



Santa Cruz County Public Works Department: Solid Waste Management Division Fee Increases

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NOGALES - The County Solid Waste Division (SWD) ended the current Fiscal Year with a (\$320,133) operational deficit. This is a cumulative deficit with (\$181,143) being rolled over from FYE 2009 and (\$138,990) from FYE 2010. Without any changes in the user fees the SWD would accumulate another (\$201,415) in operational deficit during FY 2011 and end the year with (\$521,548) deficit.

The operational deficits are caused by the costs of operating the Sonoita/Elgin Landfill (SELF), Tubac/Amado Transfer Station (TATS), and providing recycling services to the County residents. Revenues generated at SELF are \$68,164 but operational costs are \$162,053, which result in a deficit of (\$93,889). Revenues generated at TATS are \$20,724 but operational costs are \$68,621, which result in a deficit of (\$47,897). Cost of operations at SELF and TATS include employee costs, transportation of solid waste to Rio Rico Landfill (RRLF) for disposal, disposal cost at RRLF and cost of operating the facility. Recycling revenues are \$35,194, but it costs \$93,904 which result in a deficit of (\$58,710). An operational cost for recycling includes collection, transportation and processing and delivery of recyclables to marketers.

These deficits have been subsidized from the fees collected at the Rio Rico Landfill. Unfortunately, this practice does not allow the County to meet its long term financial obligations for closure, post closure and development of the next alternative for solid waste disposal.

To address this problem Staff is recommending that each facility should charge the fees necessary to cover its cost of operation. The fees proposed to cover the operational costs at each facility are as follows:

- Rio Rico Landfill:
 - Commercial = \$40.00/ton
 - Residential
 - Over 500 lbs = \$40.00/ton.
 - 0 to 250 lbs = \$ 5.00/load.
 - 250 to 500 lbs \$10.00/load.
- Sonoita Elgin Landfill:
 - Commercial = \$40.75/ton
 - Residential
 - Over 500 lbs = \$40.75/ton.
 - 0 to 250 lbs = \$ 6.75/load.
 - 250 to 500 lbs \$10.75/load.

- Tubac Amado Transfer Station:
 - All loads < bed high = \$ 7.00/load.

As a result of this fee increase the SELF will generate approximately \$116,997 in revenue with expenditures being \$115,815 for a net of \$1,182. The TATS will generate approximately \$70,241 in revenues with expenditures of \$68,621 for a net of \$1,620. There are no changes anticipated in the recycling revenues and expenditures over the next FY, thus recycling services will continue to be provided with an operational deficit of (\$58,710). The change in fees at the Rio Rico Landfill will generate approximately \$784,744 in revenues with expenditures of \$729,556 with a net of \$55,187, which will be used to continue the subsidizing recycling services.

- For Additional information contact Santa Cruz Public Works Department (520) 375-7830