

**CITY OF HOMER
HOMER, ALASKA**

City Manager
Public Works Director

RESOLUTION 25-009

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA
REQUESTING THE KENAI PENINSULA BOROUGH PROVIDE THE
CITY OF HOMER A FEE WAIVER FOR SCRAP METALS AND
BRUSH/SLASH AND AUTHORIZING THE CITY MANAGER TO
NEGOTIATE DISPOSAL TERMS WITH THE KENAI PENINSULA
BOROUGH.

WHEREAS, The Kenai Peninsula Borough Solid Waste Department (KPB) raised disposal
rates for Inert Waste at the Homer Landfill (Landfill) from \$45/ton to \$90/ton on January 1,
2024; and

WHEREAS, Inert Waste includes demolition debris, metals, tires, and brush/slash; and

WHEREAS, The increase of disposal costs associated with brush/slash exhausted the City
of Homer's (City) Public Works Department's annual budget (greater than \$5,000) for disposal
of brush in one Right-of-Way clearing effort; and

WHEREAS, The City makes considerable effort to reduce the quantity of brush and land
clearing debris that is hauled to the landfill by offering usable wood to the public and more
recently utilizing a wood chipper to make woodchips for parks and trails in avoidance of
disposal costs; and

WHEREAS, The City routinely segregates and disposes of scrap metals such as used
culverts, old fire hydrants, and metal pipes into the Scrap Metal Pile at the Landfill; and

WHEREAS, The scrap metals disposed of by the City have a much higher weight to
volume ratio than standard inert waste and are being charged at a premium; and

WHEREAS, The KPB contracts with Peninsula Scrap and Salvage to manage and recycle
the desirable high iron metals such as those the City disposes of; and

WHEREAS, The brush/slash and Scrap Metal waste hauled by the City is essentially
waste derived by serving the residents who pay for the landfill services; and

WHEREAS, Residents of the City are offered free disposal by the KPB; and

WHEREAS, The costs to the KPB for managing brush/slash are approximately \$10/ton, and the costs associated with managing scrap metals are less than \$10/ton since a contractor recycles that material for free making the impact to the KPB negligible.

NOW THEREFORE BE IT RESOLVED that the Homer City Council hereby requests the Kenai Peninsula Borough provide a fee waiver to the City of Homer for brush/slash and scrap metal disposal and authorizes the City Manager to negotiate the appropriate documents.

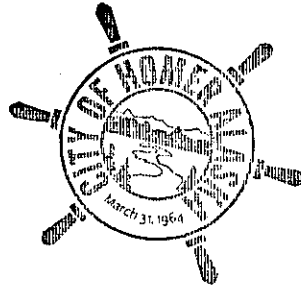
PASSED AND ADOPTED by the Homer City Council this 10th day of February, 2025.

CITY OF HOMER


DONNA ADERHOLD, MAYOR PRO TEM

ATTEST:


RENEE KRAUSE, MMC, CITY CLERK





MEMORANDUM

Resolution 25-009, A Resolution of the City Council of Homer, Alaska, Requesting the Kenai Peninsula Borough Provide the City of Homer a Fee Waiver for Scrap Metals and Brush/slash and Authorizing the City Manager to Negotiate Disposal Terms with the Kenai Peninsula Borough. City Manager/Public Works Director.

Item Type: Backup Memorandum
Prepared For: Mayor Lord and City Council
Date: January 15, 2025
From: Daniel Kort, Public Works Director
Through: Melissa Jacobsen, City Manager

Issue: The purpose of this Memorandum is to request the Kenai Peninsula Borough (KPB) consider providing the City of Homer (City) a Long-Term exemption of Disposal Fee's for Scrap Metals and Brush/slash in the form of a fee waiver.

Background: On January 1, 2024 the Kenai Peninsula Borough – Solid Waste Department raised disposal rates for inert waste from \$45/ton to \$90/ton. Inert Waste includes wastes such as construction/demolition debris, tires, brush/slash, scrap metals and appliances.

The City's first Right-of-Way clearing project in the spring of 2024 resulted in brush/slash disposal fees of over \$5,000 which exceeded the City's total annual budgeted amount for brush disposal for a fiscal year. Scrap Metals by nature of their weight to volume ratio have a much higher density and weight than standard inert waste, and therefore the cost to dispose of a small volume of Scrap Metals is much higher than an equal volume of standard construction and demolition debris.

The Public Works Director previously held the KPB Solid Waste Director position and has extensive knowledge on how the wastes are managed and the costs associated with management of these waste streams at the KPB facilities. The KPB has either contracted out management of Brush/slash or managed it in-house over the past several years. The cost of management of the brush via a contractor had been less than \$10/ton on an annual basis, and the cost had been less than that while managed with in-house efforts.

The KPB manages scrap metals by maintaining a segregated pile separate from the rest of the inert waste. On at least an annual basis, Peninsula Scrap and Salvage comes to the KPB landfills to bale scrap metals for recycling at no charge. The KPB spends approximately \$1 to \$5/ton to manage the

scrap metals pile between events where Peninsula Scrap and Salvage remove scrap metals from the site.

In general, the Borough tries to maintain the disposal rates at a rate reflective of the cost to manage and dispose of the waste material. In the case of scrap metals and brush/slash, it appears as though these disposal fees are significantly higher than the management costs. The Borough offers free disposal to KPB residents and only charges disposal fees to commercial entities. The municipalities are classified as a commercial disposer, however these municipalities are technically an aggregation of residential disposers and the waste they generate is more related to the service the municipality provides to the municipalities residents which are KPB residents.

On June 12, 2024, the Public Works Director reached out to the Borough's Solid Waste Director to make the case for separating Scrap Metal and Brush/slash from the Inert Waste Fee and a reduce the Fee for all disposers, or annually exempt municipalities from disposal fees associated with Scrap Metals and Brush/slash with the justification being that the municipalities are clearing ROW's for the benefit of the public. Additionally, the municipalities do not generate revenue from these activities like other "commercial disposers", so it doesn't make sense to group municipal disposers in the same group as a commercial disposer. The Public Works Director also reached out to KPB Assembly Member Cooper to advocate on the City's behalf at the Borough for some relief on this disposal issue. This first effort was unsuccessful at getting a response.

The Public Works Director reached out again on September 24, 2024 and received a response that the Solid Waste Director was not interested in creating a new fee structure, however he would consider development of a Fee Waiver for the City. There were no returned follow-up conversations on this topic by the Solid Waste Director after this conversation.

While the City understands the KPB's challenges with managing the various waste streams at the KPB disposal facilities, there is concern that the costs being charged to the municipalities for disposal of scrap metals and brush are significantly greater than the cost of management.

Recommendation: That the City Council authorizes the City Manager to negotiate with the KPB in instituting an Annual Municipal Fee Waiver for the disposal of scrap metal and brush/slash, or create new disposal categories with rates more reflective of the cost for disposal.