Report to the Assembly

Recommendations of the
Citizens' Advisory Committee on Waste Management
in Response to the Question:

SHOULD THE CITY AND BOROUGH OF JUNEAU PURCHASE THE CHANNEL LANDFILL FACILITY AND/OR COLLECTION SERVICE?

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PURPOSE

This report provides the recommendations of the Citizens' Advisory Committee on Waste Management in response to the question: Should the City and Borough of Juneau purchase the Channel Landfill facility and/or collection service? In examining this question, the committee also addressed the broader question: What role should the city take in solid waste management?
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EXECUTIVE SUMMARY

Should the City and Borough of Juneau purchase the Channel landfill/incinerator facility and/or collection service? In responding to this question, the Citizens' Advisory Committee on Waste Management also examined the broader question: What role should the city take in solid waste management?

Sale of the Channel Landfill. The owners of the Channel Landfill, Inc. have indicated they intend to sell the landfill and associated disposal equipment, including two incinerators. They have offered these properties to the city.

Contract for Channel Sanitation's Waste Collection Services. Channel Sanitation Corporation, an affiliated company of Channel Landfill, has proposed to establish a contractual relationship with the city for the collection service. As one possible scenario, Channel proposed to transfer its Alaska Public Utilities Commission (APUC) to the city in exchange for a collection service contract.

Assembly's Commitment to the Promotion of Integrated Waste Management and the Creation of the Citizens' Advisory Committee on Waste Management. The decision by Channel's owner to sell the landfill/incinerator facility coincides with the city's decision to determine its role in the future of Juneau's waste management. In the spring of 1990, the City and Borough Assembly adopted the recommendations of two ad hoc committees which reported on issues pertaining to recycling and hazardous waste. As a result of those reports, the Assembly committed the city to the goals of integrated waste management and created a permanent committee, the Citizens' Advisory Committee on Waste Management, to examine and advise the Assembly on these issues.

Relationship between Consultant's Report and Advisory Committee's Report. One of the advisory committee's first tasks was to address the question whether the city should purchase the Channel landfill/incinerator facility. In the spring of 1991, the city hired the consulting firm R.W. Beck and Associates to examine the pertinent issues and recommend a course of action for the city. The consultant and the advisory committee met regularly during the planning process. Upon completion of the Beck report in October 1991, the committee examined the options Beck had presented in the context of the committee's waste management goals and assumptions.

Committee's Goals. At the outset of its review process, the committee identified its waste management goals and grouped them under six major headings: control; financing; liability; comprehensive services; environmental protection/human health and safety; and stability.
The committee deemed it important for the city to achieve sufficient control over the system to create cost incentives to reduce waste and recycle, to prevent hazardous wastes from entering the landfill and to control revenues. Ideally, the selected waste management system should provide maximum ability to finance new comprehensive waste management programs, while keeping cost to the ratepayers as low as possible. The city should avoid or minimize the exposure of itself or the community to liabilities associated with the existing landfill. The system should provide a comprehensive package of waste management services which emphasize integrated waste management. The system should ensure that collection and disposal of waste is accomplished in a safe and environmentally sound manner. The system should provide reliable, stable, long term solid waste management services throughout the community.

Committee's Assumptions. The committee developed a set of assumptions to further define each option described in the Beck report. Assumptions were made about each of four disposal options: status quo; purchase of the Channel Landfill; contract for disposal services; and construction of a new landfill. Assumptions were also made about each of the collection service options: status quo; purchase of Alaska Public Utilities Commission (APUC) certificates currently held by Channel Sanitation and Juneau Sanitation; and contract for collection services.

The committee also made several general assumptions. The committee assumed the city needs greater control over waste disposal in Juneau. The committee also assumed that in order to implement the full range of services desired, the city must either establish control over waste revenue or find an alternative, on-going funding source to operate these programs. The committee assumed that either the APUC or the city must exercise control over setting tipping fees at the landfill. The committee further assumed that additional environmental data are needed before determining whether to continue using the Channel Landfill or to close it prior to the end of its potential active life and establish a new landfill. The committee assumed a new landfill will eventually be needed and noted it is important to locate and secure a future landfill site now. The committee also assumed the value of the Channel Landfill is significantly lower than the $7 million requested purchase price. Finally, the committee assumed that regardless of which options are selected for the disposal and collection service, future waste management costs in Juneau will increase.

Uncertainties and Unknowns. As is often the case, in attempting to answer one complex question, many more questions emerged. The Beck report noted several unanswered questions that will need to be addressed, particularly legal issues pertaining to the contract options. The committee identified additional uncertainties and unknowns.
The need for remediation to correct pollution problems at Channel Landfill is uncertain. The allocation of remediation costs is uncertain. The ability of Channel Landfill to pay for remediation and upgrades is unknown. It is also unknown whether Channel is interested in establishing a contractual relationship with the city for waste disposal. Finally, it is unknown whether Channel Landfill would be willing to sell or lease its incinerators without the landfill.

Committee's Findings. In its analysis of waste disposal options, the committee found that opening a new landfill best met the committee's goals. However, the committee realized that the construction of the new landfill will take several years and therefore cannot provide an immediate means for implementing new programs and achieving the committee's goals.

Due to lack of sufficient environmental data and uncertainties regarding liability, the committee found purchase of the existing landfill to exceed the level of acceptable risk. The option to contract for disposal services was viewed as the best interim measure until more environmental data on the existing landfill are available.

For collection services, the committee found the contract option best met its goals. The status quo was deemed the worst option and unacceptable for both the collection and disposal services.

Committee's Recommendations. The committee recommends the city take the following actions:

* Obtain an environmental assessment of the landfill facility to determine the extent of environmental contamination and cost of remediation.

* Do not purchase the Channel Landfill at this time. Defer the decision until after environmental assessment is available.

* Pending findings of environmental assessment, use an independent appraiser to determine the business value of the Channel Landfill facility.

* Proceed with a site selection process and engineering/soils study to locate a new landfill.

* Seek counsel regarding the unanswered legal questions identified in the Beck report.

* Work with Channel Sanitation and Juneau Sanitation to see if mutually acceptable collection service contracts can be developed and the APUC certificates transferred to the city.

* Work with Channel Landfill to develop a contract to guarantee
a certain tipping fee at the landfill. This contract should be effective until purchase of the existing landfill or construction of the new landfill facility is complete.

* Develop a household hazardous waste collection program and used oil program as soon as possible.

* Work with DEC to identify regulatory issues and establish agency position regarding remediation and future environmental control measures at the Channel Landfill.
INTRODUCTION

Channel Landfill

The owners of the Channel Landfill, Inc. have indicated they intend to sell the landfill and associated disposal equipment, including two incinerators. They originally offered to sell these properties to the city for approximately seven million dollars. The decision of the Channel owners to sell the waste disposal facilities occurs at a time when mounting environmental regulations make it increasingly costly to operate existing landfills and incinerators or to construct new ones.

Channel Landfill has indicated a need to purchase a third incinerator to handle the increasing waste volume and to allow for ample shut-down time to maintain existing equipment. Incineration has been Juneau's primary method of waste disposal since 1985. Today, peak waste volumes exceed the capacity of the two existing incinerators. Therefore, future costs to operate the Channel landfill/incinerator facility may include costs for new equipment to increase its waste volume capacity as well as substantial costs to bring the facility into compliance with environmental regulations.

The decision by Channel's owners to sell the landfill/incinerator facility coincides with the city's decision to determine its role in the future of Juneau's waste management. In the spring of 1990, the City and Borough Assembly adopted the recommendations of two ad hoc committees which reported on issues pertaining to recycling and hazardous waste. As a result of those reports, the Assembly committed the city to the goals of integrated waste management and created a permanent advisory committee, the Citizens' Advisory Committee on Waste Management.

Channel Sanitation

Channel Sanitation, an affiliated company of Channel Landfill, has proposed to establish a contractual relationship with the city for waste collection service. As one possible scenario, Channel has offered to transfer its Alaska Public Utilities Commission (APUC) certificate to the city in exchange for a contract to provide collection services. Thus, the city is currently examining the possibility of taking on a future role in both the collection and disposal of the community's waste.

Status of Offers

During the course of the Beck study and the committee's review of the issues, circumstances changed regarding Channel Sanitation and Channel Landfill. In the case of the collection service, those changes have affected Channel Sanitation's offer to transfer its
APUC permit to the city. Channel Sanitation is in the midst of negotiating the sale of the collection service to a private company and is withdrawing its offer to the city in the interim. At least two privately-owned companies have indicated an interest in purchasing the landfill. However, to the committee's knowledge, Channel Landfill is not currently negotiating with any company regarding the sale of the landfill.
COMMITTEE'S INFORMATION SOURCES

The advisory committee's primary sources of information were the "Closure Study Report: Channel Landfill," prepared by Sweet-Edwards/EMCON, Inc., July 1991 and the "Phase I Report: Evaluation of Channel Facilities," prepared by R.W. Beck and Associates in October 1991. Another source of information was the recently released Southeast Conference study, "Regional Management Options for Selected Municipal Solid Waste Streams," which examined, on a regional basis, several troublesome waste streams. The committee also met with several local businesses that engage in various recycling activities. In addition, individual committee members shared their own expertise in specific areas of waste management.

Sweet-Edwards/EMCON Closure Study

In the spring of 1991, the city and Channel Landfill, Inc. hired Sweet Edwards/EMCON, Inc. to conduct a closure study of the Channel Landfill. The city administered the contract and provided up-front funds. Channel Sanitation is reimbursing the city for the full cost of the study. The purpose of the Channel Landfill closure study was to provide a final closure design in accordance with state and federal regulations and to recommend landfill expansion alternatives. The study identified costs for landfill expansion, closure, and post-closure maintenance.

Limited field and laboratory work examined landfill gas levels, surface water and ground water conditions. The results were evaluated in the context of pertinent laws, regulations and permits. The study found that the current landfill operations may need to be substantially altered in order to comply with state and federal laws and regulations. For example, recent changes in federal regulations have confirmed the need to upgrade the landfill before expanding. Those regulations also require post-closure care.

The Sweet-Edwards/EMCON study recommended the following actions:

* Landfill expansion should include phased installation of a liner to control landfill gas and reduce impacts to ground water and surface water. This liner would separate wastes already buried on the site from wastes deposited in the future. A liner over 35 acres will cost approximately $8.3 million.

* Final closure of the landfill should include installation of a geomembrane cover to prevent percolation of rain through the buried waste. This geomembrane will cover all buried waste like an umbrella and will cost an estimated $7.8 million.
After closure, post-closure maintenance should be provided. Post-closure costs are estimated to be $210,000 to $860,000 annually. The higher figure reflects additional costs for leachate treatment in the event the landfill is expanded using the liner design described above.

R.W. Beck Study

During the spring of 1991, the city hired the consulting firm R.W. Beck and Associates to analyze the pros and cons of the city purchasing the Channel landfill/incinerator facility and/or the collection service. Based on the assumption that the city desires to gain additional control over the disposal of solid waste, the study recommended that the city simultaneously pursue the following actions:

* Work with Channel to determine if a mutually advantageous contract for solid waste disposal services can be achieved.

* Take preliminary steps necessary to purchase the Channel facilities, in case the contract option cannot be satisfactorily developed.

* Proceed to identify feasible options for a new landfill which could be developed at some time in the future if both of the options listed above prove to be unacceptable in the long term.

R.W. Beck also analyzed the collection service and concluded that the decision regarding the purchase of the APUC certificates and collection equipment should be made later, after the city has determined the level of collection services (e.g. variable can rate, curbside recycling) it intends to implement.
METHODOLOGY

In preparing its recommendations, the citizens' advisory committee considered the Sweet-Edwards closure study and analyzed the various waste disposal and collection options outlined in the R.W. Beck report. The many complicated issues associated with each option forced the committee to simplify the analytic process. First, the committee identified six major waste management goals. Next, the committee developed a set of assumptions to further define each option described in the Beck report. Options were then rated in light of those goals and assumptions.

To establish an objective rating system, each of the six major goals was assigned a point value. The goals were not equally valued. Values varied, depending upon what the committee felt was the relative importance of the goal.

Goals and options were placed on a matrix (Appendix I). Options were rated six times, once for each goal. Options that thwarted a particular goal received negative points. Options that enhanced a particular goal received positive points. The point assignments for each option were then totalled. The minimum number of total possible points was -100 and the maximum total possible points was +100. The goals/options matrix provided a numerical hierarchy of options that was used as a reference for further committee discussion.
COMMITTEE'S GOALS

As previously noted, the committee's first step was to identify waste management goals. The committee identified its goals and grouped them under six broad headings.

1. Control (Point Range: -25 to +25)

   Achieve sufficient control over the system to create cost incentives to reduce waste and recycle.

   * Establish mandatory collection.

   * Establish a variable can rate to create incentives to reduce waste and set tipping fees according to degree of customer's participation in recycling.

   Prevent certain types of waste, such as hazardous waste, from entering the landfill.

   Operate waste management program as, or similar to, an enterprise fund to ensure waste management revenues are not diverted to nonwaste related activities.

2. Financing (Point Range: -25 to +25)

   Maximize ability to finance new comprehensive waste management program, while keeping cost to the ratepayers as low as possible.

   * Minimize increased costs to community for solid waste management.

   * Maximize eligibility for alternative funding sources such as government grants and loans.

   * Operate comprehensive waste management services as a self-sustaining enterprise fund, to the maximum extent possible.

   * Ensure waste management revenues are used to fund full range of waste management services, not just incineration or landfilling.

3. Liability (Point Range: -20 to +20)

   Avoid or minimize exposure of the city or community to liabilities associated with the existing landfill.
4. Comprehensive Services (Point Range: -10 to +10)

Provide a comprehensive package of waste management services which emphasize integrated waste management.

* Establish source waste reduction program.

* Establish recycling program that considers net energy transfer.

* Establish ongoing consumer education and information programs on waste reduction and recycling.

* Establish new, or enhance existing, programs to ensure proper management of all waste streams such as household hazardous waste, used oil, junk automobiles, medical waste and shipboard waste.

5. Environmental Protection/Human Health and Safety (Point Range: -10 to +10)

Ensure collection and disposal of waste is accomplished in a safe and environmentally sound manner.

* Ensure all aspects of solid waste management program comply with applicable safety and environmental laws.

* Minimize impacts of waste on fish and wildlife habitats.

6. Stability (Point Range: -10 to +10)

Provide reliable, stable, long term solid waste management services throughout the community.
COMMITTEE'S ASSUMPTIONS

The R.W. Beck report identified four possible management options for waste disposal and three possible management options for waste collection services. As discussed previously, the committee defined those options by developing assumptions.

Assumptions about Disposal Options

Disposal Option 1: Status Quo

Status quo assumes continuation of current waste disposal practices. The landfill would remain privately owned. Existing recycling operations in the community would continue to function without city involvement. The city would not take an active role in the disposal of the community's waste.

The committee noted that some changes in the current disposal system may occur regardless of the city's inaction. For example, the current landfill owners may sell to another private business. Also, fluctuations in markets for recyclable materials may affect the number of businesses and non-profit groups offering recycling services in Juneau. Furthermore, non-profit groups may lose their volunteers.

Disposal Option 2: Purchase

"Purchase" is defined as the purchase of the incinerators and landfill in their present condition, taking into consideration the foreseeable costs of compliance with state and federal regulations. The purchase option includes city acquisition and ownership of the existing landfill facility. It does not assume a particular purchase price. Based on limited available information, the Beck Study states that the landfill (without the incinerators) appears to have no (and potentially negative) value at this time. Additional environmental data will be helpful in better determining the value of the landfill.

Disposal Option 3: Contract

This option encompasses a variety of hypothetical contracting possibilities. As a result, it offers substantial flexibility in the degree to which the city might help direct Juneau's waste disposal system.

The R.W. Beck study suggested several scenarios in which the city might contractually get involved in waste disposal services. For example, the city could request proposals from
parties interested in providing waste disposal services. It was recognized that Channel Landfill may be the only respondent as it owns the only landfill in the community. However, at least some people thought that other waste management companies might be interested in barging Juneau's waste to out-of-state or regional facilities and therefore might also respond to a request for proposals. The committee also assumed that entrepreneurs might contract for specific portions of the waste, such as commercial composting businesses which might want food waste, etc. R.W. Beck also suggested that the city might attempt to directly negotiate a contract with Channel Landfill, provided such negotiations did not violate city procurement laws.

The advisory committee expanded the contract option developed by R.W. Beck to include the possibility of designing smaller contracts to handle specific parts of the waste stream, such as household hazardous waste, used oil, or other potential categories which might be utilized by specialized recycling/disposal enterprises.

Due to the many variations possible under the contract option, the committee did not limit its discussion of this option to one scenario. Instead, the committee examined the general attributes of this option to determine how it satisfied the goals.

**Disposal Option 4: New Landfill**

The committee departed from the R.W. Beck report in its definition of "new landfill." The Beck report described only a landfill operating independently of the existing Channel facility. Under this option, the Beck study assumed all of Juneau's waste would be landfilled.

The committee expanded the new landfill option to include the concept that the new landfill might be operated in conjunction with Channel's existing incinerators. The committee also described the new landfill as a facility that offered a full range of waste management services such as household hazardous waste and used oil collection, composting and recycling programs.

The committee assumed that a full-service landfill facility would not provide an immediate solution to pending solid waste problems because it would take several years to identify the site, obtain necessary permits, design and construct the facility.

Finally, the committee assumed that any new facilities would be designed, constructed and operated in a manner that minimized liability.
Assumptions about Collection Service

Collection Option 1: Status Quo

This option assumes that collection services would continue as they now exist. There are currently two APUC certificate holders in Juneau: Channel Sanitation and Juneau Sanitation. Juneau Sanitation has not begun providing services. At present, only limited collection services for certain recyclable materials, such as office paper and aluminum cans, exist. The committee assumed that these current recycling opportunities represent the best that the status quo option can offer. It was assumed that these opportunities would not improve.

Collection Option 2: Purchase

Under this option, the city would purchase the certificates, collection equipment, and facilities from both existing certificate holders. The city would then provide the collection service either with its own staff or by entering into a contract with a business that would provide that service. The city would be exempt from APUC rate regulations and would be able to set its own rates for the service.

Collection Option 3: Contract

The Beck report suggested the city enter into contracts with certificate holding businesses without acquiring the certificates. The APUC claims this cannot be done. The city must be a certificate holder. Therefore, this option would involve the city acquiring both APUC certificates in exchange for contracts with the current certificate holders.

General Assumptions

In addition to the assumptions made for each of the disposal and collection options, the committee made the following general assumptions:

* Control Over Waste Disposal. The committee assumed that the city needs greater control over waste disposal in Juneau.

* Control Over Revenue Stream. The committee assumed that in order to implement the full range of services desired, the city must either establish control over waste revenue or find an alternative, on-going funding source to operate these programs.
Control Over Landfill Tipping Fee. The committee assumed that either the APUC or the city must exercise control over setting tipping fees at the landfill. The APUC oversees current tipping fees due to the present business affiliation between Channel Landfill and Channel Sanitation. If the ownership of either the landfill or collection service change, such that the companies are no longer affiliated businesses, then landfill tipping fees will no longer be subject to APUC review. The city would gain control over the tipping fees if it owned the landfill.

Additional Environmental Data. The committee assumed that additional environmental data are needed before determining whether to continue using the Channel Landfill or to close it prior to the end of its potential active life and establish a new landfill.

Need for New Landfill Site Selection. The committee assumed that a new landfill will be needed, once the current landfill is full. If environmental data indicate early closure of the existing landfill is warranted, then a new landfill could be needed within the next few years. Potential landfill sites are likely to become more limited over time, as the community grows, so it is important to locate and secure a future landfill site now.

Value of Channel Landfill. The committee assumed the value of the Channel Landfill is significantly lower than the $7 million requested purchase price.

Waste Management Costs to Increase. The committee assumed that regardless of which options are selected for the disposal and collection services, future waste management costs in Juneau will increase.

Uncertainties and Unknowns

The Committee felt it was important to list the following uncertainties and unknowns which were considered throughout the report.

Need for Remediation at Channel Landfill Uncertain. It is uncertain whether there will be federal or state remediation requirements at the existing landfill. Regulations and new environmental data could, at a future time, indicate a need for corrective action.

Allocation of Remediation Costs Uncertain. If corrective action is required at the Channel Landfill, it is uncertain how the costs would be allocated. It is likely that the city
and, in turn, the taxpayers would be required to pay part of the clean up costs. It is possible that the city (taxpayers) would ultimately pay all remediation costs for the Channel Landfill, regardless of who owns the landfill. If other potentially responsible parties are unable to pay, then the city (taxpayers) could be required to pay the entire clean up bill. The city's exposure to liability increases as its involvement with the landfill increases, with greatest exposure occurring if the city purchases the landfill. It is unclear from the Beck report whether Channel can pass on clean up costs to its ratepayers. If Channel can pass those costs on to its ratepayers, the liability issue may be substantially less significant than originally thought, because it will likely make little difference to the citizens whether they pay for the cleanup as Channel ratepayers or city taxpayers.

* Ability of Channel Landfill to Pay for Remediation Unknown. It is unknown whether Channel Landfill has the financial resources to pay any portion of clean up costs, in the event remediation is required.

* Ability of Channel Landfill to Pay for Upgrades Unknown. It is unknown whether Channel Landfill has the financial resources to bring its facilities into compliance with new laws and regulations which require upgrading the existing facilities.

* Channel's Interest in a Contractual Relationship with the City for Waste Disposal Unknown. It is unknown whether Channel would be interested in establishing a contract for disposal services with the city or if the city and Channel can come to mutually agreeable terms.

* Purchase or Contract for Use of Channel Incinerators Uncertain. It is uncertain whether Channel Landfill, Inc. would be willing to sell or lease its incinerators without including the landfill.

* Legal Issues Pertaining to Contract Option Unresolved. The Beck report identified several legal issues pertaining to the contract option which need to be resolved prior to pursuing that option.
COMMITTEE'S FINDINGS

Preparation of the matrix stimulated the committee's intensive scrutiny of the various options. The committee used the matrix to objectively determine which options best served its goals. A summary of the findings is provided below. The committee recognized, as R.W. Beck did, that simultaneous pursuit of some combination of options might be necessary.

Findings about Disposal Options

Disposal Option 1: Status Quo

The status quo received negative ratings by the committee when measured against five of the six goals including: control; financing (of needed improvements at the landfill facility); comprehensive services; environmental protection/human health and safety; and stability. As previously stated, a negative rating indicates that the option thwarts the goal. The status quo does not meet the committee's goals. Thus the status quo ranked lowest of the available options and was viewed as unacceptable.

Disposal Option 2: Purchase

The purchase option provides the city with more control over disposal than the status quo. The committee found that the purchase and new landfill options provide approximately the same degree of control over the waste disposal system. The contract option would provide substantially more control than the status quo but less than the purchase or new landfill options.

Variations between the three more favorable options (contract, purchase and new landfill) were noted. For instance, under all three options, the city would likely be eligible for some outside financial aid. However, city ownership of the landfill provides greater opportunity for state and federal grants and loans than does the contract option because many aid programs are not available to private enterprises. In addition, ownership ensures maximum degree of stability and reliability in disposal service. Ownership also provides control of revenue through tipping fees.

The purchase and new landfill options create an opportunity to provide all waste disposal services in one location. The committee noted this might negatively impact current recyclers.
Purchase of the existing facilities most readily exposes the city to liability for past disposal practices, according to the Beck study. The committee found there was insufficient environmental data available to determine what the extent of that liability might be. If new environmental data demonstrate that the Channel Landfill is "clean" and financial liability is small, it might be more cost effective to continue to use it rather than to build a new one.

Disposal Option 3: Contract

The contract option ranked higher than the purchase option in the analysis matrix because the contract option appeared to subject the city to less liability than purchase while largely achieving the advantages of purchase. The contract option would enable the city to tap into some alternative financing mechanisms, but probably not to the same extent as possible if the city owned the existing or new landfill facility.

Disposal Option 4: New Landfill

The committee found that the new landfill option best met the committee's goals. It provides all the benefits of ownership recognized in the discussion of purchase yet it does not increase the city's exposure to liability for past practices at the existing landfill. However, the committee recognized that the siting, design and construction of a new full-service landfill would take several years, so this option does not provide an immediate means to achieve the committee's goals. A different option or combination of options would need to be used in the interim. The Committee found that it is important that the city develop certain new programs within the next few months, specifically, facilities to handle household hazardous waste and used oil.

One drawback of the new landfill option is the possibility that the community would ultimately pay or assist in paying for closure of the old landfill at the same time it was paying to construct a new one. The committee felt that the impact of these two major expenses could be significantly reduced if the city were successful in obtaining state and/or federal grants to construct a new waste disposal facility. In addition to grants, impacts could be further reduced by phasing in use of the new facility while phasing out use of the old facility.

Findings about Collection Service Options

Collection Service Option 1: Status Quo

The committee found the status quo option to be unacceptable.
In its evaluation of the three collection service options, the committee ranked the status quo as the least desirable. The status quo provides no opportunity to introduce curbside recycling or variable can rates. Additionally, the city currently has no influence over the stability of the collection service. This option also received low scores because it did not provide for proper handling of hazardous wastes nor did it incorporate the concepts of integrated waste management.

However, one advantage of the status quo over other options is that it keeps the city most distant from liability, according to the Beck report.

**Collection Service Option 2: Purchase**

The purchase of the APUC certificates and collection equipment and facilities would be advantageous from the standpoint that the city would be able to control rates. Purchase of the collection system would also enable the city to fund comprehensive services from customer's fees. The committee viewed the purchase option as less advantageous because the city might be required to make capital expenditures for equipment not designed for recycling collection.

**Collection Service Option 3: Contract**

The Committee found that this option could only be exercised with the willingness of both certificate holders. The committee viewed the contract option as potentially more advantageous than purchase because the city would not be required to make capital expenditures for equipment.
COMMITTEE'S RECOMMENDATIONS

To accomplish the committee's goals, the city will need to take a more active role in Juneau's waste management.

The committee recommends the city take the following actions:

* **Environmental Assessment.** Obtain an environmental assessment of the Channel Landfill to determine extent of environmental contamination and cost of remediation (estimated by the R.W. Beck study to cost $300,000 to $400,000).

* **Purchase of Existing Landfill.** Do not purchase the Channel Landfill at this time. Once the environmental assessment and new landfill site selection are complete, reexamine the Channel Landfill purchase question. With the additional information, make a final determination whether it is best to open a new landfill or continue to use the existing landfill until it is full.

* **Appraisal of Channel Landfill.** Pending the findings of the environmental assessment, use an independent appraiser to determine the business value of the Channel Landfill.

* **New Landfill Site Selection.** Proceed with a site selection process and engineering/soils study to locate a new landfill (estimated cost, $250,000).

* **Legal Advice.** Seek legal advice to answer the unresolved issued and questions identified in the Beck report.
  - Can the city enact flow control?
  - Can the city enact mandatory waste collection?
  - Does the city procurement and bidding code allow the city to directly negotiate a contract with Channel Sanitation, Juneau Sanitation, and Channel Landfill?
  - Do Alaska statutes allow Channel Sanitation and Juneau Sanitation to transfer their APUC certificate to the city in return for a collection services contract? Can this be accomplished without the city purchasing Channel Sanitation's equipment and facilities?

* **Contracts with APUC Certificate Holders.** Work with Channel Sanitation and Juneau Sanitation to see if mutually acceptable collection services contracts can be developed and the APUC certificates transferred to the city.
Contract with Channel Landfill. Work with Channel Landfill to develop a contract to guarantee a certain tipping fee at the landfill. This contract should be effective until purchase of the existing landfill or construction of a new landfill facility is complete.

New Programs. Develop a household hazardous waste collection program and used oil program as soon as possible.

Work with Alaska Department of Environmental Conservation. Work with Alaska Department of Environmental Conservation to identify regulatory issues and establish agency position regarding remediation and future environmental control measures at the Channel Landfill.
APPENDIX I
### APPENDIX I

**GOALS/OPTIONS ANALYSIS**

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- 46.25
- 31.25
- 36.25
- 52.5
- 36.25
- 31.25
- 42.5

*Note: Points signify net points based on their corresponding rating. The net points are calculated by subtracting the rating from the points.*