

# GALLATIN SOLID WASTE MANAGEMENT DISTRICT

## FISCAL YEAR 2010-2011 ANNUAL REPORT



The Gallatin Solid Waste Management District manages the Logan Landfill. It is a modern environmentally regulated state-of-the-art Class II sanitary landfill. Internal programs include \*Special Wastes\*Environmental Monitoring\*Education\*Recycling\*



## TABLE OF CONTENTS

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Letter from the District Manager	-3
Gallatin Solid Waste Management District	-4
Gallatin Solid Waste Management District Budget	-4
District Mission Statement	-4
Letter from the Chairman	-5
District Board of Directors	-6
Administration	-7
Gallatin Solid Waste Operations Logan Landfill	-8
Gallatin Solid Waste Operations Logan Landfill Scalehouse	-9
Gallatin Solid Waste Operations Bozeman Convenience Site Scalehouse	-9
Gallatin Solid Waste Management District Organizational Chart	-10
Operations at the Logan Landfill District Tonnages	-11
Table I Tonnages & Components July 1, 2010 to June 30, 2011	-11
Graph 1: 3-Year Incoming Tonnage by Month Comparison Fiscal Years 2009, 2010, 2011	-12
District Revenues	-12
Table II Revenue Components July 1, 2010 to June 30, 2011	-13
Graph 2: 2-3 Year Revenue by Month Comparison Fiscal Years 2009, 2010, 2011	-13
Performance at the Logan Landfill	-14
Table III Logan Landfill Municipal Solid Waste Cells Phase 2 & Phase 3 Performance Analysis Summary	-14
Performance at the Logan Landfill	-15
Class IV Area Performance Evaluation	-15
Table IV Gallatin County Landfill Class IV Performance Analysis	-16
Life Estimates	-16
Table V Gallatin County Landfill Life Projection Estimates (April 2011)	-18
Closure Work at the Logan Landfill	-18
Table VI Gallatin County Landfill Estimated Closure Costs Per Acre Alternative Daily Cover System Updated July 2011	-19

Post Closure Care Costs at the Logan Landfill	-20
Table VII Gallatin County Landfill Post-Closure Care Cost Estimate July 2011	-21
Financial Assurance Update Based on Overall Site Life Approach at the Logan Landfill	-21
Table VIII Gallatin County Landfill Estimated Closure Costs – Closure of Entire Remainder of Site Updated July 2011	-21
Table IX Gallatin County Landfill Financial Assurance Calculation	-22
Environmental Compliance	-22
Logan Landfill Projects & Improvements	-23
Bozeman Convenience Site Projects & Improvements	-24
Recycling & Diversion	-24
Table X: Recycling Budget t Actual Expenses for Fiscal Years 2010 and 2011	-25
Table XI: Chart: District Recycle Commodities Tonnages	-26
Graph 3: Recycling Revenue from Tons Processed for Fiscal Years 2009, 2010, 2011	-26
Recycling Educational Outreach	-27
Recycling Outreach Events	-28
E-Waste Collection	-30
Household Hazardous Waste Collection	-31
Financial Summary	-32
Gallatin Solid Waste Management District Long Range Strategic Plan	-34
Gallatin Solid Waste Management District Profit & Loss July 2010 through June 2011	-35
Gallatin Solid Waste Management District Balance Sheet as of June 30, 2011	-39
Gallatin County, Montana Certification of Financial Information	-41



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## A LETTER FROM THE DISTRICT MANAGER

I am pleased to present this year's Annual Report for the Gallatin Solid Waste Management District. It covers the time period from July 1, 2010 to June 30, 2011.

As I have completed my second year as District Manager, I have found myself contemplating the many challenges I faced when I first accepted the position in 2009. The downturn in the economy created a strain on many areas of our operation. Not only the landfill operation, but the many areas that the District has been trying to grow; county wide public recycling sites, recycling educational outreach, e-waste collection, the household hazardous waste program at both sites, and the general feasibility of the Bozeman Convenience Site operation.

My first task as Manager was to begin the budget process for the upcoming fiscal year. I had to find ways to reduce the previous year's budget, without compromising services. In retrospect, we weathered the challenges with fewer personnel and a lower operating budget. We were able to continue to improve services which included expanding recycling sites, starting a daily e-waste collection program at the Logan Landfill, and making strategic operational changes at both the Logan Landfill and the Bozeman Convenience site that helped balance out the programs and services that do not generate revenue, but remain a cost for the District to maintain. We are championed with providing not only essential services, but also offering alternate disposal options under our umbrella of solid waste management. I attribute our success this past year to the input and oversight from our invaluable Board of Directors. They, along with our hardworking, dedicated, and versatile staff, have continued to achieve lasting improvements.

This annual report is an important planning tool which helps analyze the many facets of our solid waste management district. It gives us insight to be able to strategically plan its future, to make it a continuing success. I am proud to play a key role in managing this District's bright future. For me, it continues to be a challenging, exciting, and rewarding career. For the District, it remains a profitable enterprise and a valuable asset for Gallatin County.

Sincerely,

Martin D. Bey, District Manager  
Gallatin Solid Waste Management District

## GALLATIN SOLID WASTE MANAGEMENT DISTRICT

The Gallatin Solid Waste Management District consists of Gallatin County and the Cities of Belgrade, Bozeman, Manhattan, and Three Forks. The District operates as an enterprise fund. The values and operating principles are customer focus that is responsive, prompt, compassionate and provides quality service; Accountability for being responsible and cost effective in the use of public resources; Teamwork that promotes creative cooperation; Communication that is open and honest with sharing of information and ideas and; Professionalism in everything we do by being innovative, qualified, honest, full of integrity, and personal excellence.

Gallatin County Solid Waste District Budget				
Object of Expenditures	Final Budget Approved FY 2009	Actual Budget Expended FY 2009	Final Budget Approved FY 2010	Actual Budget Expended FY 2010
Personnel	\$ 1,001,788	\$ 793,305	\$ 983,398	\$ 792,082
Operations	\$1,845,347	\$2,354,975	\$2,144,758	\$1,870,980
Debt Service	\$1,275,442	\$1,275,442	\$1,177,623	\$895,296
Capital Outlay	\$4,902,527	\$2,310,349	\$3,446,500	\$1,836,836
Transfers Out	-----	-----	-----	-----
Reserves	-----	-----	-----	-----
<b>Total</b>	<b><u>\$ 9,025,104</u></b>	<b><u>\$ 6,734,071</u></b>	<b><u>\$ 7,752,279</u></b>	<b><u>\$ 5,395,194</u></b>

### GALLATIN SOLID WASTE MANAGEMENT BOARD OF DIRECTORS 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.



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## A LETTER FROM THE DISTRICT CHAIRMAN

It has been my pleasure to serve on the Gallatin Solid Waste Management District Board since being appointed to represent Three Forks by the Gallatin County Commission and the Three Forks City Council in July of 2009. I am in my second term, currently serving as Acting Chairman of the Board.

I first became interested in the landfill as a small business owner and a landfill customer since 1972. In that time, I have seen many changes, some good, some not so good, which have caused me concern. In the past few years, I have begun seeing more positive changes, and fewer negative decisions. It compelled me not to stand on the side-line, but to get actively involved. I wanted to insure small business owners like myself, would always be able to afford the fees charged at the landfill. I am witnessing first-hand, the continued improvement in District services without having to raise fees.

While serving on the Board, I have gained a better understanding of how complex managing the District's business really is. Even as a successful business man, I was surprised by the many facets that comprise the District.

We all felt the recent economic downturn in Gallatin County, but the District has remained profitable without raising its fees. I commend the dedicated Board of Directors and hardworking staff that continue to oversee and manage the District. My time on the Board has given me a clear view of its future. I believe the District will continue to be successful in its endeavor to provide affordable services to the Gallatin Valley and Southwest Montana.

Sincerely,

Dave Hanson, Acting Chairman  
Gallatin Solid Waste Management District.

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## GALLATIN SOLID WASTE MANAGEMENT BOARD OF DIRECTORS

The Gallatin Solid Waste Management District, its Board of Directors, and Manager recognize and promote Gallatin County's Vision and Goals: Equate community needs with budgetary decisions; Adhere to the long-term plans; Demonstrate exceptional customer service; Serve as a model for excellence in government; Improve communication within county government, other jurisdictions and our public; To be an employer of choice and maintain high employee retention.

The Gallatin Solid Waste Management Board consists of representatives from the Cities of Belgrade, Bozeman, Three Forks, and Manhattan. Two additional seats are occupied by Members-at-large, and the remaining seat is occupied by a County Commissioner.

Currently, the Board of Directors are Debbie Arkell, City of Bozeman (not pictured); Dave Hanson, City of Three Forks (Acting Chairman); Phil Ideson, Member at Large; Clark Johnson, City of Manhattan; Dan Klemann, Member at Large; Kevin Moriarty, City of Belgrade; and R. Stephen White, County Commissioner, Commission District #3.



**Dave Hanson,  
Three Forks**



**Phil Ideson,  
Member at Large**



**Clark Johnson,  
Manhattan**



**Kevin Moriarty,  
Belgrade**



**Dan Klemann,  
Member at Large**



**Steve White,  
Commissioner**

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## GALLATIN SOLID WASTE MANAGEMENT ADMINISTRATION



DAILY OPERATIONS OF THE GALLATIN SOLID WASTE MANAGEMENT DISTRICT ARE ADMINISTERED BY PROFESSIONAL STAFF, HEADQUARTERED AT THE LOGAN LANDFILL



**Martin Bey**  
**District Manager**



**Dawn Chretien**  
**Office Manager/Scales Supervisor**



**Jim Simon**  
**Site Foreman/Lead Operator**



**Susan Dellinger**  
**District Accountant**



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**GALLATIN SOLID WASTE  
OPERATIONS  
LOGAN LANDFILL**



**Mike SeeFried**  
**Mechanic**



**Mitch Davies, Scott  
Brenden, Ray Harrison**



**Kurt Dykema**  
**Operator**

## GALLATIN SOLID WASTE OPERATIONS

LOGAN LANDFILL SCALEHOUSE

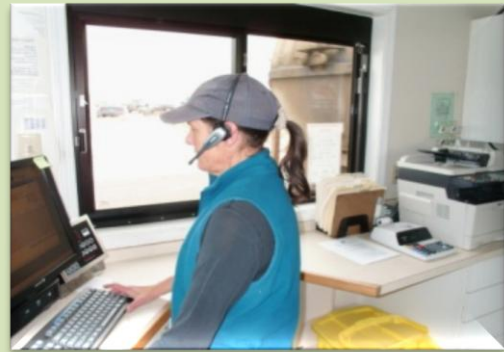
BOZEMAN CONVENIENCE SCALEHOUSE



**"I get to wear many hats on the job. I enjoy doing all of them, from helping customers, to billing, accounts receivable, and special projects. I take pride in our safety program as part of the safety committee to make sure safety comes first. I know I have job security. Garbage will never go away."  
Myldred Stine**



**"I enjoy the people and the diversity of my job."  
Stephanie Poulin**

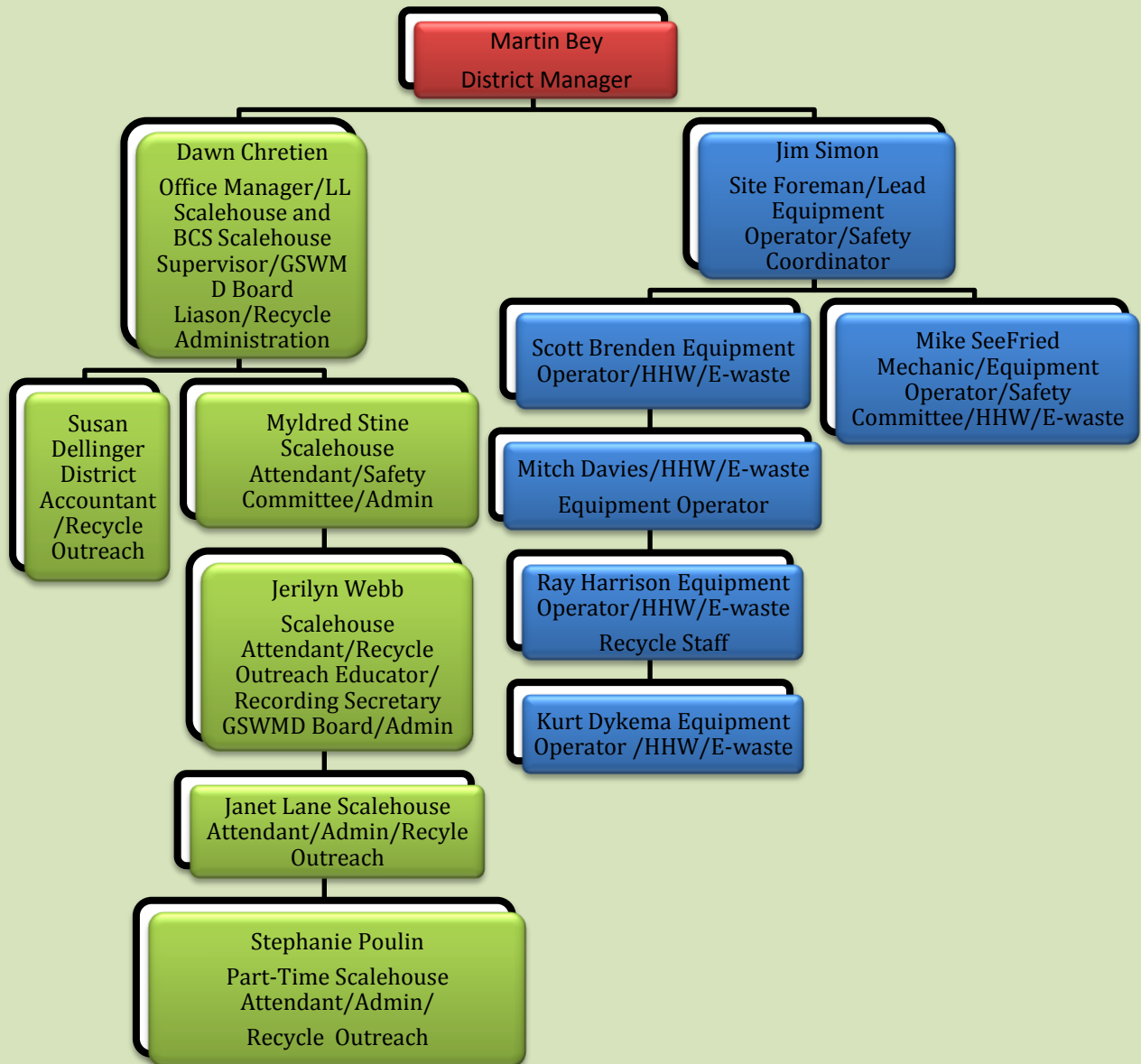


**"Management of solid waste is a dynamic business, ever changing. I like educating the public to keep pace with the changes in the services we offer."  
Janet Lane**



**"The thing I like about working in the scalehouse is being able to interact with our customers."  
Jerilyn Webb**

# GALLATIN SOLID WASTE GALLATIN SOLID WASTE MANAGEMENT DISTRICT ORGANIZATIONAL CHART



## OPERATIONS AT THE LOGAN LANDFILL

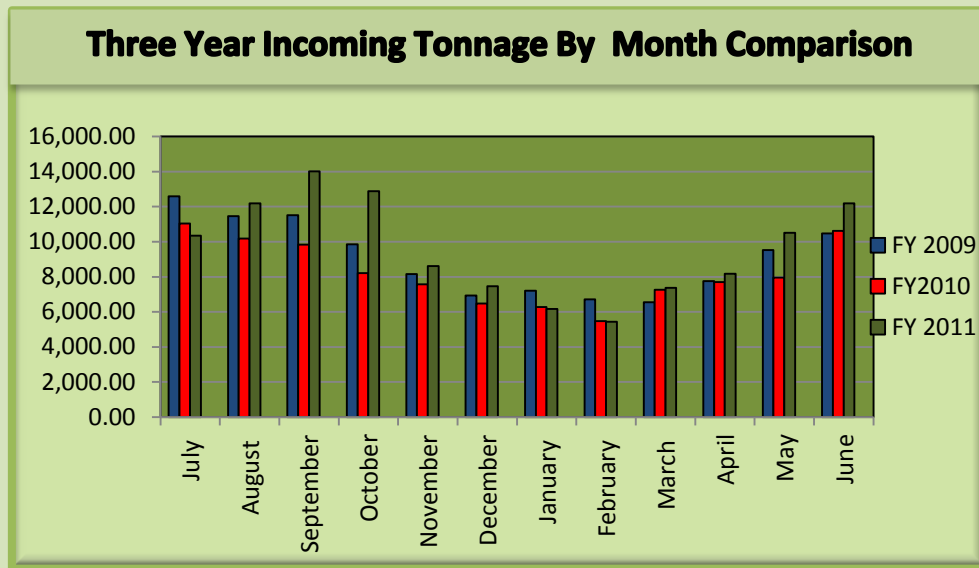
### DISTRICT TONNAGES

Total waste disposed of at the Logan Landfill between July 1, 2010 and June 30, 2011 was 115,389.09 tons. The six primary components of the waste stream included approximately 69,447.68 (60%) tons of municipal solid waste, of which, 64,227.17 (92%) tons were disposed of by commercial carriers and 5,220.51 (8%) tons by the general public. Light construction waste disposed of totaled 5,958.78 (5%) tons, of which, commercial carriers disposed of approximately 4,998.00 (84%) tons and 960.78 (16%) tons by the general public. Heavy construction tonnage totaled 848.52 (1%) tons, of which, 835.72 (98%) tons was from commercial carriers and 12.80 (2%) tons from the general public. Class IV totaled 37,789.17 (33%) tons, of which, 36,342.46 (96%) from commercial carriers and 1,446.71 (4%) tons from the general public. Compost collected totaled 168.07 tons (<1%). The Clean Wood program took in 375.65 tons (<1%). The remainder of the miscellaneous waste stream components disposed of totaled 801.22 (<1%) tons of the total waste stream (Table 1: Tonnages & Components). This fiscal year tonnages were up 16,781.09 tons or 17% from the previous fiscal year.

**TABLE I: TONNAGES & COMPONENTS JULY 1, 2010 TO JUNE 30, 2011**

Primary Components for Tonnages	Total of Components for Tonnages	% Tonnages of Components	Tonnages from Commercial Customers	% Tonnages Commercial Customers	Tonnages General Public	% of Tonnage from the General Public	Total % of Commercial & Public Tonnages
Municipal Solid Waste (MSW)	69,447.68	60%	64,227.17	92%	5,220.51	8%	100%
Light Construction	5,958.78	5%	4,998.00	84%	960.78	16%	100%
Heavy Construction	848.52	1%	835.72	98%	12.80	2%	100%
Class IV	37,789.17	33%	36,342.46	96%	1,446.71	4%	100%
Compost	168.07	<1%	152.05	90%	16.02	10%	100%
Clean Wood	375.65	<1%	373.87	99%	1.78	<1%	100%
Miscellaneous	801.22	1%	599.99	75%	201.23	25%	100%
<b>Totals</b>	<b>115,389.09</b>	<b>100%</b>	<b>107,529.26</b>	<b>93%</b>	<b>7,859.83</b>	<b>7%</b>	<b>100%</b>

**GRAPH 1: 3-YEAR INCOMING TONNAGE BY MONTH COMPARISON FISCAL YEAR'S 2009, 2010, 2011**



### DISTRICT REVENUES

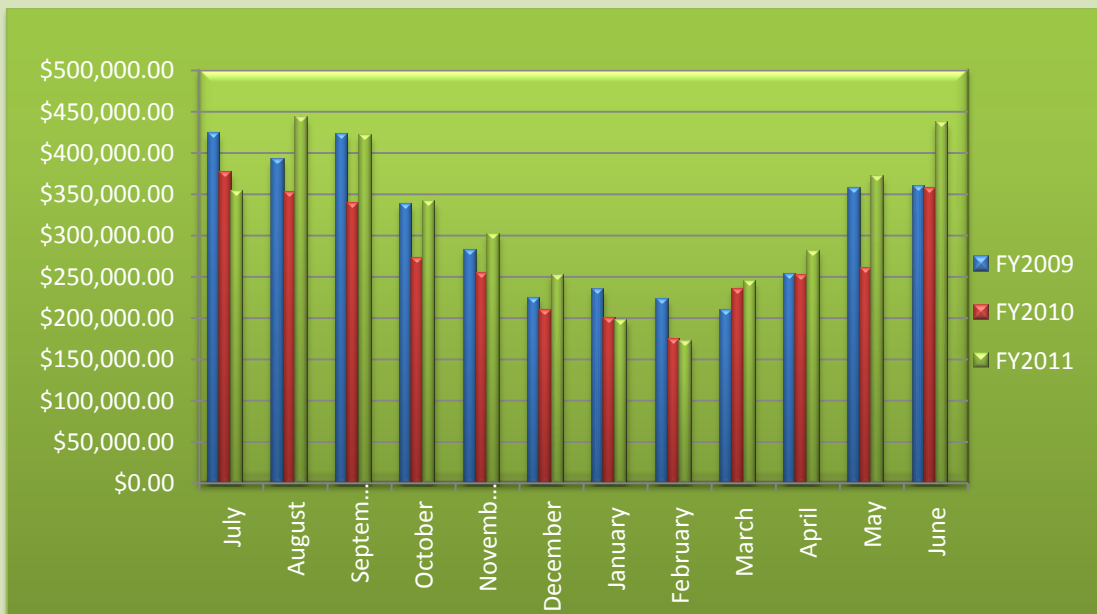
The Revenue from the tipping fees at the Logan Landfill between July 1, 2010, and June 30, 2011, totaled \$4,089,358.46. The six primary components of the revenue collected are as follows: municipal solid waste totaled \$1,894,787 or 46% of the waste stream, of which, \$1,734,501 or 92% came from commercial carriers and \$160,286 or 8% from the general public. Light construction totaled \$272,300 or 7%, of which, \$239,921 or 88% came from commercial carriers and \$32,379 or 12% from the general public. Heavy construction totaled \$45,393 or 1% of the waste stream, of which, \$44,647 or 98% came from commercial carriers and \$746 or 2% came from the general public. Class IV totaled \$1,812,862 or 44% of the waste stream, of which, \$1,743,829 or 96% came from commercial carriers and \$69,033 or 4% came from the general public. Compost earned \$6,452, or <1% of the waste stream. The Clean Wood program earned \$11,611, also less than 1% of the total revenue earned. The remainder of the revenue collected from miscellaneous fees totaled approximately \$45,953.40 or 1% of the waste stream (Table II: Revenue & Components on Page 13). The revenue increased \$806,612.26 or 25% from the last fiscal year.

**TABLE II REVENUE & COMPONENTS JULY 1, 2010 TO JUNE 30, 2011**

Primary Components of Revenue	Total Revenue Components	% Revenue Components	Revenue Commercial Customers	% Commercial Customers	Revenue General Public	% General Public	Total % Commercial & Public
Municipal Solid Waste (MSW)	\$1,894,787.00	46%	\$1,734,501.00	92%	\$160,286.00	8%	100%
Light Construction	\$272,300.00	7%	\$239,921.00	88%	\$32,379.00	12%	100%
Heavy Construction	\$45,393.00	1%	\$44,647.00	98%	\$746.00	2%	100%
Class IV	\$1,812,862.00	44%	\$1,743,829.00	96%	\$69,033.00	4%	100%
Compost	\$6,452.00	<1%	\$5,982.00	93%	\$470.00	7%	100%
Clean Wood	\$11,611.00	<1%	\$11,524.00	99%	\$87.00	1%	100%
Miscellaneous	\$45,953.46	1%	\$37,559.65	72%	\$14,583.81	28%	100%
<b>Totals</b>	<b>\$4,089,358.46</b>	<b>100%</b>	<b>\$3,817,963.65</b>	<b>93%</b>	<b>\$277,584.81</b>	<b>7%</b>	<b>100%</b>

**GRAPH 2 3-YEAR REVENUE BY MONTH COMPARISON**

**FISCAL YEAR'S 2009, 2010, 2011**



## PERFORMANCE AT THE LOGAN LANDFILL

A GPS survey was conducted at the Logan Landfill on April 14, 2011. Topographic information from the field survey was used to generate a computer model and contour map of the landfill area. This model was then compared to previous topographic surveys to evaluate the landfill performance over the period. Table III (below) shows the landfill performance calculated using a GPS survey over each period and the total to date since Great West Engineering has been involved in the landfill operation.

**Table III**

### Logan Landfill

### Municipal Solid Waste Cells Phase 2 & Phase 3

### Performance Analysis Summary

	05/18/05 10/15/05	10/16/05 03/30/06	03/31/06 11/08/06	11/08/06 10/29/07	10/29/07 8/12/08	8/12/08 4/16/09	4/17/09 11/25/09	11/26/09 6/28/11	6/28/11 4/11/11	Total to Date
Total Fill Volume	41,836 CY	56,005 CY	123,015 CY	218,970 CY	157,620 CY	112,656 CY	91,484 CY	61,328 CY	81,190 CY	944,104 CY
Soil Volume	0	0	18,732 CY	38,500 CY	36,846 CY	22,310 CY	13,858 CY	10,526 CY	15,014 CY	155,786 CY
Waste to Soil Ratio	NA	NA	5.6:1	4.7:1	3.3:1	4.05:1	5.6:1	4.83:1	4.41:1	5.06:1
Tonnage Accepted	28,720 Tons	43,646 Tons	77,587 Tons	116,490 Tons	84,395 Tons	62,770 Tons	55,018 Tons	42,254 Tons	60,187 Tons	571,067 Tons
Compacted Waste Density	1,373 LB/CY	1,559 LB/CY	1,488 LB/CY	1,291 LB/CY	1,397 LB/CY	1,390 LB/CY	1,417 LB/CY	1,663 LB/CY	1,819 LB/CY	1,449 LB/CY
Volume Per Ton Ratio	1.46 CY/Ton	1.28 CY/Ton	1.59 CY/Ton	1.88 CY/Ton	1.88 CY/Ton	1.79 CY/Ton	1.66 CY/Ton	1.45 CY/Ton	1.35 CY/Ton	1.65 CY/Tons

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## PERFORMANCE AT THE LOGAN LANDFILL

Table III (page 14) shows the landfill performance over the last seven periods and the average to date. The overall space utilization over the last period as measured by the volume per ton ratio was 1.35 cubic yards per ton. This was seven percent better space utilization than last time period. This is outstanding overall disposal performance. The overall performance of the landfill is measured by the volume per ton ratio. The two components which directly impact the overall landfill performance are the compacted waste density and the waste-to-soil ratio.

The site achieved a compacted waste density of 1,819 pounds per cubic yard over the last period. This is continued excellent compaction. The industry standard for compacted waste density at landfills which operate 826-equivalent compactors is 1,200 pounds per cubic yard. The District staff is far exceeding that metric with the operation. This high compaction is due to dedicated and consistent application of compaction techniques in conjunction with quality equipment and operators.

The overall waste-to-soil ratio for the time period was 4.4:1. This is an eight percent increase in soil usage over the previous period. However, this is still excellent performance and the landfill staff is commended for the performance on soil usage as well. Great West Engineering recommended staff continue to utilize the approved alternative daily cover as often as possible in lieu of soil.

In summary, the industry standard for landfills this size is a compacted waste density of 1,200 pounds per cubic yard and a 3:1 waste-to-soil ratio which results in an overall volume per ton performance of 2.22 cubic yards per ton. The overall performance measured by the Global Positioning System (GPS) method over this last period was 39 percent better than standard landfill performance metrics. The landfill staff is commended for obtaining this outstanding waste density and overall landfill performance which insures the landfill life is maintained and in this case, actually extended via excellent performance criteria.

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## CLASS IV AREA PERFORMANCE EVALUATION





**Table IV**  
**Gallatin County Landfill**  
**Class IV Performance Analysis**

	4/17/09-1/25/09	11/26/09-7/7/10	7/7/10-4/14/11	Total
Total Fill Volume	33,767 CY	20,768 CY	46,752 CY	101,287 CY
Soil Volume	3,780 CY	2,285 CY	6,432 CY	12,497 CY
Waste to Soil Ratio	7.93:1	8.09:1	6.27:1	7.10:1
Tonnage Accepted	14,557 Tons	9,175 Tons	29,381 Tons	53,113 Tons
Compacted Waste Density	970 LB/CY	993 LB/CY	1,457 LB/CY	1196 LB/CY
Volume Per Ton Ratio	2.32 CY/Ton	2.26 CY/Ton	1.59 CY/Ton	1.91 CY/Ton

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## LIFE ESTIMATES

The performance data, tonnage and the Landfill Master Plan were used to estimate the remaining life of Phase 2, Phase 3 and the overall landfill. To estimate the remaining life of Phase 2 and Phase 3, the first step is to calculate the remaining air space in the two phases. The computer generated land surface model from the April 14, 2011, survey was compared to the interim fill plan for Phase 2 and Phase 3 to determine the remaining air space.

In order to estimate the remaining life of Phase 2 and Phase 3, the waste generation was projected throughout the remaining life of this cell. Currently 105,000 tons per year is the best estimate of the annual tonnage for projections on remaining site life.

The total air space includes the final cover for the portion of Phase 2 and Phase 3 fill when it reaches the final proposed elevations, so this is subtracted out of the air space available for waste and daily and intermediate soil cover. The last six measurement periods are the best estimate of how much daily and intermediate cover will be utilized at the site. However, it is critical we continue to use alternative daily cover (ADC) to any extent possible, in order to minimize the air space usage of the landfill. It is estimated the landfill will be able to utilize soil long term at a 4:1 waste to soil ratio. The estimated daily and intermediate soil cover usage is then subtracted from the available air space to determine the volume available for waste.

The last variable to determine is the compacted waste density. The landfill averaged 1,819 pounds per cubic yard over the last period. The industry standard for compacted waste density for a landfill of this size with an 826 equivalent compactor is 1,200 pounds per cubic yard. However, it appears from the last six periods that the District should be able to consistently achieve waste densities of 1,300 pounds per cubic yard and above. The landfill staff does an excellent job of placing the waste in thin lifts and compacting the waste with multiple equipment passes in both directions. For the basis of these life estimates, the engineer used a 1,350 pound per cubic yard waste density. The landfill staff has proven that they can achieve this density consistently.

The life estimate analysis is summarized in Table V (page 18). The estimates assume there will be no large “one-time” disposal projects. An example would be a large hail storm or earthquake generating a great deal of construction and demolition wastes. The capacity estimate also assumes that the District will not expand its service area during the remaining landfill life. If the District does expand its service area in the future, the life estimate would need to be updated. The ultimate life of the site will be highly dependent on the waste tonnage received at the site and the landfill performance. If the tonnage increases over this estimate or the landfill performance drops, the District will have less life than predicted. In September 2010, an Addendum to the Landfill Master Plan was designed to include the Class IV Expansion. During this Master Plan update, a new life estimate was developed. Table V (page 18) uses the updated Master Plan numbers to determine life projection estimates. The volumes used to develop Table V were calculated using computer assisted design (CAD) applications and the volumes were double checked by hand calculations utilizing the cross sections attached to this letter. The cross sections also give the District a graphical representation of the vertical depths of fill required to reach the 2010 Master Plan elevations. The District has about 37-feet of available vertical space in the lower lift, and about 15-feet of available vertical space in the upper lift.

Based on the waste streams received this last time period, it was estimated that 67% of the waste went into the Phase 2 cell and the other 33% of the waste was diverted into the Class IV area. Using 67% of 105,000 tons per year for Phase 2 and 33% of 105,000 tons per year for the Class IV, the life of each area was calculated and is shown in Table V (page 18). The life estimates for the waste accepted in Phase 2 shown in Table V (page 18) are based on 70,500 tons per year waste, with a 1,350 pound per cubic yard compacted waste density, 4:1 soil-to-waste ratio and an overall volume per ton ratio of 1.85 cubic yards per ton. The life estimates for the waste accepted in the Class IV shown in Table IV (page 19) are based on 34,500 tons per year of waste, with a 1,000 pound per cubic yard compacted waste density and 7:1 soil-to-waste ratio.

<b>Table V</b>	
<b>Gallatin County Landfill</b>	
<b>Life Projection Estimates (April 2011)</b>	
<b>Phase 2 Life (Based on 70,500 Tons per Year)</b>	<b>0.8 years</b>
<b>Class IV Area (Based on 34,500 Tons per Year)</b>	<b>7.0 years</b>
<b>Total Life (Based on 105,000 Tons per Year)</b>	<b>15.3 years</b>

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### **CLOSURE WORK AT THE LOGAN LANDFILL**

The remaining overall life of the landfill site is estimated on the following information:

- The current Master Plan for the site dated December 2007 and the Addendum to the Landfill Master Plan-Class IV Expansion dated September 2010.
- Estimated annual tonnage of 110,000 tons per year based on detailed tonnage records the District has maintained since the City began transporting the majority of its waste to the landfill in October, 2005.
- Estimated waste disposal efficiency of 1.85 cubic yard per ton based on 1,350 pound per cubic yard waste density and 4:1 waste-to-soil ratio. The District has exceeded these metrics on previous measurements taken at the site.

There are a few important items to note that have slightly altered the life projection and cost estimates from the last financial assurance report completed in August 2010. First, the Class IV area was re-designed in an addendum to the Master Plan submitted in September 2010 and subsequently approved by the Montana Department of Environmental Quality (MDEQ). This increased the overall capacity of the site, but also slightly increased the acreage requiring closure. Second, the annual tonnage projection has been increased from 105,000 tons per year to 110,000 tons per year based on the four year average for the site. Third, the landfill has been routinely exceeding the design performance criteria for compaction and overall space utilization which effectively increases the life. Based on the above updated information, the estimate of the overall site has 14.2 years of life remaining. The final life of the overall site will be affected by the actual waste quantities accepted at the landfill, the amount of waste diverted out of the landfill, and the waste disposal efficiency that is achieved.

The total Class II and Class IV landfill area was increased from 53 to 55 acres in the 2010 addendum to the Master Plan. The County closed approximately three acres of the landfill in 1996. The remaining 52 acres of waste area will require closure over the remaining life of the site.

The MDEQ has approved an alternative final cover design which relies on native soil materials for the cover system rather than synthetic materials. This alternative cover system will be used for the remainder of the closure projects at the landfill. The final cover design is a four-foot thick soil cover system that includes the following section from bottom to top:

- Final contouring the site making sure that all areas are properly sloped, graded and intermediate covered per the final contour plan.
- Installation of twelve inches of native sand material.
- Twenty-four inches of select fine-grained native silt soil material placed as the evapotranspiration layer for the cover. This material will be selectively excavated on-site with scrapers and pushed into place with low ground pressure equipment likely D-7 dozers or smaller.
- Twelve inches of native sand material of which the top six inches will be topsoil material amended with compost or other fertilizer.
- Vegetating the site with a seed/fertilizer mixture as outlined in the closure plan. It is assumed that the seed mixture will be tilled in using a tractor and an end wheel press drill or another acceptable seeder. In areas which are too steep for drill seeding, hydroseeding techniques will be used.

The total estimated cost per acre for installing the final cover system is shown in Table VI.

<b>Table VI</b>				
<b>Gallatin County Landfill</b>				
<b>Estimated Closure Costs Per Acre</b>				
<b>Alternative Final Cover System</b>				
<b>Updated July 2011</b>				
Activity	Quantity	Unit	Cost/Unit	Cost
<b>Mobilization/Bonding/Insurance</b>	<b>1</b>	<b>LS</b>	<b>\$3,000.00</b>	<b>\$3,000.00</b>
<b>Subgrade Preparation</b>	<b>800</b>	<b>CY</b>	<b>\$4.00</b>	<b>\$3,200.00</b>
<b>12" Capillary Sand Layer</b>	<b>1,600</b>	<b>CY</b>	<b>\$3.00</b>	<b>\$4,800.00</b>
<b>24" ET Silt Layer</b>	<b>3,200</b>	<b>CY</b>	<b>\$4.00</b>	<b>\$12,800.00</b>
<b>12" Sand Erosion &amp; Topsoil Layer</b>	<b>1,600</b>	<b>CY</b>	<b>\$3.00</b>	<b>\$4,800.00</b>
<b>Drainage Controls</b>	<b>1</b>	<b>LS</b>	<b>\$2,000.00</b>	<b>\$2,000.00</b>
<b>Seed, Fertilizer, Mulch</b>	<b>1</b>	<b>AC</b>	<b>\$1,000.00</b>	<b>\$1,000.00</b>
<b>Gas Venting System</b>	<b>1</b>	<b>AC</b>	<b>\$5,000.00</b>	<b>\$5,000.00</b>
<b>Survey/Certification</b>	<b>1</b>	<b>AC</b>	<b>\$2,000.00</b>	<b>\$2,000.00</b>
<b>Engineering/QA/Inspection</b>	<b>1</b>	<b>LS</b>	<b>\$8,000.00</b>	<b>\$8,000.00</b>
<b>Closure Cost Per Acre</b>				<b>\$46,600.00</b>

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## POST CLOSURE CARE COSTS AT THE LOGAN LANDFILL

In regard to the post-closure costs, the regulations require each landfill owner to monitor for methane, monitor the groundwater, have an independent Professional Engineer conduct an annual inspection, update the closure and post-closure costs annually, and maintain the cap and drainage structures for settlement, erosion, cracking or any other situation that may jeopardize the integrity of the cap or drainage controls.

The estimated costs for these items for the 30-year post-closure period are summarized in Table VII (page 21). To calculate these costs, the following assumptions were used:

- The annual costs for groundwater and methane monitoring are based on the current annual monitoring costs.
- The leachate collection will require periodic inspections, periodic pumping and minor maintenance. This is estimated to cost approximately \$500 per year.
- Once annually, an independent third party Professional Engineer will inspect the site for any non-compliance or maintenance issues including the integrity of the cap, drainage, fencing, etc. The Engineer will correspondingly write a report summarizing his or her findings and recommendations. The Engineer will also prepare an updated cost estimate indicating the cost to close the site along with the cost for the 30-year post-closure monitoring, etc. These costs will correspondingly be sent to the appropriate officials. The estimate assumes 20 hours of labor at \$95 per hour plus miscellaneous word processing and expenses.
- It is necessary for the owner of the facility to maintain the integrity of the cap and drainage controls. It is difficult to estimate what the annual cost to conduct this work might be several years from now. For this estimate it was assumed that once per year a contractor will provide 16 hours of equipment time to haul in and blade soil in a settled area(s) at \$250 per hour and revegetate areas for \$500.
- The EPA has passed new regulations requiring annual reporting of greenhouse gas emissions. The rule was originally to be implemented by March 2011, but the process has been delayed several times. Our current estimate of the annual cost of this work is \$2,000. Once the EPA has the process completely established and we have run through it a few times, we will be able to give a better estimate of cost in future closure estimates.

<b>TABLE VII</b>		
<b>Gallatin County Landfill</b>		
<b>Post-Closure Care Cost Estimate</b>		
<b>July 2011</b>		
<b>Item</b>	<b>Annual Cost</b>	<b>Total 30 Year Cost</b>
<b>Groundwater &amp; Methane Monitoring</b>	<b>\$15,000</b>	<b>\$450,000</b>
<b>Leachate Collection System Operation &amp; Maintenance</b>	<b>\$500</b>	<b>\$15,000</b>
<b>Annual Engineering Inspection</b>	<b>\$2,000</b>	<b>\$60,000</b>
<b>Periodic Cap and Stormwater Maintenance</b>	<b>\$4,500</b>	<b>\$135,000</b>
<b>Annual Greenhouse Gas Reporting</b>	<b>\$2,000</b>	<b>\$60,000</b>
<b>Total</b>	<b>\$24,000</b>	<b>\$720,000</b>

**FINANCIAL ASSURANCE UPDATE BASED ON OVERALL SITE LIFE APPROACH AT THE  
LOGAN LANDFILL**

Four years ago, the District elected to utilize the overall site life approach to determine the financial assurance obligation. MDEQ has agreed with the approach in correspondence. The balance in the closure post-closure reserve is \$1,989,600, current as of June 30, 2011.

<b>TABLE VIII</b>				
<b>Gallatin County Landfill</b>				
<b>Estimated Closure Costs - Closure of Entire Remainder of Site</b>				
<b>Updated July 2011</b>				
<b>Activity</b>	<b>Quantity</b>	<b>Unit</b>	<b>Cost/Unit</b>	<b>Cost</b>
<b>Alternative Final Cover System</b>	<b>52</b>	<b>AC</b>	<b>\$46,600.00</b>	<b>\$2,423,000.00</b>
<b>10% Contingency</b>				<b>\$242,000.00</b>
<b>Closure for the Entire Site</b>	<b>52</b>	<b>AC</b>		<b>\$2,665,000.00</b>

Table IX (below) calculates the cost per ton to meet financial assurance requirements under the overall site method.

<b>TABLE IX</b>	
<b>GALLATIN COUNTY LANDFILL</b>	
<b>FINANCIAL ASSURANCE CALCULATION</b>	
<b>Overall Site Closure Costs</b>	<b>\$2,665,000.00</b>
<b>Post Closure Costs</b>	<b>\$720,000.00</b>
<b>Total Obligation</b>	<b>\$3,385,000.00</b>
<b>Closure/Post Closure Reserve (July 2011)</b>	<b>\$-1,989,600.00</b>
<b>Amount to Finance Over Remaining Site Life</b>	<b>\$1,395,400.00</b>
<b>Total Remaining Tonnage</b>	<b>1,560,000.00 tons</b>
<b>Cost Per Ton to meet Closure Post Closure Financial Assurance Requirements Under Overall Site Method</b>	<b>\$0.89 per ton</b>

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### ENVIRONMENTAL COMPLIANCE

The Logan Landfill is in a five-year remediation pilot study. The pilot study will end in September of 2012. At this time, the facility is in corrective action which requires semi-annual water monitoring. The groundwater monitoring reports submitted to MDEQ in July (2010) and November (2010) met the requirements of the Administrative Rules of Montana Title 17, Chapter 50, Subchapter 13. The MDEQ Environmental Science Specialist reported, "The supplementary groundwater investigation has provided much valuable information on groundwater flow north of the facility. The Solid Waste Program (SWP) commends the District for taking the initiative to conduct this investigation." The SWP agreed with the hydrogeologic interpretations presented in the report.

The Logan Landfill's current Methane Monitoring plan follows the requirements for methane monitoring at municipal solid waste facilities in the State of Montana under ARM 17.50.511 1 (f) and (g). The points of monitoring include seven methane monitoring wells, eight passive vents, and five structures. The results of the methane monitoring must be reported to the MDEQ.

This year's methane gas monitoring reports submitted and reviewed by MDEQ in November (2010), March (2011) and June (2011) show the results of the methane monitoring are within regulatory limits and are consistent with previous reports submitted.

The Logan Landfill is subject to yearly site inspections by MDEQ. This reporting period, a MDEQ inspector conducted the site inspection at the Logan Landfill on April 2011. No violations were found. The MDEQ inspector wrote, "The litter fencing appears to be working very well and is an excellent improvement for the Logan operation."

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## LOGAN LANDFILL PROJECTS & IMPROVEMENTS

- The crew reshaped the perimeter roads at the Logan Landfill and put fresh road base down on them.
- All the roads were sprayed with magnesium chloride for better dust control on site.
- The 12' perimeter fence was completed for \$48,715.18.
- Litter screen materials purchased to repair existing litter screens totaled \$2,642.96.
- New signage at the Logan Landfill cost \$962.74. It has improved traffic patterns.
- Due to wear and tear, the Logan Landfill scalehouse replaced its inbound and outbound windows.
- Due to safety issues, the Logan Landfill shop installed new snow stop strips on the roof to keep the snow and ice from falling off the roof.
- Converted the old Peterbilt Vacuum truck into a flatbed hook truck that can be used to pick up and haul the District's roll off boxes. Cost of conversion: \$22,068.62
- The District purchased a new BoMag Trash Compactor (2010) for \$499,000 with trade-in of the CAT 826G (1997) landfill trash compactor.
- The Logan Landfill contracted to have the wood waste ground into wood chips. 1,480 yards were chipped @ \$4.25 per yard plus a fuel surcharge @\$ .40 per yard and grinder teeth and mounting hardware surcharge for a grand total of \$7,683.07.



**12' Perimeter Fencing**



**Board Member and Commissioner R. Stephen White checking out the New BoMag Compactor**



**Peterbilt converted to a Hook Truck**





**Wood Chipper Chipping Wood at the  
Bozeman Convenience Site**

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## **BOZEMAN CONVENIENCE SITE PROJECTS & IMPROVEMENTS**

- ❁ The stationary compactor installed during the last fiscal year benefited the District this fiscal year. It helped increase our revenue to a more sustainable level of operation.
- ❁ Installed new signage to the site for better traffic flow for \$542.94.
- ❁ The District went out for a Request for Bids (RFB) for hauling the District's roll-offs and stationary compactor at the Bozeman Convenience Site. The City of Bozeman was awarded the bid. For the 10 months prior, Republic (formerly Allied Waste) hauled them for the District. They charged \$62,692.34. For the 10 months since the City of Bozeman took over, we paid \$60,069.75 for the service. It was a savings of \$2,622.59. We did spend less money, but it was not the savings we anticipated.
- ❁ Contracted wood chipping for brush pile for the year totaled 7,060 yards for a total cost of \$33,387.50.

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## **RECYCLING AND WASTE DIVERSION**

The District's recycling program began in April 1, 2008. We had a budget of \$280,881 for the remaining three months of that year. It was broken down as follows: bins \$155,000; tundra \$25,036; hauling \$64,141; wages \$14,654; all other \$22,050. A Recycle Coordinator was hired who would scout recycling sites throughout the county. We solicited a request for proposals (RFP's) for hauling and processing our recycle commodities. This fiscal year, the approved budget was

\$297,060. At the end of this fiscal year our actual expenses were \$279,768. We came in under budget by \$17,292 this fiscal year.

**TABLE X BUDGET TO ACTUAL & EXPENSES FOR FISCAL YEARS 2010, 2011**

<b>Expenses</b>	<b>Budget 2010</b>	<b>Actual 2010</b>	<b>Budget 2011</b>	<b>Actual 2011</b>
Hauling/Processing	\$464,037	\$345,867	\$210,000	\$225,107
Wages	\$0	\$0	\$0	\$0
Bins	\$60,000	\$5,390	\$6,000	\$6,000
All Other	\$135,826	\$94,614	\$81,060	\$48,661
<b>Total</b>	<b>\$659,863</b>	<b>\$445,871</b>	<b>\$297,060</b>	<b>\$279,768</b>

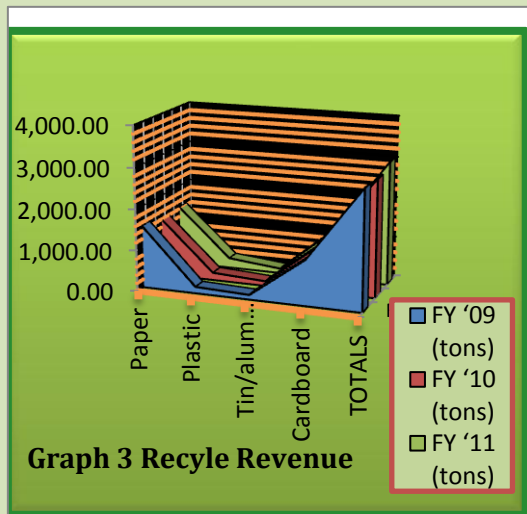
**THE SOLID WASTE MANAGEMENT DISTRICT’S OVERALL PURPOSE IS TO DEVELOP A RECYCLING PROGRAM AND CONTINUE TO MAKE IT SUCCESSFUL. TO REUSE, REDUCE, RECYCLE AND INTELLIGENTLY DISPOSE OF WASTE MATERIALS. IT’S MISSION: TO CONSERVE, PROTECT AND PRESERVE THE ENVIRONMENTAL RESOURCES OF OUR COMMUNITY THROUGH ADVOCACY, EDUCATION AND OUTREACH PROGRAMS IN GALLATIN COUNTY.**

The revenue from recyclable commodities in the waste stream with existing markets dropped from the previous fiscal years from \$276,179 in Fiscal Year 2009 to \$187,826 in Fiscal Year 2010 to \$160,479.44 this fiscal year. We lost \$27,346.56 of anticipated recycling revenue. Commodities accepted at each recycling site are plastic bottles (#1-#7), tin, aluminum cans, news print, magazines, and cardboard. The District added a site at 19<sup>th</sup> and Main (the old Ressler Motors site) in Bozeman. Other waste diversion efforts by the District include metal diversion (\$24,015.55), batteries (\$3496.50), oil ( total 2,710 gallons, 580 gallons came from the Bozeman Convenience Site, no revenue); antifreeze (260 gallons, 130 from the Bozeman Convenience Site - no revenue), propane tanks (processed with the scrap metal); Freon (4-200 pound tank and 1-150 pound tank cost us \$74.24 in disposal fees); Pesticide containers in collaboration with the Montana Department of Agriculture: 408=<2.5g; 128 2.5g; 6-1.09g (no revenue); and bear spray canisters, in collaboration with the Gallatin National Forest (no revenue); The District is still trying to find a viable and financially feasible way to offer glass recycling and tire diversion.

Processing costs for the District’s recyclables are \$74 per ton for all commodities. Tonnages for only aluminum and steel are reduced 6% for estimated loss (waste) when revenues are calculated. The District’s Recycle Tonnage Chart compares this fiscal year with the previous two fiscal years.

**TABLE XI DISTRICT RECYCLE COMMODITIES TONNAGES**

Roll-off Program	FY '09 (tons)	FY '10 (tons)	FY '11 (tons)
Paper	1,528.54	1,422.80	1460.17
Plastic	156.57	182.93	242.00
Tin/aluminum	113.03	113.49	111.59
Cardboard	1,106.70	1,148.04	1219.97
<b>TOTALS</b>	<b>2,904.84</b>	<b>2,867.26</b>	<b>3,033.73</b>



**Metal Scrap being processed by contractor for market**



**Oil, antifreeze, batteries, bear spray, and pesticide containers drop off area**



MDA pesticide shredder equipment



MDA employee running shredder



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## RECYCLING EDUCATIONAL OUTREACH

Management worked with staff to continue to find new opportunities for educational outreach in the District's communities.

Jerilyn Webb, Scalehouse Operator, actively pursued keeping the recycle program moving forward after the District eliminated the Recycle Coordinator position in July of 2010. She worked closely with management to plan the outreach events throughout the District. Her dedication to the program has made the program a continued success. When asked what she liked about working with the recycling program, Jerilyn responded, "I enjoy being out in the community and educating the public, especially the children on recycling. I get a great sense of

satisfaction in helping them to understand why we recycle and how important it is to their environment.”








Ray Harrison, Logan Landfill Equipment Operator, also became interested in helping with the program after being offered the opportunity to help staff the recycling outreach events for the District. He enjoys assisting the program, and the program has also benefited by his hard work. You will often see Ray dressed up as “Ricky the Recycle Bear” the District’s recycle mascot. When he was asked what he liked about being involved in the recycling program, he responded, “I love getting out from my role as an equipment operator for a change. I love working with the children by educating them on the landfill and recycling opportunities. The teachers have been awesome to work with and provide us these great opportunities.”

The recycling program offers Jerilyn, Ray, and the rest of the staff an opportunity to step out from their regular positions and become involved in a variety of recycling outreach and community education. All staff are given the opportunity to help with the program if they have interest. Along with Jerilyn and Ray, Martin Bey, Dawn Chretien, Mitch Davies, Susan Dellinger, Janet Lane, Stephanie Poulin, and Jim Simon assisted with the outreach events this fiscal year. The success of the program is contributed to all the dedicated staff who contributed their unique personalities to make all the events this fiscal year a success.

On October 27, 2010, the Gallatin Solid Waste Management Board proclaimed November 15, 2010, as “America Recycles Day” (ARD) (Proclamation #2011-001). On November 9, 2010, the Gallatin County Commission followed suit and `proclaimed November 15, 2010, as “America Recycles Day.” America Recycles Day is a nationwide initiative to keep America Beautiful!

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#### RECYCLING OUTREACH EVENTS

 THREE FORKS SUMMER RECREATION PROGRAM	JULY 21, 2010
 GALLATIN COUNTY FAIR (FERRIS WHEELS TO WAGON WHEELS)	JULY 21-25, 2010
 MANHATTAN POTATO FESTIVAL	AUGUST 20-21, 2010
 BELGRADE FALL FESTIVAL	SEPTEMBER 25, 2010
 PARKHAVEN RETIREMENT AND ASSISTED LIVING COMMUNITY	OCTOBER 28, 2010
 AMERICA RECYCLE DAY	NOVEMBER 15, 2010
 LITTLE LOVED ONES DAYCARE	NOVEMBER 18, 2010

 WINTERFEST

FEBRUARY 18-20, 2011

 BOY SCOUTS OF AMERICA TROOP #650

MARCH 1, 2011

 HYALITE ELEMENTARY

APRIL 15, 2011



**HYALITE ELEMENTARY SCHOOL**



**PARKHAVEN RETIREMENT COMMUNITY**



**THREE FORKS SUMMER RECREATION PROGRAM**



**"FERRIS WHEELS TO WAGON WHEELS" GC FAIR**



**RICKY OUR RECYCLE BEAR**

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## E-WASTE COLLECTION



The Gallatin Solid Waste Management District accepts e-waste from Households or Commercial enterprises year-round at the Logan Landfill for a minimal fee of \$27 dollars per ton, or under 400 pounds, there is a \$5.00 minimum fee. It is recycled through UNICOR. UNICOR's goal is to be a responsible steward of the environment by ensuring their recycling operations meet all national standards. Electronic items accepted by our program are computer hard drives, monitors, keyboards, mouses,' printers, faxes, VCR's, TV's, stereo equipment, cell phones, laptops, rechargeable batteries, hand-held electronics.

The Gallatin Solid Waste Management District held a free two-day e-waste collection event for household residents living in the District on October 1<sup>st</sup> and 2<sup>nd</sup>, 2010, at the Gallatin County Fairgrounds (GCF) and collected 23.9 tons. On April 22, 2011, Earth Day, we held an additional e-waste event at the GCF and collected 11.32 tons. The total e-waste collected at events totaled 35.22 tons. The grand total of e-waste collected at the Logan Landfill (75.73 tons) and other events (35.22 tons) and shipped to UNICOR to process was 110.95 tons this past fiscal year. UNICOR pays transportation costs, which helps keep the costs of our e-waste collection program low. The relationship with UNICOR continues to work well for the District.



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## HOUSEHOLD HAZARDOUS WASTE COLLECTION

The Gallatin Solid Waste Management District holds a free Household Hazardous Waste (HHW) Event the second Saturday of every month at the Bozeman Convenience Site. This year we held 12 events. We had 238 household customers that used this free service. Ten commercial businesses used the service. Commercial businesses are charged a fee. We collected \$1,090 from those businesses. The District spent \$12,970.14 to properly dispose of the HHW collected. It cost \$11,880.14 for disposal after the fees collected from the commercial businesses. The program does not include the District's labor, gas, and miscellaneous expenses for holding the event or after the event to bulk and prepare the HHW for shipment for receivership by the disposal service.

In March, the District purchased a bulb crusher to help save costs to the program. We receive the bulbs, crush them and send them out in bulk. We pay by the pound, not by the bulb or by the foot for the fluorescents, which is more cost efficient. At this time, we have not bulked enough bulbs to ship to the processor.



**Bulb Crusher for HHW**



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## FINANCIAL SUMMARY



The Gallatin Solid Waste District operates as an enterprise fund. No tax revenues are used for District operations or capital improvements. Revenues are generated by tipping fees, the sale of recycled commodities, and interest earnings.

Total District revenues for the year were \$4,440,459.45. Tipping fees from Logan and the Bozeman Convenience Site accounted for \$4,182,139.15 or over 94%. Metal and salvage at the Logan Landfill and Bozeman Convenience Site totaled \$27,512.05. At the Bozeman Convenience site metal and salvage accounted for \$340.95. \$3,496.50 of the total salvage sold came from batteries. The Recycling program commodities collected generated \$160,479.00 in revenue. Interest earnings for the year totaled \$59,555. Interest earnings have been steadily going down for the last three fiscal years. This year they were down \$12,426.56 from the previous fiscal year at \$71,982.00, and down from Fiscal Year 2008 and 2009 that earned \$122,931. The District adhered to its plan to keep a tight rein over the budget this past year. (interest earned for 2008=\$140, 845.00:2009=\$140,845.00)

The Equipment Reserve fund is used to pay cash for future equipment replacement. The fund balance at the end of the year totaled \$1,998,203.00. Operational cash at the end of the year for

the Logan Landfill was \$2,008,197.83; -\$458,856.84 for the Bozeman Convenience Site (since assuming operations on July 1, 2008), and the Recycling program \$-793,119.09 (since startup on April 1, 2008). Total Cash operational combined totaled \$756,221.90. Fixed assets were \$7,128,798.39. The balance at the end of the year for the District's total assets is \$12,905,432.80, an increase of \$735,207.80 from the previous fiscal year.

Required financial assurance funding for landfill closure and post closure costs had a balance of \$1,989,567 at the end of the fiscal year. Total long-term liabilities at the end of the year totaled \$2,890,528.95. We did not take on any new debt this fiscal year. For the purchase of the Logan Springs Ranch, the District makes a payment of \$62,500.00 twice a year to the State Board of Investments. Each successive payment goes more to principal and less to interest. The interest rate is 1.95%. The Logan Spring Ranch is still in the process of applying to the State Lands Board for a land swap for future expansion of the landfill. Each year we pay rent to the Department of Natural Resource and Conservation (DNRC) for the leases for the landfill operation: Rent for the 8-acre parcel (scalehouse and administration building) = \$5,020.69 annually; the 40 acre parcel the landfill uses to stockpile excavated dirt on costs us \$19,168 annually. The District makes a payment twice a year for Cell III.

The landfill incurs considerable insurance that requires permitting, and costs to keep in compliance with new rules and changes in laws. We pay \$48,522.70 to MDEQ annually for our landfill permit. We paid \$20,148.20 a year for our pollution insurance above Gallatin County's allocated liability insurance cost to us of \$28,408.00 per year. The Profit and Loss and Balance Sheets for July 2010 through June 2011 show the year's revenues, operating expenditures, assets, and liabilities. We continue to bring the services our customers want, at affordable prices. The operations continue to see waste volumes go down. Some of this is due to citizen recycling and diversion, but most of the decreases are attributable to the slow down in the economy and construction in Gallatin Valley.

**Aerial View of the Logan Landfill Site**



# GALLATIN SOLID WASTE MANAGEMENT DISTRICT

## LONG RANGE STRATEGIC PLAN

CASH FLOW BUDGET											
1% Increase	%	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Tonnage	1%	98,611	110,753	111,861	112,980	114,110	116,392	117,556	118,732	119,919	121,118
\$/Ton (average)											
<b>CAPITAL OUTLAY</b>											
Equipment		\$ 615,000	\$ 452,500	\$ 420,000	\$ 420,000	\$ 420,000	\$ 420,000	\$ 420,000	\$ 420,000		
year end		\$ 1,294,167	\$ 909,063	\$ 1,115,063	\$ 917,063	\$ 1,009,063	\$ 826,063	\$ 423,563	\$ 623,563		
Land (Logan)		\$ 1,250,000									
Buildings (shop,		\$ 95,000	\$ 85,000	\$ 15,000							
Improvements on land		\$ 135,000	\$ 20,000	\$ 250,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000			
Equipment											
Compactor			\$455,000								\$ 600,000
Compactor								\$ 600,000			
Scraper				\$ 600,000							
Dozer						\$ 500,000					
Front Loader					\$ 275,000		\$ 175,000				
963 track		\$ 350,000									
Grader								\$ 200,000			
Water truck			\$ 85,000								
pickup (Toy)		\$ -					\$ 35,000				
pickup (3/4 Chev)						\$ 35,000					
pickup (snow plow)		\$ -			\$ 35,000						
Roll-Off Truck			\$ 45,000							\$ 225,000	
Computers		\$ -	\$ 10,000								
Copier		\$ 10,000									
Pickup (used)			\$ 15,000								
admin vehicle								\$ 20,000			
service truck (used)			\$ 40,000							\$ 45,000	
vac-truck (used)											
hydroseeder (ADC)						\$ 50,000					
Bzn Site		\$100,000									
Emergency Generator			\$ 25,000								
E-Waste Container-Bzn			\$ 5,000								
Bzn Site Skid Steer		\$20,000				\$ 35,000					
Waste Oil Containers -		\$5,000					\$ 6,000				
other (generator,tooling)											
Bozeman(scale,containers)		\$ 38,000									
Bzn Roll-off containers			\$ 36,000	\$ 10,000							
recycling containers		\$ 60,000	\$ 6,000	\$ 24,000	\$ 18,000	\$ 18,000	\$ 18,000	\$ 6,500			
subtotal		\$ 2,063,000	\$ 647,000	\$ 479,000	\$ 638,000	\$ 348,000	\$ 658,000	\$ 842,500	\$ 220,000	\$ 225,000	\$ 645,000
<b>CONSTRUCTION TASKS</b>											
Cell 3											
Cell 4						\$ 800,000	\$ 800,000				
Closure Construction											
Cell 2 closure			\$ 500,000	\$ 750,000	\$ 750,000						
Cell 3 closure								\$ 650,000	\$ 650,000		
Class IV closure				\$ 300,000	\$ 300,000	\$ 300,000					
Cell 4 closure											
Corrective				\$ 125,000							
Subtotal		\$ -	\$ -	\$ 500,000	\$ 1,175,000	\$ 1,050,000	\$ 1,100,000	\$ 800,000	\$ 650,000	\$ 650,000	\$ -
<b>TOTAL</b>		<b>\$ 2,063,000</b>	<b>\$ 647,000</b>	<b>\$ 979,000</b>	<b>\$ 1,813,000</b>	<b>\$ 1,398,000</b>	<b>\$ 1,758,000</b>	<b>\$ 1,842,500</b>	<b>\$ 870,000</b>	<b>\$ 875,000</b>	<b>\$ 645,000</b>

**Gallatin Solid Waste Management District  
Profit & Loss  
July 2010 through June 2011**

Jul 10 - Jun 11

<b>Ordinary Income/Expense</b>	
<b>Income</b>	
Miscellaneous Revenue	\$105.07
Sale of Fixed Assets	\$8,263.30
E-Waste Donations	\$5.00
Charges for Services-Logan	
3430-42 Disposal Charge	\$4,085,363.15
3430-45 Sale of Junk or Salvage	\$27,171.10
<b>Total Charges for Services-Logan</b>	<b>\$4,112,534.25</b>
Grazing Lease	\$2,400.00
Charges for Services-Bozeman	
Disposal Charge	\$96,776.00
Sale of Junk or Salvage	\$340.95
<b>Total Charges for Services-Bozeman</b>	<b>\$97,116.95</b>
Recycling Revenue	
Sale of Paper	\$51,101.36
Sale of Plastic	\$21,200.62
Sale of Aluminum	\$29,649.23
Sale of Steel	\$2,953.55
Sale of Cardboard	\$55,574.68
<b>Total Recycling Revenue</b>	<b>\$160,479.44</b>
3710-10 Interest Earnings	\$59,555.44
<b>Total Income</b>	<b>\$4,440,459.45</b>
<b>Cost of Goods Sold</b>	
80% Compost due to City	\$12,976.80
Transport from Bozeman Convenience Site	
Rolloff Containers	\$69,272.37
Stationary Compactor Containers	\$7,879.00
Logan Landfill Tipping Fees	\$17,849.28
<b>Total Transport from Bozeman     Convenience Site</b>	<b>\$95,000.65</b>
Recycle Processing Costs	\$225,107.08
<b>Total COGS</b>	<b>\$333,084.53</b>
<b>Gross Profit</b>	<b>\$4,107,374.92</b>

<b>Expense</b>	
<b>Amortization</b>	\$1,392.99
<b>335 Membership Dues</b>	\$115.00
<b>Personnel</b>	
110 Salaries & Wages- Permanent	\$552,772.72
120 Overtime- Permanent	\$21,971.90
140 Employer Contributions	\$201,644.79
<b>Total Personnel</b>	<hr/> \$776,389.41
<b>Maintenance</b>	
230 Repairs & Maintenance	
Supplies	\$91,958.38
232 Tires	\$2,298.72
360 General Repair & Maintenance by Other	\$29,936.31
361 Equipment Repairs & Maintenance	\$19,225.18
362 Office Equipment Repair & Maintenance	\$4,656.16
<b>Total Maintenance</b>	<hr/> \$148,074.75
<b>Small Tools</b>	
235 Small Tools	\$8,029.05
<b>Total Small Tools</b>	<hr/> \$8,029.05
<b>Utilities</b>	
341 Electric Utilities	\$12,375.11
344 Propane	\$10,827.92
345 Telephone	\$18,718.27
346 Cell phones	\$1,827.13
<b>Total Utilities</b>	<hr/> \$43,748.43
<b>Supplies</b>	
210 Office Supplies	\$4,002.99
220 Operating Supplies	\$87,170.98
224 Food	\$831.12
226 Clothing & Uniforms	\$1,790.78
<b>Total Supplies</b>	<hr/> \$93,795.87
<b>Insurance</b>	
510 Property Insurance	\$20,148.20
513 Liability Insurance Allocated	\$28,408.00
<b>Total Insurance</b>	<hr/> \$48,556.20
<b>Fuel</b>	
231 Gas, Oil, Fuel, Grease	\$113,748.42
<b>Total Fuel</b>	<hr/> \$113,748.42

<b>Postage</b>		
312 Postage		\$1,697.30
<b>Total Postage</b>		<u>\$1,697.30</u>
<b>Printing &amp; Duplicating</b>		
320 Printing & Duplicating		\$2,344.55
<b>Total Printing &amp; Duplicating</b>		<u>\$2,344.55</u>
<b>Subscriptions &amp; Dues</b>		
330 Subscriptions & Dues		\$1,092.00
<b>Total Subscriptions &amp; Dues</b>		<u>\$1,092.00</u>
<b>Advertising</b>		
331 Publications Legal Notices		\$592.30
337 Advertising		\$6,855.37
<b>Total Advertising</b>		<u>\$7,447.67</u>
<b>Travel</b>		
370 Travel		\$5,255.60
<b>Total Travel</b>		<u>\$5,255.60</u>
<b>Training</b>		
380 Training		\$1,025.90
<b>Total Training</b>		<u>\$1,025.90</u>
<b>Outside Services</b>		
350 Professional Services		\$188,611.12
390 Purchased or Contracted Service		\$10,905.99
<b>Total Outside Services</b>		<u>\$199,517.11</u>
<b>Licenses</b>		
570 License Fees		\$47,520.34
<b>Total Licenses</b>		<u>\$47,520.34</u>
<b>Rent</b>		
530 Rent		\$42,794.19
<b>Total Rent</b>		<u>\$42,794.19</u>
<b>Service Charges</b>		
630 Service Charges		\$24.87
<b>Total Service Charges</b>		<u>\$24.87</u>
<b>Administrative Fixed Costs</b>		
590 Administrative Costs		\$52,500.00
<b>Total Administrative Fixed Costs</b>		<u>\$52,500.00</u>
<b>Closure/Post Closure</b>		

580 Closure/Post Closure Costs	\$96,954.88
<b>Total Closure/Post Closure</b>	<b>\$96,954.88</b>
<b>Loan Interest Payments</b>	
620 Loan Interest	\$65,129.50
<b>Total Loan Interest Payments</b>	<b>\$65,129.50</b>
<b>Depreciation</b>	
830 Depreciation	\$902,332.47
<b>Total Depreciation</b>	<b>\$902,332.47</b>
<b>Total Expense</b>	<b>\$2,659,486.50</b>
<b>Net Ordinary Income</b>	<b>\$1,447,888.42</b>
<b>Other Income/Expense</b>	
<b>Other Expense</b>	
<b>Loan Payments</b>	
610 Principal	\$802,529.92
615 Principal Contra	-\$802,529.92
<b>Total Loan Payments</b>	<b>\$0.00</b>
<b>Capital Improvements</b>	
920 Buildings	\$9,666.50
925 Buildings Contra	-\$9,666.50
930 Improvements other than Buildings	\$44,646.43
935 Improvements Contra	-\$44,646.43
940 Capital Expense- Machinery & Equipment	\$762,858.77
945 Machinery & Equipment Contra	-\$762,858.77
<b>Total Capital Improvements</b>	<b>\$0.00</b>
<b>Total Other Expense</b>	<b>\$0.00</b>
<b>Net Other Income</b>	<b>\$0.00</b>
<b>Net Income</b>	<b>\$1,447,888.42</b>

**Callatin Solid Waste Management District Balance Sheet  
as of June 30, 2011**

Jun 30, 11

**ASSETS**

**Current Assets**

**Checking/Savings**

**Cash Operational Combined**

10-1000 Cash Operational 2,008,197.83

10-1005 Cash Operational-Bozeman Convenience Site -458,856.84

10-1010 Cash Operational - Recycling -793,119.09

**Total Cash Operational Combined 756,221.90**

10-2000 Restricted Cash - Closure Costs 1,989,567.36

10-2110 Cash - Fixed Asset Purchases 998,203.27

10-2130 Cash Reserved for Security Deposit 85,500.00

10-2210 Loan Payment Reserve 304,498.39

10-2220 Loan Reserve (Future Year Pmt) 349,200.00

10-2230 Reserve For Next Cell 850,000.00

**Total Checking/Savings 5,333,190.92**

**Accounts Receivable**

**Accounts Receivable**

12-2000 Logan Landfill 442,839.49

12-2005 Bozeman Convenience Site 604.00

**Total Accounts Receivable 443,443.49**

**Total Accounts Receivable 443,443.49**

**Total Current Assets 5,776,634.41**

**Fixed Assets**

**Fixed Assets**

18-1000 Land 1,650,835.00

18-2000 Buildings 1,535,095.57

18-2100 Allow for Depreciation - Buildings -95,397.13

18-3000 Intangibles 6,965.00

18-3100 Amortization -3,134.25

18-4000 Improvements other than Buildings 2,748,876.68

18-4100 Allow for Depreciation-Improvements Other Than -1,355,560.39

18-6000 Machinery & Equipment 3,569,570.27

18-6100 Allow for Depreciation - Machine & Equipment -963,885.59

18-8500 Class 4 Waste Area 35,433.23

**Total Fixed Assets 7,128,798.39**



<b>Total Fixed Assets</b>	<b>7,128,798.39</b>
<b>TOTAL ASSETS</b>	<b>12,905,432.80</b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
City of Bozeman	14,834.65
Four Corners Recycling.	12,924.66
20-6120 Wages Payable	16,265.60
20-6130 Payroll Liabilities	16,848.72
20-9100 Compensated Absences Payable	5,312.27
21-4000 Security Deposits Payable	85,500.00
Current Portion-Long Term Debt	880,945.16
<b>Total Other Current Liabilities</b>	<b>1,032,631.06</b>
<b>Total Current Liabilities</b>	<b>1,032,631.06</b>
<b>Long Term Liabilities</b>	
23-5402 Caterpillar Financial - 826H	108,444.43
23-5403 Caterpillar Financial - 623G	72,773.90
23-5404 Cell 3 - SRF Loan	716,000.01
23-5405 RDO - 1050John Deere Dozer Loan	101,726.83
23-5406 Land Loan - Board of Investment	1,187,500.00
Current Portion	-880,945.16
23-6000 Closure Cost Liability	1,512,320.39
23-9000 Compensated Absences - Non-Currency	47,810.43
23-9500 GASB 45 OPEB Net Obligation	24,898.12
<b>Total Long Term Liabilities</b>	<b>2,890,528.95</b>
<b>Total Liabilities</b>	<b>3,923,160.01</b>
<b>Equity</b>	
3000 Net Assets	1,126,924.76
3900 Total Net Assets	6,407,459.61
Net Income	1,447,888.42
<b>Total Equity</b>	<b>8,982,272.79</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>12,905,432.80</b>



ANDERSON ZURMUEHLEN & CO., P.C. • CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS  
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### GALLATIN COUNTY, MONTANA CERTIFICATION OF FINANCIAL INFORMATION

We hereby certify that the financial information shown by the Finance Director of Gallatin County in Bozeman, Montana in Attachment 2 agrees with the audited financial statements of the County for fiscal years ending June 30, 2006, 2007, 2008, 2009, 2010 and 2011.

*Anderson Zurmuehlen & Co., P.C.*

Bozeman, Montana  
January 19, 2012