

Agenda Information Sheet

DEPARTMENT: **Solid Waste & Recycling Department**

CM/ ACM: **Mario Canizares**

Date: **September 19, 2017**

SUBJECT

..Title

Receive a report, hold a discussion, and give staff direction regarding the Solid Waste Department's landfill mining operation.

..Body

BACKGROUND

In 2015, the City of Denton's Solid Waste Department recommended a multi-year landfill mining operation as a new program in the department's proposed FY 2015-16 Budget. The Public Utilities Board (PUB) and the City Council were briefed on the program as part of the budget process before eventually approving the operation as part of the City's FY 2015-16 Budget.

On August 4, 2015, the City Council approved a three (3) year interagency agreement between the City of Denton and the University of Texas at Arlington (UTA) for landfill mining research. During a Work Session on November 17, 2015, the City Council received a briefing on landfill mining which included results from existing UTA research and a report on the various benefits of landfill mining. During that discussion, staff expressed that mining would begin in mid-2016. It is worth noting that neither a financial analysis nor a feasibility study was provided as part of the aforementioned presentations.

Beginning in January 2016, a series of equipment purchases totaling \$4.56 million were authorized by the PUB and Council, and Solid Waste staff began reorganizing operations to prepare for landfill mining. To date, \$3.51 million has been expended on equipment and additional operational expenses have been incurred. Despite these expenditures, the mining operation has not broken ground and a number of operational challenges have not been addressed.

Following recent organizational changes, staff began evaluating a number of Solid Waste projects and operations. As part of these efforts, a financial analysis of the landfill mining operation was performed. After reviewing the results, staff halted further investments into the mining operation and cancelled outstanding equipment orders. Staff presented results of the analyses to the Public Utility Board (PUB) on September 11, 2017. Staff recommended eliminating the landfill operations, and following the presentation and discussion, the PUB supported this recommendation by a vote of 6-0. Staff is seeking policy direction from the City Council on the future of the landfill mining operation.

OPTIONS

The City Council may direct staff to eliminate the landfill mining operation, proceed with the operation, or provide an alternative course of action.

RECOMMENDATION

Staff recommends eliminating the landfill mining operation effective immediately.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

July 13, 2015 – PUB recommended approval of University of Texas at Arlington research agreement.

August 4, 2015 – City Council approves University of Texas at Arlington research agreement.

November 17, 2015 – City Council Work Session on landfill mining.

December 15, 2015 – City Council authorizes grant application for equipment funding.

January 9, 2016 – PUB recommends purchase of equipment.

January 10, 2016 – City Council approves purchase of equipment.

January 25, 2016 – PUB recommends purchase of equipment.

March 28, 2016 – PUB recommends purchase of equipment.

September 12, 2016 – PUB recommends purchase of equipment.

September 20, 2016 – City Council approves purchase of equipment.

November 7, 2016 – PUB recommends purchase of equipment.

November 8, 2016 – City Council approves purchase of equipment.

February 13, 2017 – PUB recommends purchase of equipment.

February 21, 2017 – City Council approves purchase of equipment.

September 11, 2017 – PUB recommends eliminating the landfill mining operation.

FISCAL INFORMATION

The landfill mining operation is currently funded from the Solid Waste Department's Operating Fund and Capital Improvement Program (CIP).

STRATEGIC PLAN RELATIONSHIP

The City of Denton's Strategic Plan is an action-oriented road map that will help the City achieve its vision. The foundation for the plan is the five long-term Key Focus Areas (KFA): Organizational Excellence; Public Infrastructure; Economic Development; Safe, Livable, and Family-Friendly Community; and Sustainability and Environmental Stewardship. While individual items may support multiple KFAs, this specific City Council agenda item contributes most directly to the following KFA and goal:

Related Key Focus Area: Sustainable & Environmental Stewardship
Related Goal: 2.5 Develop Capital Improvement Program (CIP) based on community needs

EXHIBITS

Presentation

Respectfully submitted:
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Director of Solid Waste