management will notify the County of the price increase and provide any necessary detail.

- If Waste Management elects to implement in-county rates that are lower than the “not-to-exceed” rates, the lower rates may be implemented based upon customer/hauler tonnage volume and in-county distance traveled to the site. Waste Management will consult with the County regarding said lower rates.

- In the event that the annual CPI adjustment does not meet the increased operating cost at the facility, a request will be submitted to Allegany County outlining any additional price increase amounts above the CPI increase and the variables that make up the need for the additional increase (e.g., regulatory requirements, utilities, etc.)

- Any fees, charges, costs or assessments imposed upon the collection and/or disposal of waste that result from a change in federal, state or local law will also be added to the applicable base tipping fee at the time such fees are implemented.



- Waste Management's standard fuel and environmental charges are in addition to the landfill base tipping fees. The Waste Management fuel charge is adjusted weekly and is based on information publicly reported by the United States Department of Energy. The environmental charge is currently 4.2% and is subject to adjustment based on increased environmental compliance and monitoring costs.

- In the event that there are large, unusual and unforeseen cost requirements (i.e., costs that exceed an average cost of \$320,000 per acre) for permitting and construction of an expansion at Mountainview Landfill, Waste Management reserves the right to pass those additional excess cost on to Allegany County. The County shall have the right to accomplish the payback of the excess cost through an increase in the approved tipping fee.

# ANNUAL TONNAGE CAP

- Annual tonnage cap increase from 125, 000 to 135,000 tons in year 2013 to meet the growing waste stream disposal needs of the County. Tonnage cap to increase every five (5) years as described hereafter.
- Annual tonnage limits to be revisited and reviewed annually by the parties.

- Out-of-county waste will be permitted at the landfill so long as there remains adequate disposal capacity for all Allegany County needs. The current out-of-county annual volume amount is approximately 50,000 tons. The out-of-county annual volume under the new agreement will not be less than 50,000 per year.

# GUARANTEED LANDFILL CAPACITY

- Back-up capacity will be guaranteed to another Waste Management landfill facility in the event of a problem at Mountainview Landfill.
- Cost to transport waste from Allegany County to another Waste Management facility will be the responsibility of Allegany County in the event of a problem, except to the extent caused solely by Waste Management.

# PUBLIC DROP-OFF AREA

- Continued use of the current drop-off area at the facility for solid waste disposal and recycling by Allegany County residents.



# IN-COUNTY FEE

- Continued collection of \$1.50 per ton recycling fee on all in-county waste disposed of at the facility to be paid to the County by the 15<sup>th</sup> of the month following collection.



- The amount of the in-county recycling fee may be adjusted from time to time by the County, with any increase to be effective at the start of the next calendar year. Upon such an increase, the not to exceed tipping fee shall be increased by the amount of the recycling fee increase, and the increased amount shall be passed through to and collected from customers with the next annual tipping fee.

# OUT-OF-COUNTY HOST FEE

- Collection of a \$1.00 per ton host fee on all out-of-county waste disposed of at the facility to be paid to the County by the 15<sup>th</sup> of the month following collection.
- Out-of-County waste fee and Annual Tonnage Cap shall escalate on each of the 5<sup>th</sup>, 10<sup>th</sup> and 15<sup>th</sup> anniversaries of the contract effective date as follows:

- In year 2018, the host fee for out-of-county waste will be increased to \$1.35/ton and the annual tonnage cap will increase to 145,000 tons per year.
- In year 2023, the host fee for out-of-county waste will increase to \$1.65/ton and the annual tonnage cap will increase to 155,000 tons per year.
- In year 2028, the host fee for out-of-county waste will increase to \$2.00/ton and the annual tonnage cap will increase to 165,000 tons per year.

**MOUNTAINVIEW LANDFILL**

**FUTURE HOST FEE REVENUES**

**ON OUT-OF-COUNTY WASTE**

<b>YEARS</b>	<b>TONNAGE CAP (tons/year)</b>	<b>PROJECTED COUNTY WASTE AT MID POINT (tons/year)</b>	<b>OUT-OF-COUNTY WASTE (tons/year)</b>	<b>OUT-OF-COUNTY HOST FEE (\$/ton)</b>	<b>ANNUAL HOST FEE REVENUE (\$)</b>	<b>CUMULATIVE HOST FEE REVENUE (\$)</b>
2013-2018	135,000(1)	87,000	50,000(1)	\$1.00	\$50,000	\$250,000
2018-2023	145,000	90,000	55,000	\$1.35	\$74,250	\$371,250
2023-2028	155,000	94,000	61,000	\$1.65	\$100,650	\$503,250
2028-2033	165,000	97,000	68,000	\$2.00	\$136,000	\$680,000
<b>TOTAL HOST FEE REVENUE</b>						<b>\$1,804,500</b>

(1) A minimum of 50,000 tpy out-of-County waste would be guaranteed, therefore, cap would actually be 137,000 tpy.

Note: 10,000 tons/year = 33 tons/day = less than 2 full truck loads/day.

# COMPOST SITE

- Provide a compost site for Allegany County resident use contingent upon space being available for grinding and stockpile operations.

- Items accepted will include the following:

- Brush

- Grass/Leaves

- Limbs no larger than 4 inches in diameter and 4' in length



- The cost associated with grinding the material and maintenance at the compost site will be the responsibility of Allegany County. The County will remove stockpiled materials and send them to their Mexico Farms site, or any other such site located off Waste Management property.
- The operation will be safe, compliant with regulations, and not interfere with Solid Waste Disposal.

# LAND CLEARING DISPOSAL AREA

- A land clearing disposal area will be reviewed for feasibility during the design phase of the facility expansion.
- Operation of the land clearing disposal area would be the responsibility of Waste Management as a for-profit operation.
- The tonnage associated with the land clearing disposal area would not be counted in the annual tonnage capacity figure.

# SINGLE STREAM RECYCLING CENTER

- Waste Management will study the feasibility of constructing and operating a no cost recycling center at the landfill for single-stream recycling purposes. This recycling center could handle all recycling presently sent to Penn-Mar Recycling under an agreement dated May 10, 2007.



- If determined feasible, Waste Management and the County shall negotiate in good faith to establish a cost recovery mechanism for the costs Waste Management incurs in constructing the facility and providing this service. Both parties shall agree on cost recovery terms, which shall be added to the agreement prior to construction of the Single Stream Recycling Center at the Landfill.

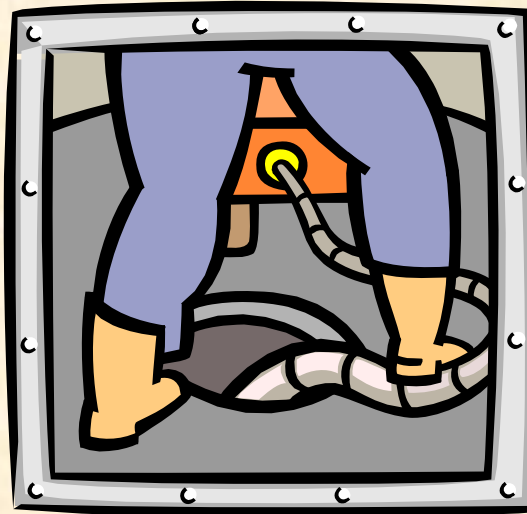


- Operation of the single stream recycling area would be the responsibility of Waste Management.
- The tonnage associated with the single-stream recycling center would not be counted in the annual tonnage cap figure.



# LEACHATE DISPOSAL

- Leachate Disposal Agreement between Mountainview Landfill and Allegany County dated August 22, 2003 will be incorporated into the new contract.



- Leachate Sewer Extension Line to George's Creek Wastewater Treatment Plant.
  - Allegany County will grant permission and assist WM to permit a leachate sewer extension line to an existing sewer line that runs to George's Creek Wastewater Treatment Plant and will accept trucked leachate at the new wastewater treatment plant at George's Creek under the present contract. Leachate disposal prices will be in accordance with typical County industrial sewage rates.

- Allegany County will review and approve promptly all properly prepared design and operation plans for the direct connect line to the wastewater treatment plant.
- Access to the direct connect line will be for Waste Management. Public access also possible, based upon approval and Allegany County accept of ownership.
- A flow meter will be installed at the landfill's access point and from that point on, Allegany County will be responsible for maintenance of the extension line .

# SECURITY SERVICES

- The facility will maintain 24-hour site security.
- Security services could consist of unarmed guards, camera monitoring and alarm-type systems.
- Allegany County will reimburse Mountainview Landfill for drop box guard services at the current rate, and may provide a County employee to monitor the drop-off area and/or the public convenience center in lieu of a WM provided guard.

# General Cooperation

- The parties agree to cooperate with one another and provide each other reasonable assistance with regard to all necessary permitting and regulatory approvals, including from the Maryland Department of the Environment.

