

SUBJECT: REAPPROPRIATING \$125,000 FROM SOLID WASTE PROJECT FUND 25048-2400-2429; AND \$158,000 FROM SOLID WASTE PROJECT FUND 25020-2400-2414; AND \$978,320 FROM THE SOLID WASTE ENTERPRISE FUND TO SOLID WASTE PROJECT FUND 25007 FOR THE DESIGN & BUILD OF THE CENTRAL LANDFILL HOUSEHOLD HAZARDOUS WASTE FACILITY.

AGENDA OF: August 4, 2026

ASSEMBLY ACTION:

AGENDA ACTION REQUESTED: Present to the Assembly for consideration.

Route To	Signatures
Originator	7 / 21 / 2026 X K i e r s t y n H o l l i b a u g h Signed by: K i e r s t y n H o l l i b a u g h
Solid Waste Division Manager	Recoverable Signature X J e f f S m i t h Signed by: J e f f S m i t h
Public Works Director	7 / 21 / 2026 X T o m A d a m s , P E Signed by: T o m A d a m s
Purchasing Director	7 / 21 / 2026 X R K r a f f t Signed by: R o b e r t K r a f f t
Finance Director	Recoverable Signature X C h e y e n n e H e i n d e l Signed by: C h e y e n n e H e i n d e l
Borough Attorney	7 / 21 / 2026 X N i c h o l a s S p i r o p o u l o s Signed by: N i c h o l a s S p i r o p o u l o s
Borough Manager	7 / 21 / 2026 X M i c h a e l B r o w n Signed by: M i c h a e l B r o w n
Borough Clerk	7 / 22 / 2026 X L o n n i e M c K e ... Signed by: L o n n i e M c K e a h l e

ATTACHMENT (S) : Resolution No. 26-076 (1pp)
Ordinance Serial No. 26-094 (2pp)
Fiscal Note (1pp)

SUMMARY STATEMENT:

Approval is requested to appropriate an additional \$978,320 for completion of the Household Hazardous Waste (HHW) Facility and to

reallocate \$283,000 in previously appropriated Solid Waste capital funds from other Solid Waste projects. These actions will fully fund construction of the new HHW Facility, including all approved add alts and an approximate 6.5% or \$350,000 project contingency.

The Public Works Solid Waste Division previously appropriated funding for the design and construction of a permanent Household Hazardous Waste Facility to improve the safe collection, storage, and management of household hazardous waste generated by Borough residents in accordance with applicable ADEC requirements and regulatory standards.

The existing Household Hazardous Waste facility has exceeded its intended service life and no longer provides adequate space or functionality to meet the Borough's current operational needs. Limited storage capacity restricts the amount and variety of household hazardous waste that can be safely accepted and stored, reducing operational efficiency and increasing material handling requirements. In addition, the existing facility does not incorporate several design features that are now required or expected under current fire and life safety codes, environmental regulations, and industry best practices. The new facility will provide modern infrastructure designed to meet current ADEC requirements, applicable fire and building codes, and operational needs while improving worker safety, environmental protection, and customer service. Without construction of the new facility, the Borough will continue to operate from an undersized and aging facility that limits operational efficiency, increases maintenance demands, and does not adequately support the long-term needs of the Borough's household hazardous waste program.

As the project advanced through final design, permitting, and bid development, several fire code-required upgrades were identified that were not anticipated nor required when the original project scope and budget were developed. These improvements are necessary to comply with current building, fire, and life safety requirements while ensuring the facility can operate safely, efficiently, and reliably for many years.

The current construction cost, including add alternates, and \$350,000 project contingency funds increases the total project budget to \$5,828,300. Existing project funding totals \$4,566,980, resulting in a funding shortfall of \$1,261,320.

Staff evaluated multiple cost-saving measures before bringing this request forward and reviewed existing Solid Waste capital projects to identify funding available for reallocation. As a result, \$283,000 has been identified to reallocate to the Household Hazardous Waste (HHW) Facility project to fund required project

improvements and construction costs identified during final design. This includes \$125,000 from the Lowboy Trailer Replacement Project (25048-2400-2429), which is no longer required, and \$158,000 in remaining funds from the completed Cell 4 Expansion Project (25020-2400-2414).

Reallocating these previously appropriated funds reduces the need for additional funding by \$283,000 lowering the required supplemental proportion from \$1,261,320 to \$978,320 preserving the project's scope, maintaining compliance with applicable code requirements, and ensuring the facility delivers its intended long-term operational and environmental benefits.

Major project additions include:

- Enhanced fire suppression systems, including a 40,000-gallon containment tank and 35,600-gallon fire suppression tank, required to comply with current fire and life safety codes.
- Lithium Battery storage system required upgrades,
- A backup emergency power system to maintain critical building operations, ventilation, environmental controls, and life-safety systems during power outages.
- Increased construction, material, equipment, and specialty system costs since the original project estimate.
- An expanded oil recovery and reuse system that allows collected used motor oil to be safely recycled and utilized as the primary heating fuel for the facility. The system was expanded beyond the original design assumptions to accommodate anticipated used oil volumes and facility heating requirements. This system is expected to reduce annual operating costs by approximately \$30,000 to \$40,000 by eliminating most costs associated with transporting and disposing of used motor oil while significantly reducing or eliminating the need to purchase natural gas for heating the building. Rather than paying to dispose of used oil, the Borough will beneficially reuse this material as a heating fuel source for facility operations.

A \$350,000 project contingency is included to address unforeseen field conditions, provide flexibility during construction, account for potential material or construction-related changes, and reduce the likelihood of future supplemental appropriations.

FISCAL IMPACT

Upon approval, the project will be funded as follows:

<u>Funding Source</u>	<u>Amount</u>
Existing Project Funding	\$4,566,980
Reallocation - Lowboy Trailer Replacement Project	\$125,000

Reallocation - Cell 4 Expansion Project	\$158,000
New Appropriation - Solid Waste Enterprise Fund	\$978,320
Total Project Funding	\$5,831,980

BENEFITS

Completion of the Household Hazardous Waste Facility will:

- Provide a permanent, modern facility for the safe collection and management of household hazardous waste.
- Improve protection of public health and the environment through enhanced handling and storage of hazardous materials.
- Meet current building, fire, and life safety requirements.
- Lithium Battery storage system required upgrades,
- Improve operational reliability through emergency backup power.
- Reduce long-term operating costs by utilizing collected used motor oil as a heating fuel source, saving an estimated \$30,000 to \$40,000 annually while significantly reducing or eliminating natural gas heating costs.
- Improve the long-term sustainability and efficiency of the Borough's household hazardous waste program.

RECOMMENDATION OF ADMINISTRATION:

Administration recommends approval of the supplemental appropriation of \$978,320 from the Solid Waste Enterprise Fund and authorization to reallocate \$283,000 in previously appropriated Solid Waste capital funds from the Lowboy Trailer Replacement Project and the Cell 4 Expansion Project to Project Fund 25007 to support and complete the Household Hazardous Waste Facility project and required facility improvements and construction.

MATANUSKA-SUSITNA BOROUGH

FISCAL NOTE

Agenda Date: 8/4/2026

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FISCAL ACTION (TO BE COMPLETED BY FINANCE)	FISCAL IMPACT YES NO
AMOUNT REQUESTED \$1,261,320.00	FUNDING SOURCE Landfill Capital Projects and Solid Waste Operating Budget
FROM ACCOUNT # 420.000.000 4xx.xxx/510.000.000 4xx.xxx	PROJECT#25048-2400-2429/25020-2400-2414
TO ACCOUNT: 420.000.000 3xx.xxx	PROJECT # 25007
VERIFIED BY: X <u>L i e s e l Z a n t o</u> 7 / 2 1 / 2 0 2 6 Signed by: L i e s e l Z a n t o	

EXPENDITURES/REVENUES:

(Thousands of Dollars)

OPERATING	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
Personnel Services						
Travel						
Contractual						
Supplies						
Equipment						
Land/Structures						
Grants, Claims						
Miscellaneous		978.3				
TOTAL OPERATING						

CAPITAL		283.0				
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REVENUE						
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FUNDING:

(Thousands of Dollars)

General Fund						
State/Federal Funds						
Other		1 2 6 1 3				
TOTAL		1 2 6 1 3				

POSITIONS:

Full-Time						
Part-Time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

APPROVED BY:	 Recoverable Signature X <u>C h e y e n n e H e i n d e l</u> Signed by: C h e y e n n e H e i n d e l
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