SUBJECT: AN ORDINANCE OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY EXEMPTING THE BOROUGH LANDFILL FROM EARTH MATERIALS EXTRACTION PERMIT CODE REQUIREMENTS TO ALLOW GRAVEL MINING ON THE PROPERTY, WHICH HAS BEEN DESIGNATED AS RESERVE USE LANDS - SANITARY LANDFILL.

AGENDA OF: December 7, 2021

| ASSEMBLY AC | CION: | <u> </u> |      |        |         |
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|             |       |          |      |        | (MAC)   |

MANAGER RECOMMENDATION: Refer to Planning Commission for 90 days and thereafter, introduce, and set for public hearing.

APPROVED BY MICHAEL BROWN, BOROUGH MANAGER:

| Route To: | Department/Individual | Initials    | Remarks                         |
|-----------|-----------------------|-------------|---------------------------------|
|           | Originator            | DM M        | For:<br>Assembymember<br>Sumner |
|           | Planning              | (4)         |                                 |
|           | Finance               | CV          |                                 |
|           | Borough Attorney      | B           |                                 |
| 2/480     | Borough Clerk         | Arm 11/29/2 | 1                               |

ATTACHMENT(S): Fiscal Note: YES \_\_\_\_ NO \_X Ordinance Serial No. 22-003 (2 pp)

SUMMARY STATEMENT: Matanuska-Susitna Borough (MSB) Planning Department seeks the support of the Assembly to exempt the Borough landfill from existing code requirements related to gravel mining on the property designated as Reserve-use Lands - Sanitary Landfill in 1989 in Resolution Serial No. 89-182. The exemption will provide authority to execute efficient cell construction and gravel disposal necessary for the operation of the landfill and will save an average of approximately one million dollars every two years or more than \$50 million over the useful life of the facility.

The ability to economically construct cells and manage gravel within the Palmer Central Landfill has a Borough-wide impact. Granting the Solid Waste Division the authority to manage excess gravel through material sales significantly reduces the capital infrastructure and operating costs of the landfill, which helps

keep waste disposal fees low.

Mining one cell at a time with separate permits and contracts is inefficient and more costly than systematically excavating and disposing of excess material. Authority to continuously dispose of the excess gravel allows a value-producing alternative to the landfill development process. Savings from gravel sales generate a \$2 to \$3 million reduction in the construction cost of each landfill cell. These sales help the Assembly slow the growth of disposal fees and provide cost savings to every resident, business, government and non-government organization in the Borough.

Recent events where obtaining small gravel mining permits was required by code resulted in the loss of a contract estimated to have a remaining savings value of over \$4.2 million. In 2016, the Land Management Division, at the request of the Solid Waste Division, put forth a request for an Interim Materials District (IMD) (see Ordinance Serial No. 16-090, IM No. 16-128) encompassing an area that would allow excavations to take place creating a new Construction and Demolition (C&D) cell (C&D Cell 2) and the next two Municipal Solid Waste (MSW) cells.

The IMD includes only a portion of the Central Landfill, effectively removing an area already approved by the Assembly and permitted by the State of Alaska for landfill use. Mining the remaining landfill cells would provide a construction cost savings and would earn gravel sales. Additionally, gravel reject, used extensively at the landfill for waste cover and road repair, could be mined and stockpiled as a valuable and useful material, saving additional money over time.

Should the Assembly waive the permit requirements for the Central Landfill, it would retain the authority to oversee cell construction and gravel disposal at the landfill through the contract award process. This action keeps decisions that impact every resident and business in the Borough at the Assembly level rather than allowing such wide-reaching decisions to be made at a lower level.

The Solid Waste Division will continue to develop the landfill property with cost efficiency, low impact on our neighbors and trail protection as top priorities. Costs continue to rise in the waste disposal business as regulatory requirements increase and as population growth results in more demand for waste disposal. Authorizing cost-efficient cell construction with excess gravel disposal will help reduce costs and keep rates low.

Page 2 of 2 IM No. 22-004

By:

Introduced: Public Hearing:

Action:

Alex Strawn January 17, 2022 February 7, 2022

FAILED

MATANUSKA-SUSITNA BOROUGH PLANNING COMMISSION RESOLUTION NO. PC 22-03

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH PLANNING COMMISSION RECOMMENDING APPROVAL OF AN ORDINANCE EXEMPTING THE BOROUGH LANDFILL FROM EARTH MATERIALS EXTRACTION PERMIT CODE REQUIREMENTS TO ALLOW GRAVEL MINING ON THE PROPERTY, WHICH HAS BEEN DESIGNATED AS RESERVE USE LANDS - SANITARY LANDFILL.

WHEREAS, exempting the landfill from permitting requirements for gravel extraction will provide authority to execute efficient cell construction and gravel disposal necessary for the operation of the landfill and will save an average of approximately one million dollars every two years or more than \$50 million over the useful life of the facility; and

WHEREAS, the ability to economically construct cells and manage gravel within the Palmer Central Landfill has a Borough-wide impact; and

WHEREAS, granting the Solid Waste Division the authority to manage excess gravel through material sales significantly reduces the capital infrastructure and operating costs of the landfill, which helps keep waste disposal fees low; and

WHEREAS, mining one cell at a time with separate permits and contracts is inefficient and more costly than systematically excavating and disposing of excess material; and

WHEREAS, authority to continuously dispose of the excess gravel allows a value-producing alternative to the landfill development process; and

WHEREAS, savings from gravel sales generate a \$2 to \$3 million reduction in the construction cost of each landfill cell. These sales help the Assembly slow the growth of disposal fees and provide cost savings to every resident, business, government and non-government organization in the Borough; and

WHEREAS, the MSB would retain the authority to oversee cell construction and gravel disposal at the landfill through the contract award process; and

WHEREAS, the Solid Waste Division will continue to develop the landfill property with cost efficiency, low impact on our neighbors and trail protection as top priorities; and

WHEREAS, costs continue to rise in the waste disposal business as regulatory requirements increase and as population growth results in more demand for waste disposal. Authorizing costefficient cell construction with excess gravel disposal will help reduce costs and keep rates low.

NOW, THEREFORE, BE IT RESOLVED, that the Matanuska-Susitna Borough Planning Commission hereby recommends approval of ordinance 22-003 an ordinance of the Matanuska-Susitna Borough Assembly exempting the borough landfill from earth materials extraction permit code requirements to allow gravel mining on the property, which has been designated as reserve use lands - sanitary landfill.

ADOPTED by the Matanuska-Susitna Borough Planning Commission this 7th day of February, 2022.

Stafford Glashan, Chair

ATTEST

KAROL RIESE, Planning Clerk

(SEAL)

YES: Commissioner Glashan

NO: Commissioner Rubeo, Commissioner Chesbro, Commissioner Glenn, Commissioner Scoggin, Commissioner Allen