



Gallatin Solid Waste Management District

Annual Report

2007

## TABLE OF CONTENTS

Executive Summary	-2-
Gallatin Solid Waste Management District	-3-
Gallatin Solid Waste Management District Board of Directors	-3-
Gallatin Solid Waste Management District Mission Statement	-3-
Administration	-4-
Landfill Operations	-5-
Environmental Compliance	-6-
Projects & Improvements	-7-
Cell #3 Expansion	-7-
Equipment	-8-
Waste Diversion	-9-
Financial Outlook	-10-
Fiscal Year Comparison of Tonnages Received at Logan Landfill	-11-
Fiscal Year Comparison of Projected Tipping Fee Revenue	-11-
Looking Toward the Future	-12-
Appendices	-13-
• Gallatin Solid Waste District Balance Sheet as of June 2006	
• Gallatin Solid Waste District Balance Sheet as of June 2007	
• Gallatin Solid Waste District Profit & Loss July 2006 through June 2007	

## Executive Summary

The year 2007 was a year of transition for the Gallatin County Solid Waste Management District. Several opportunities and challenges faced the District early in the year and in looking back, the District met those challenges with proper planning and prudent resource use.

This was the first full year of operation that included the tonnage from the City of Bozeman following an inter-local agreement between Bozeman and the District. Under this agreement, all of the waste previously hauled to the Bozeman landfill is now hauled to the Logan landfill. The challenges of more traffic and tonnage were overcome by upgrading equipment, increasing staff, and implementing new policies for our operations where appropriate. One major capital improvement was the addition of a new scale facility with both inbound and outbound scales.

The Logan landfill received over 116,000 tons of waste and generated \$3,944,559 of revenue in FY'2007. The service area included all of Gallatin County, Yellowstone National Park, the cities of Big Timber and Livingston, and parts of Madison, Jefferson, and Broadwater counties. Recycling efforts in Gallatin County removed approximately 3,139 tons of recyclables from the waste stream.

An expansion project into a new landfill cell was undertaken during 2007. The District began to excavate soil in December. A contractor was brought on board in April to help finish cell excavation. By mid summer, contractor and District forces had excavated over 560,000 cubic yards of soil in preparation for liner crews to begin the next phase of construction. Other projects at the site included upgrading signage, improving roads, construction of portable and permanent litter fencing, and increasing the amount of soil cover on finished slopes. These efforts increased the level of regulatory compliance and greatly improved relations between the District and State regulatory agencies.

Changes in staff and the Board were dramatic during the year. Three Board members were replaced, and a new District Manager and Office manager were a few of the personnel changes. The District wishes to thank Mr. Ray Noble, Mr. Dave Pruitt, and Mr. Phil Olson for their volunteer service to the citizens of Gallatin County and their participation as previous District Board members. The three seats vacated by these gentlemen were filled by Mr. Steven Hamilton, representing the City of Three Forks, Mr. Rich Allison, representing the County at-large, and Mr. Jody May, also representing the County at-large. The District officially welcomes these Board members and thanks them for their unselfish service in assisting the District to meet the goals of our mission statement.

Board Chairman Bruce Hanson was instrumental in negotiations to bring the cities of Belgrade and Bozeman into the District as participating members. This process should be finalized in FY' 08. With the joining of these two communities, the District will be better able to identify and address the needs of a wider constituency in Gallatin County.

As we look to the future, the District is energized by the influx of new Board members, County services, and new staff. Along with our Mission Statement and the support of the public, we are optimistic in our efforts to provide quality and professional services.

Tom Miller,  
District Manager

## Gallatin Solid Waste Management District

The Gallatin Solid Waste Management District (District) was created by the Gallatin County Commission through Resolution 2003-054, in May, 2003. The Gallatin Solid Waste Management District Board (Board) was formed by the Commission in June of 2003, through Resolution 2003-060.

The Board currently consists of five members. One elected official from the County Commission, one representative from the City of Three Forks, one from the City of Manhattan, and two County at-large representatives. The cities of Bozeman and Belgrade are in the process of joining the District, which will allow for two additional seats on the Board, bringing the total to seven.

### Gallatin Solid Waste Management Board of Directors

Bruce Hanson	City of Manhattan, Board Chairman
Bill Murdock	County Commissioner
Rich Allison	County at-large
Steven Hamilton	City of Three Forks
Jody May	County at-large

### Mission Statement

The purpose of the Gallatin Solid Waste Management District is:



- ❖ To provide constituents with cost efficient solid waste services
- ❖ To provide for the balanced consideration and representation of the diverse views and issues regarding solid waste management
- ❖ To advocate for the health, safety and welfare of the residents
- ❖ To manage the processing, reclaiming, storing, transporting, or disposing of waste in ways that protect the ecology of lands in the District
- ❖ To identify goals, policies and procedures that will aid local jurisdictions in meeting solid waste reduction and recycling goals.

## Administration

Operations of the Gallatin County Solid Waste District are administered by staff located at the Logan Landfill. The District currently employs 13 full-time employees and two part-time employees. Many of these staff members were new to the operation in 2007. Tom Miller took over the District Manager position in August, 2006. Mr. Miller has an environmental engineering degree from The Montana College of Mineral Science and Technology in Butte, and has worked for fourteen years in the solid waste industry. Dawn Chrétien was employed in June, 2006, to fill a new position as the Office Manager. Ms. Chrétien has extensive experience in other departments within the County. Other positions filled included an accounting position and an additional operator.

Tom Miller	District Manager
Dawn Chrétien	Office Manager
Jim Simon	Lead Operator/Site Foreman
Corey Landreth	Lead Mechanic/Shop Foreman

Staff can be reached at the following address and phone numbers

Logan Landfill  
10585 Two Dog Rd  
Logan, MT 59741

Phone: 406-582-2490  
Fax: 406-582-2491

Website: [http://www.gallatin.mt.gov/Public\\_Documents/gallatincomt\\_FisLogan/landfill](http://www.gallatin.mt.gov/Public_Documents/gallatincomt_FisLogan/landfill)



Operations



Scalehouse



Administration

## Landfill Operations

Currently the main operation under the District's stewardship is the operation of the Logan Landfill. The Logan landfill site is an 80-acre site located just off Interstate-90 near Logan, Montana. The site is surrounded by prairie grasslands. Prevailing winds from the west and southwest create tricky conditions for controlling dust and litter. The District took steps in 2007 to mitigate some of the exposure by constructing a 12-foot litter fence on the north edge of the property between I-90 and the site. Further, staff began to construct portable litter fences that can be used near the working face to control litter.



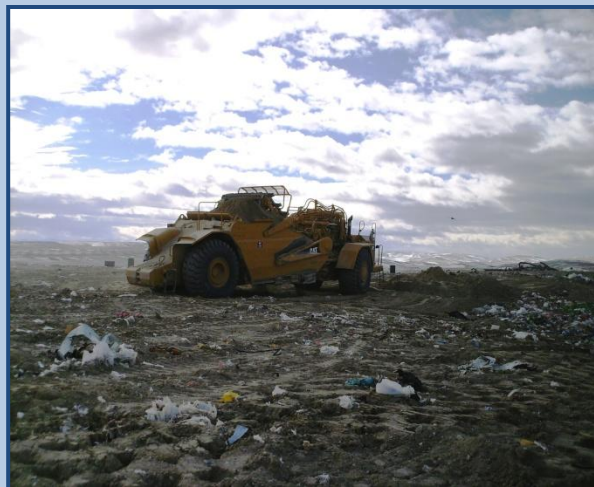
A new Severe Weather policy was implemented. This policy allows the landfill to close when conditions are unsafe or otherwise prohibit efficient operations. Also instituted was a Secure Load policy, requiring all loads that enter the landfill to be secure. Both of these policies are intended to help prevent roadside litter and promote the public's health and safety throughout the County.



Investments in a high-tech weather system allowed the District to be listed on the National Weather Service's list of official sites. Updates to the District's website now allow the public to access real-time weather data at the landfill.

Other efforts to improve the aesthetics of the site and reduce litter included an increase of daily and intermediate cover soil use. The use of more cover soil on finished slopes also brought the site into full compliance with State regulations.

Landfill tonnages continued to increase into the 2007 operating year. During the year, the Logan Landfill took in 116,256 tons of waste. This was an increase of 17.4% from the previous year. The three main waste streams currently tracked are heavy construction (HCO), light construction (LCO), and regular household municipal solid waste (MSW). HCO tonnage of 1818 tons decreased over the previous year by 20%. LCO tonnage of 37,891 increased by 39%, and regular MSW of 76,168 tons increased by 10% from the previous year.



# Environmental Compliance

The Logan Landfill location has been used for waste disposal for several decades. Historical waste disposed of prior to 1994 was placed without a liner and leachate collection system. Landfill cells constructed in 1994 and later have been constructed to the highest standards in the industry. These standards include a system of primary and secondary liners, and a leachate collection system that eliminates leachate migration and potential groundwater contamination. Groundwater and methane wells are strategically placed and tested regularly to determine compliance with Federal regulations.



Groundwater monitoring was first required at the Logan Landfill site in 1994. Initial testing results indicated trace amounts of tetrachloroethene (PCE). Over time, the concentrations of PCE increased in down gradient wells to levels requiring the District to take remedial action.

By taking a proactive approach to this issue, the District has been able to initiate an approved plan for groundwater remediation. With the help of an experienced engineering firm and the cooperation of the Montana Department of Environmental Quality (MDEQ), a plan for groundwater remediation was developed and initiated during the year.

Initial steps to the plan included drilling seven injection wells up-gradient of the contaminated well. Through these wells, remediation products will be injected as part of a pilot program. PCE concentrations will be monitored to determine the effectiveness of the product. This information will be used to dictate future remediation steps.

The intent of methane monitoring is to determine whether offsite migration of landfill gas is occurring. Generally, methane wells are positioned at the property boundary, and are outside of landfill cells. Methane monitoring at the Logan Landfill during the year indicated acceptable concentrations in all wells with the exception of MMW-7 on the western edge of cell #1. Further review of the position of MMW-7, however, indicated that the well had been placed within the footprint of the refuse boundary. With the recommendation of the District's engineer, the DEQ issued approval for this well to be abandoned.



## Projects and Improvements

Two significant projects were undertaken during the year. First, in order to meet the needs of increased tonnage and the number of customers, the District constructed a new scale facility. This facility included a new scalehouse and both inbound and outbound scales to more efficiently handle the increased traffic. The facility also included a 30,000 gallon water storage system, a new well, fencing and an automated gate system. An upgraded information technology system was also installed which tied a T-1 line between the landfill site and the Gallatin County courthouse for much faster data and information transfer and secure archive capability. These improvements were completed in November, 2006, at a cost of \$705,056.



### Cell #3 Expansion



yards of soil from the new cell location.

The second major project undertaken by the District was to begin the construction of the next landfill cell (cell #3). Following initial design and approval, excavation efforts began in December. By mid-summer, the District and an excavation contractor had excavated over 560,000 cubic

yards of soil from the new cell location.

Contracted services for the excavation phase excavated approximately 296,000 cubic yards at an average cost of \$1.40 per yard. This soil was stockpiled east of the site on a 40-acre section of State land leased



primarily for soil storage. District efforts accounted for approximately 270,000 cubic yards or 48% of the total excavation at a cost of approximately \$1.02 per cubic yard. Soil excavated by the District was used to construct a new storm water pond and access roads to the new cell, prepare an area for a proposed new shop, and make significant improvements to the site drainage. The combined average excavation cost was approximately \$1.22 per cubic yard. Fiscal year expenditures for the cell #3 expansion project totaled \$539,925. Final stages of the excavation phase and the liner installation will be completed and paid for in FY '08.



## Equipment

Major equipment purchased this year included a new 826H compactor in June and a used water truck. The compactor was purchased at a cost of \$570,000 and financed over five years at 4.4%. The District opted to retain the current 826G as a back-up compactor for the operation. The cost of the water truck was \$32,000 and was paid with cash.





# Waste Diversion

Well planned and organized waste diversion programs are an essential part of any successful solid waste system. The Gallatin Solid Waste Management District has been involved with the Headwaters Recycling Cooperative for several years in an effort to provide Gallatin County communities with opportunities and locations for recycling. This cooperative includes several public entities and communities, including the District and the City of Bozeman. Through this combined effort, recycling containers are placed throughout the County. Commodities collected currently include glass, mixed paper, tin and aluminum cans. Combined public recycling efforts through the Headwaters program removed over 3,100 tons of recyclable commodities from the waste stream during the year. This was an increase of approximately 4% from 2006.

Metal recycling efforts at the Logan Landfill diverted approximately 763 tons of metal from the waste stream which generated revenue of \$25,715. Additional recycling efforts at the landfill included the collection of automobile batteries, motor oil, and antifreeze. Collection bins and tanks for these commodities were set up at the landfill for public use. Approximately 529 automobile batteries were recycled and generated revenue of \$529.

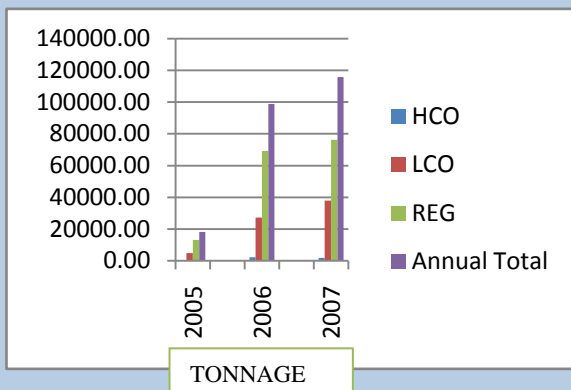
Head Waters Tonnages Reported July 30, 2007			
	Annual Tons	FY '06	
FY 06	City of Bozeman	District*	Total (Tons)
paper	1402.15	65.77	1467.92
cans	99.98	8.61	108.59
glass	1245.75	92.1	1337.85
plastic	92.79	0.72	93.51
Total	2840.67	167.2	3007.87
	Annual Tons	FY '07	
FY 07	City of Bozeman	District*	Total (Tons)
paper	1465.41	90.39	1555.8
cans	98.88	9.91	108.79
glass	1256.4	105.23	1361.63
plastic	110.05	1.19	111.24
Total	2930.74	206.72	3137.46

# Financial Outlook



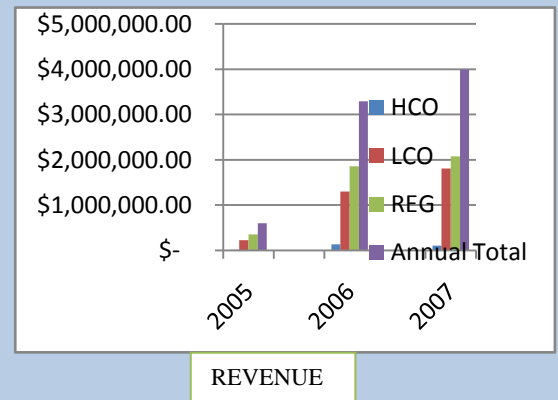
The Gallatin Solid Waste Management District operates as an enterprise fund and therefore does not depend on tax dollars for support or operation. All expenses for operations, capital improvements and service to debt must be paid from tipping fee revenue collected at the gate.

One goal of the District is to continue to provide efficient solid waste management services on into the future while maintaining an appropriate level of liquidity, meeting both immediate and long-term needs. The development of a projected cash flow budget over the next several years has allowed the Board and management to strategically plan into the future. Besides annual operational costs, this budget accounts for debt service, capital improvements, expansions, cell closures, and an equipment reserve fund.



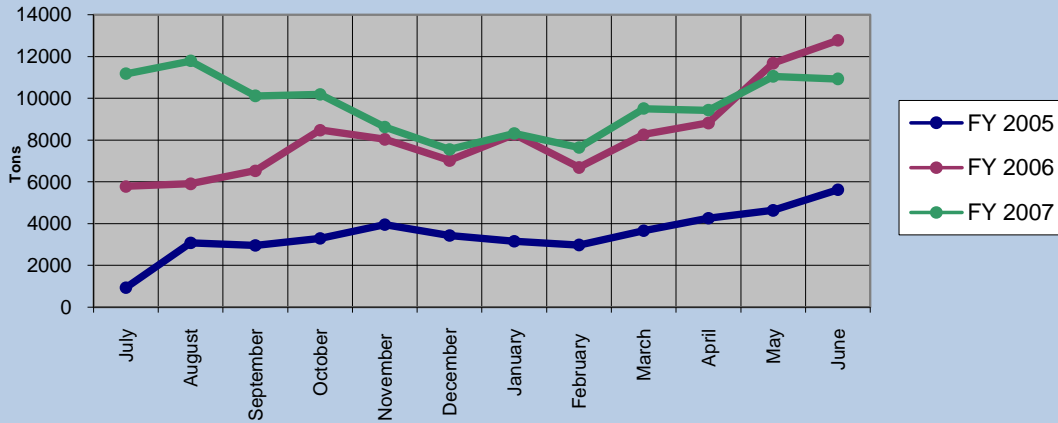
In fiscal year 2007, an annual tonnage of 116,256 tons generated revenue of \$3,970,132. Operational costs were approximately \$2,036,233, resulting in a per ton cost of \$17.52/ton. Operational cash at the beginning of the year was \$680,683 and was increased to \$1,167,611 by the end of the fiscal year. Total fixed assets reported for FY '06 of \$730,699 increased in FY '07 to \$2,630,952, and total assets increased from \$3,644,199 to \$6,112,838 during the year.

Financial assurance requirements were clarified during the year and the Board elected to self-fund the closure/post closure fund at a current rate of \$2.85/ton as recommended by the engineering annual financial assurance review. Annual deposits in the amount of \$335,427 to the restricted cash-closure fund brought the ending balance of the fund to \$1,513,627. This fund assures that the District, County or State would have adequate funding to meet the requirements of closure status if the landfill were to cease operations unexpectedly.

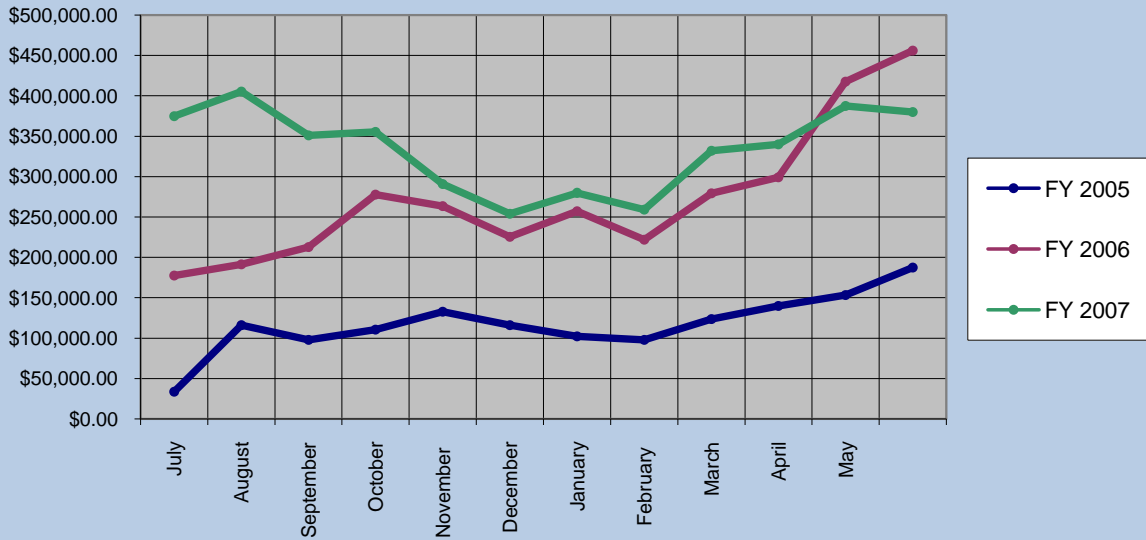


Other expenditures unique to the year included \$705,006 for the scale and scale-house entrance facilities, \$570,000 for the purchase of a new 826H landfill compactor, and \$32,000 for the purchase of a used water truck. The Scale-house project and water truck were paid out of operational cash and the compactor was financed through CAT Financial. The profit & loss statement and the balance sheet for the year are included in the appendices of this report. Long term liabilities increased \$546,033 during the fiscal year to \$2,800,517.

### Fiscal Year Comparison of Tonnages Received at the Logan Landfill



### Fiscal Year Comparison of Projected Tipping Fee Revenue Received at the Logan Landfill



# Looking to the Future

With a focus on improving public service in the solid waste management and recycling arenas, the District has several critical issues to decide in the near future. As part of the annual budgeting process in FY'07, a cash flow projection for District operations was developed to look at the financial outlook over the next several years.



Evaluation of the recycling and waste diversion efforts within the District will be assessed in 2008. Identification of goals, previous performance, and future direction will be of primary concern. By invitation, the private sector will be consulted in the search for options to improve.

The completion of cell #3 will occur in mid FY'08 and landfilling operations will be moved into the new cell as soon as the State gives final approval. The District will continue to update equipment and retire older pieces of machinery in the upcoming year.

Other planned projects for FY'08 include moving forward with the design and construction of a new shop facility and administration building, and continuing negotiations to procure adjacent property for future landfill operations.



## APPENDICES

- ❖ Gallatin Solid Waste District Balance Sheet as of June 2006
  
- ❖ Gallatin Solid Waste District Balance Sheet as of June 2007
  
- ❖ Gallatin Solid Waste District Profit & Loss July 2006 through June 2007