

Kenai Peninsula Borough

Solid Waste Department

MEMORANDUM

TO: Brent Johnson, Assembly President
Members, Kenai Peninsula Borough Assembly

THRU: Mike Navarre, Mayor *MN*
Brandi Harbaugh, Finance Director *BH*

FROM: Lee Frey, Solid Waste Director *LF*

DATE: February 9, 2023

RE: Ordinance 2022-19-47, Appropriating \$330,000 from the General Fund to Support the Central Peninsula Landfill Operating Budget for FY23 (Mayor)

The Central Peninsula Landfill's (CPL) operating budget has been impacted by several issues during the current fiscal year. The original amount for fuel and oils was under-budgeted by a significant amount. In addition, the fuel price increases this year have had an impact.

Other major cost impacts are equipment breakdowns and the increase in material costs for our heavy equipment. The CPL's excavator needed a hydraulic pump replaced in Anchorage and had electric issues upon its return. The cost of the repair and the rental excavator cost were unexpected. The D8 dozer also required an undercarriage rebuild a year earlier than anticipated. The parts costs were a major impact, but we were able to complete the repairs in-house.

As part of the leachate improvements project construction, we had a leachate spill on the property. This was caused by a rush to drain standing water from Cell 3 prior to freeze up for placement of waste and the existing pond and tank being full. As a result of the spill, we are installing a new monitoring well and completing soil testing at the site in the spring as required by the Department of Environmental Conservation. This cost will impact the CPL operating budget this spring.

We have transferred significant funding within the CPL budget to accommodate costs as they have arisen. We are requesting an additional \$130,000 for fuel and utility costs, \$120,000 for equipment repairs and maintenance, and \$80,000 for installation of a new monitoring well and soils testing.

The Solid Waste Department recommends appropriation of \$330,000 for the Central Peninsula Landfill Operating Budget.

Your consideration is appreciated.

FINANCE DEPARTMENT FUNDS VERIFIED	
Acct. No.:	<u>100-27910 FB</u>
Amount:	\$ <u>330,000</u>
By:	<i>LF</i> Date: <u>2/8/2023</u>