



Gallatin Solid Waste

Management District

Annual Report

July 1, 2014 – June 30, 2015

The Gallatin Solid Waste Management District Manages the Logan Landfill and the Bozeman Convenience Site. The Logan Landfill is a modern environmentally friendly regulated state-of-the-art Class II landfill.

Internal Programs include *☺*Special Wastes*☺*Environmental Monitoring*☺*Recycling*☺*Education and Outreach*☺*

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A Letter From the District Manager

I am pleased to present the Annual Report for the Gallatin Solid Waste Management District for Fiscal Year 2015 prepared by Dawn Chretien and the Gallatin Solid Waste Management District staff. This year's annual report provides a summary of the past fiscal year and provides an analysis of the programs offered by the Gallatin Solid Waste Management District. This report covers the time period from July 1, 2014 to June 30, 2015.

During the past year, the District continued to offer a wide variety of solid waste solutions. This included the operation of the Logan Landfill, as well as the waste diversion programs the District offers throughout Gallatin County. The Logan Landfill received and processed 128,179 tons of waste in Fiscal Year 2015. The District's e-waste, fluorescent bulb, clean wood, and composting programs continue to provide additional waste diversion options at the Logan Landfill. The District awarded a new three year contract to Four Corners Recycling for hauling, site maintenance, and processing services for the District's seventeen recycling sites in Gallatin County. The District modified the waste acceptance criteria and implemented an additional bulky item fee at the Bozeman Convenience Site. The changes implemented at the Bozeman Site significantly reduced the operational costs of the facility. The Household Hazardous Waste program continues to increase in popularity and diverted a wide range of hazardous materials from the landfill.

Notable capital improvements for Fiscal Year 2015 included the completion of the shop wash bay. The wash bay will ensure regulatory compliance and assist with equipment maintenance and safety. Landfill staff completed the reclamation and stream bank restoration project at the Logan Spring damaged from the excessive runoff and flooding in March of 2014. The District developed and completed Phase I of the Soil Vapor Extraction pilot program with MDEQ and Great West Engineering. The District purchased a new John Deere 850K dozer for landfill operations and projects.

The District continued to implement the reclamation and improvement plan for the Logan Springs Ranch. The District harvested 310 acres of winter wheat producing 3,189 bushels, which the District sold for \$18,433. The improvement of the Logan Springs Ranch is a key component for the proposed land exchange with the DNRC, which received preliminary approval from the Montana Board of Land Commissioners on December 15, 2014. The proposed land swap is currently under due diligence review with the DNRC, awaiting final evaluation and approval from the Land Board. The District will continue to implement the Logan Springs Ranch improvement project to facilitate final approval of the proposed land swap with the DNRC. The final approval of the land swap is critical for determining the future development and expansion of the Logan Landfill and the Gallatin Solid Waste Management District.

In the next year, the District is planning to construct the compost expansion area once the facility license expansion is approved by the MDEQ. The District plans to develop and implement Phase II of the Soil Vapor Extraction pilot program with MDEQ and Great West Engineering. The District is budgeting for the purchase of a new landfill compactor for landfill operations at the Logan Landfill.

The Gallatin Solid Waste Management District will continue to provide not only essential services, but also offer alternate disposal options under our umbrella of solid waste management. The District's hardworking, dedicated, and versatile staff, with the input and oversight of the Solid Waste Board, continues to achieve lasting improvements while providing solid waste solutions for the residents of Gallatin County. With the current and projected growth of Gallatin County, the District will be instrumental in providing essential solid waste services and remain a valuable asset for Gallatin County.

Sincerely,

Jim Simon

Jim Simon, District Manager
Gallatin Solid Waste Management District

Gallatin Solid Waste Management District

The Gallatin Solid Waste Management District was created by the Gallatin Commissioners on May 20, 2003, by Resolution #2003-054.

Gallatin Solid Waste Management District

Mission Statement

The purpose of the Gallatin Solid Waste Management District is: to provide constituents with cost efficient solid waste services; to provide for the balanced consideration and representation of the diverse views and issues regarding solid waste management; to advocate for the health, safety and welfare of the residents; to manage the processing, reclaiming, storing, transporting, or disposing of waste in ways that protect the ecology of lands in the District; to identify goals, policies and procedures that will aid local jurisdictions in meeting solid waste reduction and recycling goals.

Gallatin Solid Waste Management District

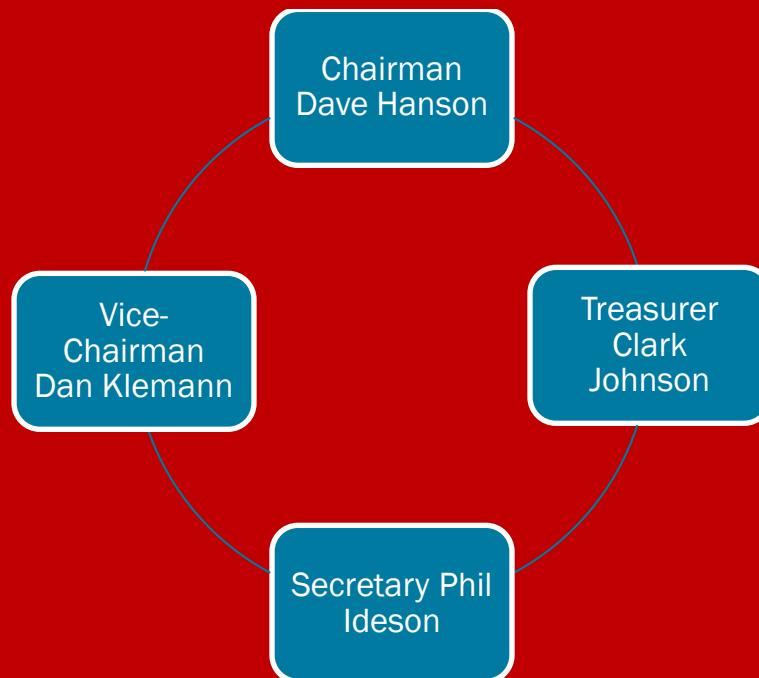
Board

The Gallatin Solid Waste Management District Board consists of representatives from the Cities of Belgrade, Bozeman, Three Forks, and Manhattan. Two additional seats are occupied by Members-at-large, and the remaining seat is occupied by a County Commissioner.

The District operates as an enterprise fund. The values and operating principles are customer focus that is responsive, prompt, compassionate and provides quality service; Accountability for being responsible and cost effective in the use of public resources; Teamwork that promotes creative cooperation; Communication that is open and honest with sharing of information and ideas and; Professionalism in everything we do by being innovative, qualified, honest, full of integrity, and personal excellence.

Board of Officers FY 2014-2015

The Board of Directors for Fiscal Year 2014 - 2015 are: Clark Johnson, City of Manhattan; R. Stephen White, Gallatin County Commissioner, Commission District #3; Dave Hanson, City of Three Forks; Dan Klemann, Member at Large; Phil Ideson Member at Large; Kevin Handelin, City of Bozeman. No Belgrade Representative from 4/1/2014 – 6/30/2015.



***The price of success is hard work,
dedication to the job at hand,
and the determination that
whether we win or lose,
we have applied the best of ourselves
to the task at hand.***

- Vince Lombardi



**Table 1 3-Year Comparison of the Gallatin Solid Waste Management District Budget
Final Approval to Actual Budget Expended for Fiscal Years 2013, 2014, 2015**

Object of Expenditures	Final Budget Approved FY 2013	Actual Budget Expended FY 2013	Final Budget Approved FY 2014	Actual Budget Expended FY 2014	Final Budget Approved FY 2015	Actual Budget Expended FY 2015
Personnel	\$ 950,965	\$ 844,907	\$ 963,853	\$ 843,178	\$ 976,425	\$869,072
Operations	2,081,529	1,683,106	2,077,544	1,949,371	1,985,076	1,536,330
Debt Service	392,556	380,491	134,060	130,573	132,810	129,788
Capital Outlay	1,165,700	473,650	5,982,606	398,474	6,798,761	733,950
Transfers Out	-----	-----	-----	-----		
Reserves	-----	-----	-----	-----		
Total	<u>\$4,590,750</u>	<u>\$3,382,154</u>	<u>\$9,158,063</u>	<u>\$3,321,596</u>	<u>\$9,893,072</u>	<u>\$3,269,140</u>
Budget by Fund Group						
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Project Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise Funds	\$4,590,750	\$3,382,154	\$9,158,063	\$3,321,596	\$9,893,072	\$3,269,140
Internal Service Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Trust & Agency Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	<u>\$4,590,750</u>	<u>\$3,382,154</u>	<u>\$9,158,063</u>	<u>\$3,321,596</u>	<u>\$9,893,072</u>	<u>\$3,269,140</u>
Funding Sources						
Tax Revenues	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Tax Revenues	\$4,027,200	\$1,002,994	\$828,500	\$729,668	\$3,864,367	\$3,818,562
Cash Reappropriated	\$ 563,550	\$2,379,160	\$8,329,563	\$2,591,928	\$6,028,705	(\$549,422)
Total	<u>\$4,590,750</u>	<u>\$3,382,154</u>	<u>\$9,158,063</u>	<u>\$3,321,596</u>	<u>\$9,893,072</u>	<u>\$3,269,140</u>

Gallatin Solid Waste Management District Administration

Daily operations of the Gallatin Solid Waste Management District are administered by professional staff,
headquartered at the
Logan Landfill

Gallatin Solid Waste Management District
10585 Two Dog Road
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(Go to Departments/Gallatin Solid Waste Management District)



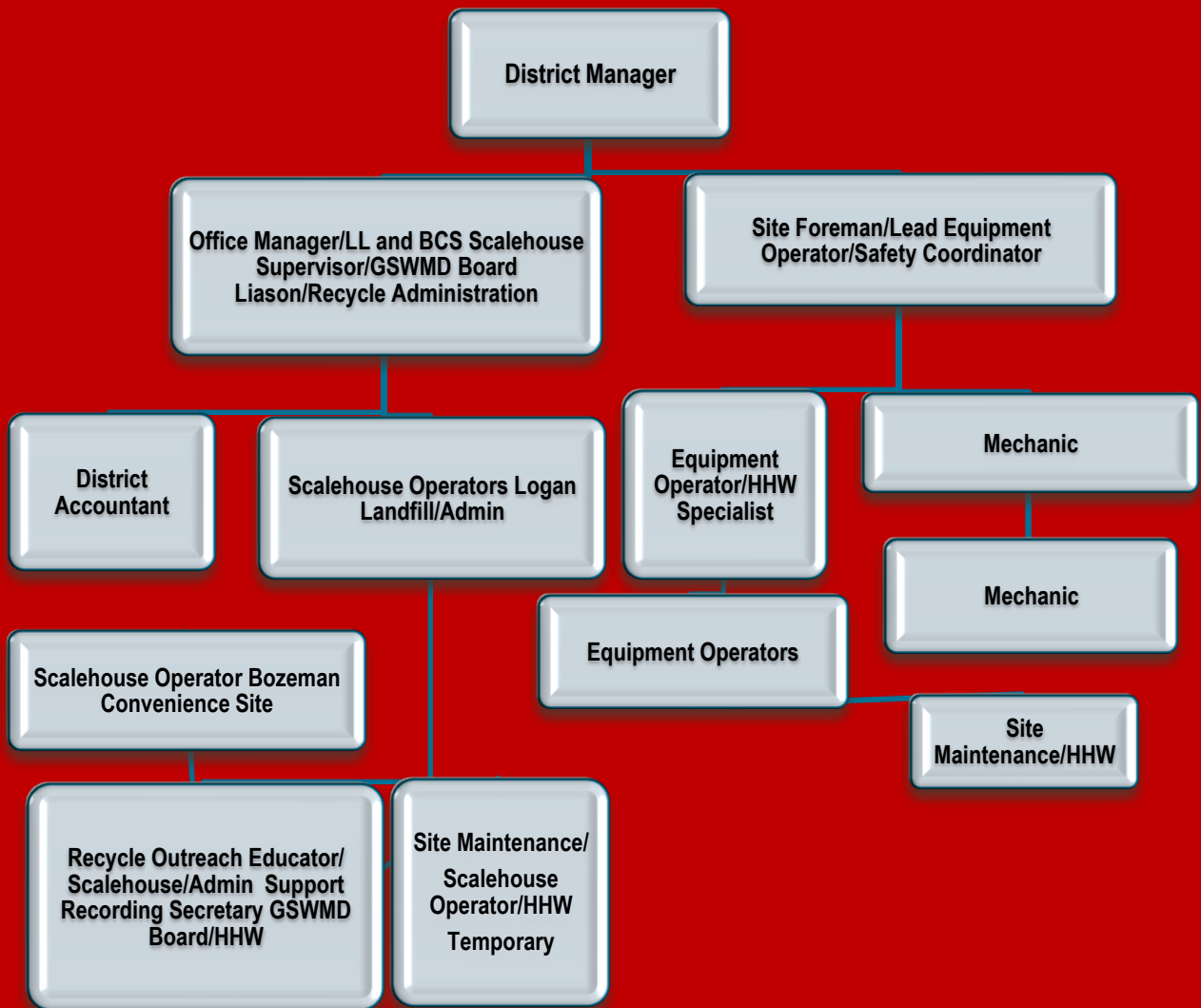
Gallatin Solid Waste Management District Operations

The District ended Fiscal Year 2014-2015 with a staff of 14 Full time regular employees. The District Manager; Office Manager; Accountant, 4 Equipment Operators; 1 Site Foreman/Lead Operator; 2 Mechanics; 2 Scalehouse Attendants at the Logan Landfill and 1 Scalehouse Attendant at the Bozeman Convenience Site and; 1 Site Maintenance position. The District hired a temporary Scalehouse/Site Maintenance at the end of May.



Gallatin Solid Waste Management District

Organizational Chart



Logan Landfill Operations

District Tonnages

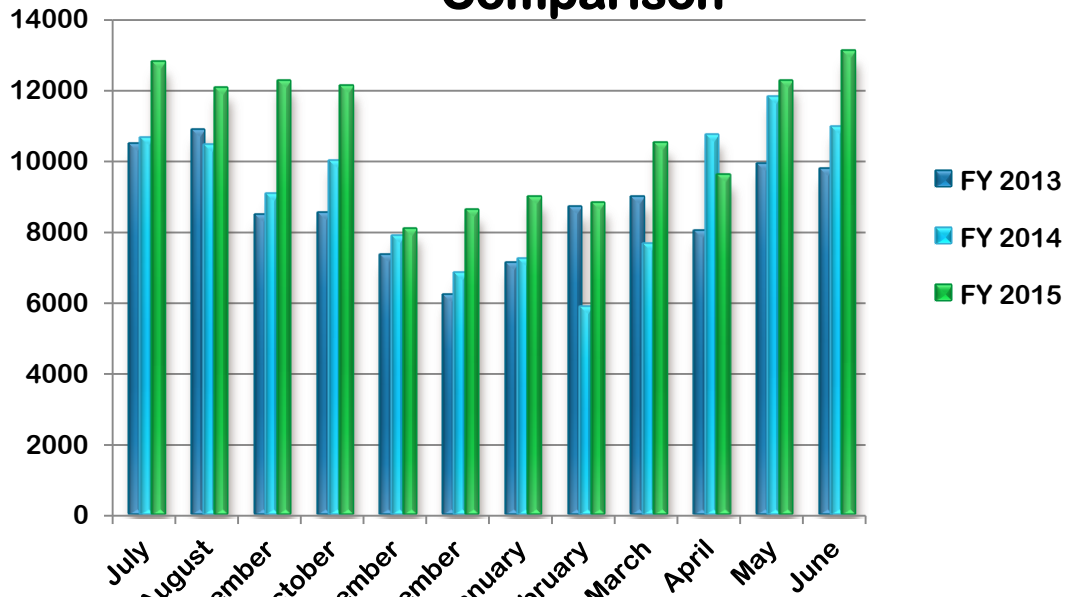
Between July 1, 2014, and June 30, 2015, the total waste disposed of at the Logan Landfill was 128,179 tons. The seven primary components of the waste stream included approximately 76,530.11 (60%) tons of municipal solid waste, of which, 71,794.45 (94%) tons were disposed of by commercial carriers and 4,735.66 (6%) tons by the general public. Light construction waste disposed of totaled 9,286.87 (8%) tons, of which, commercial carriers disposed of approximately 8,372.08 (90%) tons and 914.74 (10%) tons by the general public. Heavy construction tonnage totaled 139.93 (1%) tons, of which, 109.58 (79%) tons was from commercial carriers and 30.35 (21%) tons from the general public. Class IV totaled 24,028.89 (19%) tons, of which, 23,439.92 (98%) from commercial carriers and 588.97 (2%) tons from the general public. Compost collected totaled 7,270.33 (6%) tons, of which, 7,086.24 (98%) came from commercial carriers and 184.09 (2%) tons were from the general public. E-waste/Metal disposed of totaled 217.81 tons (<1%), of which, 78.40 (36%) came from commercial carriers and 139.41 (64%) came from the general public. The remainder of the miscellaneous waste stream components disposed of totaled 10,562.06 tons (9%), of which 10,520.85 (99%) came from commercial carriers and 41.21 (<1%) came from the general public (Table 2: Tonnages & Components). This fiscal year tonnages were up 19,966.45 tons from the previous fiscal year of 108,212.55 tons.

Table 2 July 1, 2014 – June 30, 2015

Primary Components	Total Tons	% Tons	Tons Commercial	% Tons	Tons Public	% Tons	Total % of Commercial & Public Tonnages
Municipal Solid Waste (MSW)	76,530.11	60%	71,794.45	94%	4,735.66	6%	100%
Light Construction	9,286.87	7%	8,372.08	91%	914.79	9%	100%
Heavy Construction	139.93	<1%	109.58	79%	30.35	21%	100%
Class IV	24,028.89	19%	23,439.92	98%	588.97	2%	100%
Compost	7,270.33	6%	7,086.24	98%	184.09	2%	100%
Miscellaneous	10,562.06	8%	10,520.85	99%	41.21	<1%	100%
E-Waste/Metal	217.81	<1%	78.40	36%	139.41	64%	100%
HHW Diverted	3.30	<1%	0	0%	3.30	100%	100%
Total	128,039.30	100%	121,541.22		6,637.78		100%

Graph 1

Three Year Incoming Tonnage by Month Comparison

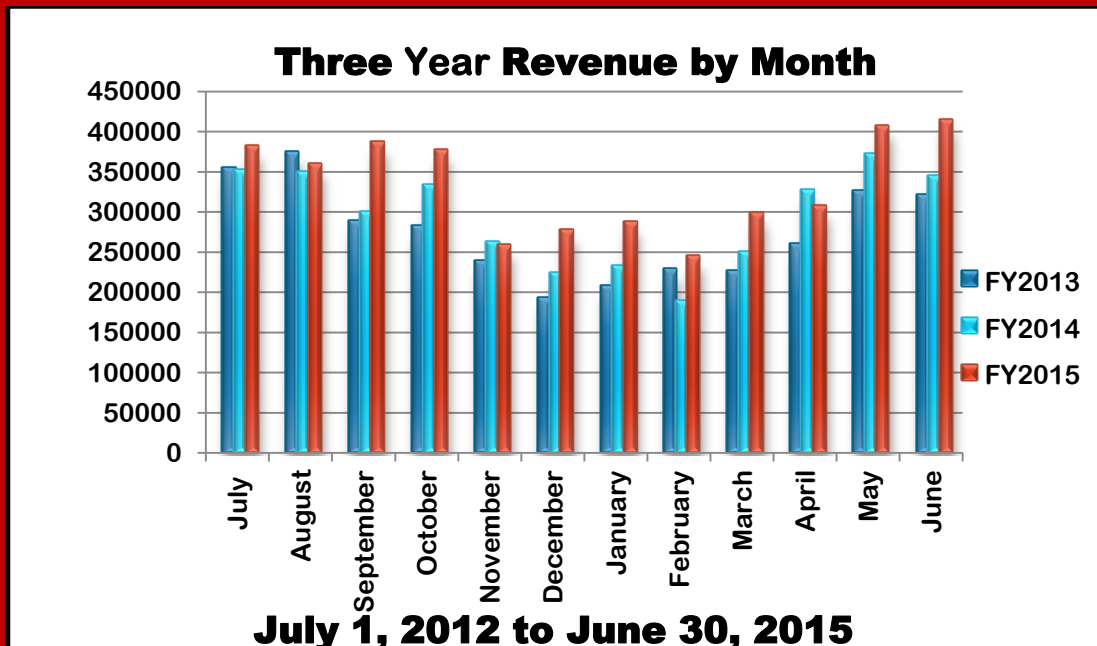
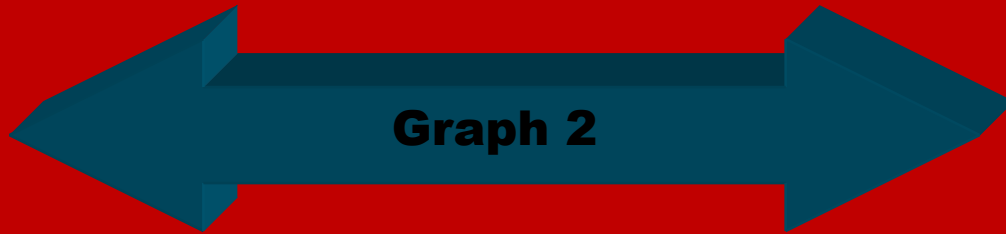


July 1, 2012 to June 30, 2015

The Revenue from the tipping fees at the Logan Landfill between July 1, 2014, and June 30, 2015, was \$3,953,293.00. The seven primary components of the revenue collected are municipal solid waste totaled \$2,098,105 (53%) of the waste stream, of which, \$1,934,423 (92%) came from commercial carriers and \$163,682 (8%) from the general public. Light construction totaled \$446,257 (11%) of the waste stream, of which, \$401,910 (90%) came from commercial carriers and \$44,347 (10%) came from the general public. Heavy construction totaled \$8,121 (<1%) of the waste stream, of which, \$6,356 (78%) came from commercial carriers and \$1,765 (22%) came from the general public. Class IV totaled \$1,155,805 (29%) of the waste stream, of which, \$1,127,240 (98%) came from commercial carriers and \$28,565 (2%) came from the general public. Compost earned \$69,468 (2%) of the waste stream, of which, \$59,966 (86%) was from commercial carriers and \$9,502 (14%) came from the general public. E-waste and metal diverted totaled \$20,716 (<1%) of the waste stream. The remainder of the revenue collected from miscellaneous fees totaled approximately \$147,876.85 (4%) of the waste stream, of which, \$138,873 (94%) came from commercial carriers and \$9,003.85 (6%) came from the general public (Table 3: Revenue & Components). The revenue increased \$463,659.86 from the last fiscal year's revenue of \$3,489,632.99 to this fiscal year's revenue of \$3,953,292.85.

Table 3 Revenue & Components July 1, 2014 to June 30, 2015

Primary Components	Total Revenue	%	Revenue Commercial Customers	%	Revenue General Public	%	Total % of Commercial & Public Revenue
Municipal Solid Waste (MSW)	\$2,098,105	53%	\$193,4423	92	\$163,682	8	100%
Light Construction	\$446,257	11	\$401,910	90	\$44,347	10	100%
Heavy Construction	\$8,121	<1	\$6,356	78	\$1,765	22	100%
Class IV	\$1,155,805	29	\$1,127,240	98	\$28,565	2	100%
Compost	\$69,468	2	\$59,966	86	\$9,502	14	100%
Miscellaneous	\$147,877	4	\$138,873	94	\$9,003.85	6	100%
E-Waste/Metal	\$20,716	<1	\$9,068	44	\$11,648	56	100%
HHW Diverted	\$6,944		\$3,472	50	\$3,472	50	100%
Total	\$3,953,292.85	100%	\$3,681,308.	93%	\$271,984.85	7%	100%



Performance at the Logan Landfill

On March 20, 2015, Great West Engineering conducted a GPS topographic survey to estimate the remaining life of the landfill and evaluate the landfill performance.

Class II Waste Area Performance Evaluation (Phases 2 & 3)

Topographic information from the field survey was used to generate a computer model and contour map of the landfill area on 3/5/2015. This model was then compared to previous topographic surveys to evaluate the landfill performance over the period. Table 4 shows the Phase 2 landfill performance calculated with GPS surveys over each period the Phase 2 cell was open and the total since Great West Engineering was involved in the landfill operation. Portions of the Phase 2 cell were closed in 2013 and did not receive any waste since December 2011. The Phase 2 cell has not been surveyed since December 2011. The Phase 2 Closure area was surveyed for the purposes of drawings for the record that were submitted to the Montana Department of Environmental Quality.

Table 5 shows the Phase 3 landfill performance and the overall average of that cell. For three time periods the Phase 3 cell did not receive any waste due primarily to the landfill staff finish continuing to fill the Phase 2 cell. Table 6 shows the overall landfill performance for Phases 2 and 3 individually, and the overall landfill performance for Phases 2 and 3 combined.

The overall space utilization for the Phase 3 cell over the last period as measured by the volume per ton ratio was 1.44 CY/Ton. This was 8.9% less air space utilization than the last time period. The overall performance of the landfill is measured by the volume per ton ratio. The two components which directly impact the overall landfill performance are the compacted waste density and the waste-to-soil ratio.

The site achieved a compacted waste density of 1,670 pounds per cubic yard over the last period. The landfill staff are commended for the continued excellent compaction. The industry standard for compacted waste density at landfills which operate 826-equivalent compactors is 1,200 pound per cubic yard. The District staff is far exceeding that metric with the operation. This high compaction is due to dedicated and consistent application of compaction techniques in conjunction with quality equipment and operators. The District will continue with the compaction techniques it currently uses on the site.

The overall waste-to-soil ratio for the time period was 5.02:1. This is a 10.4% increase in soil usage over the previous period. However, this remains a high waste to soil ratio which demonstrates the effectiveness of the alternative daily cover. The District will continue to utilize the approved alternative daily cover as often as possible in lieu of soil.

In summary, the industry standard for landfills this size is a compacted waste density of 1,200 pound per cubic yard and a 3:1 waste to soil ratio which results in an overall volume per ton performance of 2.22 cubic yards per ton. The overall performance measured by GPS over this last period was 35% better than standard landfill performance metrics (6% better than last year). The landfill staff are commended for obtaining this outstanding waste density and overall landfill performance which insures the landfill life is maintained, and in this case, actually extended via excellent performance criteria.

**Table 4
Logan Landfill Municipal Solid Waste Phase 2 Cell
Performance Analysis Summary**

	5/18/05 10/15/05	10/16/05 3/30/06	3/31/06 11/08/06	11/09/06 10/29/07	10/30/07 8/12/08	8/13/08 4/16/09
Total Fill Volume	41,836 CY	56,005 CY	123,015 CY	218,970 CY	57,555 CY	68,969 CY
Soil Volume	0	0	18,732 CY	38,500 CY	9,844 CY	17,789 CY
Waste to Soil Ratio	NA	NA	5.6:1	4.7:1	4.85:1	2.88:1
Tonnage Accepted	28,720 Tons	43,646 Tons	77,587 Tons	116,490 Tons	31,498 Tons	36,893 Tons
Compacted Waste Density	1,373 LB/CY	1,559 LB/CY	1,488 LB/CY	1,291 LB/CY	1,320 LB/CY	1,442 LB/CY
Volume Per Ton Ratio	1.46 CY/Ton	1.28 CY/Ton	1.59 CY/Ton	1.88 CY/Ton	1.83 CY/Ton	1.87 CY/Ton
	4/17/09 11/25/09	11/26/09 6/28/2010	6/29/2010 4/11/2011	4/12/2011 12/8/2011		Phase 2 Total
Total Fill Volume	67,018 CY	61,328 CY	81,190 CY	66,261 CY		842,147 CY
Soil Volume	14,634 CY	10,526 CY	15,014 CY	9,738 CY		134,777 CY
Waste to Soil Ratio	3.58:1	4.83:1	4.41:1	5.80:1		5.25:1
Tonnage Accepted	41,560 Tons	42,254 Tons	60,187 Tons	53,484 Tons		532,319 Tons
Compacted Waste Density	1,587 LB/CY	1,663 LB/CY	1,819 LB/CY	1,892 LB/CY		1,472 LB/CY
Volume Per Ton Ratio	1.61 CY/Ton	1.45 CY/Ton	1.35 CY/Ton	1.24 CY/Ton		1.58 CY/Ton



**Table 5
Logan Landfill Municipal Solid Waste Phase 3 Cell
Performance Analysis Summary**

	10/29/07 8/12/08	8/13/08 4/16/09	4/17/09 11/25/09	11/26/09 6/28/2010	6/29/2010 4/11/2011	4/12/2011 12/8/2011
Total Fill Volume	100,065 CY	43,687 CY	24,465 CY	0	0	0
Soil Volume	27,002 CY	14,484 CY	3,708 CY	0	0	0
Waste to Soil Ratio	2.71:1	2.02:1	5.6:1	NA	NA	NA
Tonnage Accepted	52,897 Tons	25,876 Tons	13,458 Tons	0 Tons	0 Tons	0 Tons
Compacted Waste Density	1,448 LB/CY	1,772 LB/CY	1,297 LB/CY	NA	NA	NA
Volume Per Ton Ratio	1.89 CY/Ton	1.69 CY/Ton	1.82 CY/Ton	NA	NA	NA
	12/9/11 10/10/12	10/11/12 3/20/14	3/21/14 3/5/2015	Phase 3 Total		
Total Fill Volume	118,087 CY	181,494 CY	131,209 CY	599,007 CY		
Soil Volume	23,759 CY	27,506 CY	21,786 CY	118,245 CY		
Waste to Soil Ratio	3.97:1	5.60:1	5.02:1	4.07:1		
Tonnage Accepted	65,028 Tons	115,075 Tons	91,371 Tons	365,705 Tons		
Compacted Waste Density	1,379 LB/CY	1,495 LB/CY	1,670 LB/CY	1,521 LB/ CY		
Volume Per Ton Ratio	1.82 CY/Ton	1.58 CY/Ton	1.44 CY/Ton	1.64 CY/Ton		



Table 6
Logan Landfill
Municipal Solid Waste Phase 2 and 3 Cells
Performance Analysis Summary

	Phase 2 Total	Phase 3 Total to Date	Phases 2 and 3 Total to Date
Total Fill Volume	842,147 CY	599,007 CY	1,441,154 CY
Soil Volume	134,777 CY	118,245 CY	253,022 CY
Waste to Soil Ratio	5.25:1	4.07:1	4.70:1
Tonnage Accepted	532,319 Tons	365,705 Tons	898,024 Tons
Compacted Waste Density	1,472 LB/CY	1,521 LB/CY	1,512 LB/CY
Volume Per Ton Ratio	1.58 CY/Ton	1.64 CY/Ton	1.60 CY/Ton





Class IV Area Performance Evaluation

Great West Engineering, Inc. has also measured Class IV performance since the Class IV area opened. Class IV materials are much more difficult to obtain high compaction levels because of the nature of the waste. Industry standard metrics for Class IV landfills are 750 pounds per cubic yard compacted waste density and a waste-to-soil ratio of 6:1. This results in an overall volume per ton ratio of 3.1 cubic yards per ton. Table 7 shows that the landfill is exceeding industry metrics the last seven time periods with the Class IV operation.

Table 7 Logan Landfill Class IV Performance Analysis

Dates	4/17/2009 11/25/2009	11/26/2009 7/7/2010	7/7/2010 4/14/2011	4/14/2011 12/8/2011	12/8/2011 10/10/2012
Total Fill Volume	33,767 CY	20,768 CY	46,752 CY	51,699 CY	28,538 CY
Soil Volume	3,780 CY	2,285 CY	6,432 CY	6,977 CY	6,225 CY
Waste to Soil Ratio	7.93:1	8.09:1	6.27:1	6.40:1	3.58:1
Tonnage Accepted	14,557 Tons	9,175 Tons	29,381 Tons	27,577 Tons	14,622 Tons
Compacted Waste Density	970 LB/CY	993 LB/CY	1,457 LB/CY	1,233 LB/CY	1,310 LB/CY
Volume Per Ton Ratio	2.32 CY/T	2.26 CY/T	1.59 CY/T	1.87 CY/T	1.95 CY/T
Dates	10/10/2012 3/20/2014	3/21/2014 5/3/2015	Total		
Total Fill Volume	69,737 CY	58,665 CY	309,926 CY		
Soil Volume	13,739 CY	8,465 CY	47,903 CY		
Waste to Soil Ratio	4:08:1	5.93:1	5.47:1		
Tonnage Accepted	25,957 Tons	21,787 Tons	143,056 Tons		
Compacted Waste Density	927 LB/CY	868 LB/CY	1,092 LB/CY		
Volume Per Ton Ratio	2.69 CY/Ton	2.69 CY/Ton	2.17 CY/Ton		

Life Estimates

The performance data, tonnage and the Landfill Master Plan were used to estimate the remaining life of Phase 3 and the overall landfill. To estimate the remaining life of Phase 3, the first step the engineer did was to calculate the remaining air space in the phase. The computer generated land surface model from the March 5, 2015 survey was compared to the interim fill plan for Phase 3 to determine the remaining air space. Phase 2 has been closed.

In order to estimate the remaining life of Phase 3, the engineer needed to project the waste generation throughout the remaining life of this cell. Currently 115,000 Tons per year is the best estimate of the annual tonnage for projections on remaining site life.

The total air space includes the final cover for the portion of Phase 3 fill which reaches the final proposed elevations, so that was subtracted out of the air space available for waste and daily intermediate soil cover. The overall performance of Phases 2 and 3 is the best estimate of how much daily and intermediate cover will be utilized at the site. However, it is critical the District continue to use alternative daily cover (ADC) to the extent possible in order to minimize the air space usage of the landfill. The engineer estimated that the landfill will be able to utilize soil long term at a 4:1 waste to soil ratio. The estimated daily and intermediate soil cover usage is then subtracted from the available air space to determine the volume available for waste.

The last variable to determine is the compacted waste density. The landfill averaged 1,670 LB/CY over the last period. The industry standard for compacted waste density for a landfill of this size with an 826 equivalent compactor is 1,200 LB/CY. However, it appears from the last six periods that the District should be able to consistently achieve waste densities of 1,300 LB/CY and above. The landfill staff does an excellent job of placing the waste in thin lifts and compacting the waste with multiple equipment passes in both directions. For the basis of these life estimates, the engineer used a 1,350 LB/CY waste density. The landfill staff has proven that they can achieve this density consistently.

The life estimate analysis is summarized in Table 8. The estimates assume there will be no large “one-time” disposal projects. An example would be a large hail storm or earthquake generating a great deal of construction and demolition wastes. The capacity estimate also assumes that the District will not expand its service area during the remaining landfill life. If the District does expand its service area in the future, the life estimate would need to be updated. The ultimate life of the site will be highly dependent on the waste tonnage received at the site and the landfill performance. If the tonnage increases over this estimate or the landfill performance drops, the District will have less life than predicted.

In September 2010, an Addendum to the Landfill Master Plan was designed to include the Class IV Expansion. During this Master Plan update, a new life estimate was developed. Table 8 uses the updated Master Plan numbers to determine life projection estimates. The volumes used to develop Table 8 were calculated using CAD applications.

Based on the waste streams received this last time period, it was estimated that 81% of the waste stream went into the Phase 3 cell, and the other 19% of the waste was diverted into the Class IV area. On average, the Class IV area receives approximately 20% of the waste and the Class II areas (Phase 3) receive approximately 80% of the waste entering the landfill. Therefore, the Phase 3 life was estimated using 80% of 115,000 Tons per year and 20% of 115,000 Tons per year for the Class IV life estimates. The life of each area was calculated and is shown in Table 8. The life estimates for the waste accepted in Phase 3 shown in Table 8 are based on 92,000 Tons per year

waste, with a 1,350 LB/CY compacted waste density, 4:1 soil-to-waste ratio and an overall volume per ton ratio of 1.85 CY/Ton. The life estimates for the waste accepted in the Class IV area shown in Table 8 are based on 23,000 Tons per year waste, with a 1,000 LB/CY compacted waste density and 5.5:1 soil-to-waste ratio.

The life of Phase 3 is based on 92,000 Tons per year for 4.2 years until it reaches capacity while the Class IV is accepting waste at 23,000 Tons per year. Once the Phase 3 cell has reached full capacity, Phase 4 cell will begin to accept waste at 92,000 Tons per year while the Class IV cell continues to accept waste at 23,000 Tons per year for another 2.2 years.

Once the Class IV cell reaches full capacity after a total of 6.4 years (June 2020), the Phase 4 cell will accept both waste streams at 115,000 Tons per year. The total life of Class IV is 6.4 years concurrent with the placement of waste in the Phase 3 and Phase 4 cells. The Phase 4 cell will accept waste at 92,000 Tons per year for 2.2 years until the Class IV cell reaches full capacity, and then will accept both waste streams at a rate of 115,000 Tons per year for an additional 4.9 years until the cell has reached capacity. The Phase 4 cell will have a total life of 7.1 years. The total life of the landfill is 11.3 years (Phase 3 - 4.2 years + Phase 4 - 7.1 years).

**Table 8
Logan Landfill (Gallatin County)
Life Projection Estimates (March 2014)**

Class IV Area (Based on 23,000 Tons per Year)	6.4 years
Phase 3 Life (Based on 92,000 Tons per Year)	4.2 years
Total Life (Based on 115,000 Tons per Year)	11.3 years

Closure Work at the Logan Landfill



In April 2015, Great West Engineering prepared updated information concerning the estimated closure and post-closure costs for the landfill. These costs were developed to determine what the District's financial assurance requirements with the Montana Department of Environmental Quality (MDEQ) will be for the upcoming year.

Three areas are covered: (1) Life of Site; (2) Closure Work; and (3) Landfill Post-Closure Costs. These are summarized below:



The remaining overall life of the landfill site is estimated on the following information:



The current Master Plan for the site dated December 2007 and the Addendum to the Landfill Master Plan-Class IV Expansion dated September 2010.



Estimated annual tonnage of 115,000 Tons per year based on detailed tonnage records the District has maintained since the City of Bozeman began transporting the majority of its waste to the landfill in October, 2005.



Estimated waste disposal efficiency of 1.85 CY/Ton based on 1,350 LB/CY waste density and 4:1 waste-to-soil ratio. The District has routinely exceeded these metrics on previous measurements taken at the site.



There are two very important items to note regarding the projections of facility life.



First, the landfill has routinely exceeded the design performance criteria for compaction and overall space utilization which effectively increases the life. The difference is created by the high level of compaction efficiency the landfill has routinely achieved over the last several years.



Second, the annual tonnage projection is 115,000 tons/year based on the fiscal year 2014 numbers. Based on the above updated information, we estimate the overall site has 11.3 years of life remaining from the date of this letter. The final life of the overall site will be affected by the actual waste quantities accepted at the landfill, the amount of waste diverted out of the landfill, and the waste disposal efficiency that is achieved.



The total Class II and Class IV landfill area was increased from 53 to 55 acres in the 2010 addendum to the Master Plan. The County closed approximately three acres of the landfill in 1996 and another seven acres in 2013. The remaining 45 acres of waste area will require closure over the remaining life of the site. The MDEQ has approved an alternative final cover design which relies on native soil materials for the cover system rather than synthetic materials. This alternative cover system will be used for the remainder of the closure projects at the landfill.



The final cover design is a four-foot thick soil cover system that includes the following section from bottom to top:



Final contouring the site making sure that all areas are properly sloped, graded and intermediate covered per the final contour plan.



Installation of twelve inches of native sand material.



Twenty-four inches of select fine-grained native silt soil material placed as the evapotranspiration layer for the cover. This material will be selectively excavated and pushed into place with low ground pressure equipment likely D-7 dozers or smaller.



Twelve inches of native sand material of which the top six inches will be topsoil material amended with compost or other fertilizer. Vegetating the site with a seed/fertilizer mixture as outlined in the closure plan. It is assumed that the seed mixture will be tilled in using a tractor and an end wheel press drill or another acceptable seeder. In areas which are too steep for drill seeding, hydroseeding techniques will be used.

The total estimated cost per acre for installing the final cover system is shown in Table 9.

**Table 9
Logan Landfill
Estimated Closure Costs Per Acre
Alternative Final Cover System
Updated April 2015**

Activity	Quantity	Unit	Cost/Unit	Cost
Mobilization/Bonding/Insurance	1	LS	\$3,000.00	\$3,000.00
Subgrade Preparation	800	CY	\$4.00	\$3,200.00
12" Capillary Sand Layer	1,600	CY	\$3.00	\$4,800.00
24" ET Silt Layer	3,200	CY	\$4.00	\$12,800.00
12" Sand Erosion & Topsoil Layer	1,600	CY	\$3.00	\$4,800.00
Drainage Controls	1	LS	\$3,000.00	\$3,000.00
Seed, Fertilizer, Mulch	1	AC	\$2,000.00	\$2,000.00
Gas Venting System	1	AC	\$5,000.00	\$5,000.00
Survey/Certification	1	AC	\$2,000.00	\$2,000.00
Engineering/QA/Inspection	1	LS	\$8,000.00	\$8,000.00
Closure Cost Per Acre				\$48,600.00



FINANCIAL ASSURANCE APPROACHES

The Montana financial assurance regulations require that the landfill financially assure for the largest planned open area during the life of the landfill. Currently the landfill has 21.5 acres of open landfill area. Under the current master plan this is also the largest open area during the life of the landfill.

The MDEQ allows two basic approaches for financial assurance. One approach is to financially assure for the largest open area during the landfill life. Under this approach, the financial assurance timeline is based on

when those funds would be needed for an emergency closure. The other acceptable approach is to financially assure for the entire landfill area. Under this approach, the financial assurance timeline is the overall life of the site. This report provides cost estimates for both approaches so the County can elect the mechanism which best fits the District's landfill.

CLOSURE COSTS & FINANCIAL ASSURANCE BASED ON OVERALL SITE

Under this approach the financial assurance can be built over the life of the site. With each closure project the amount of the financial assurance requirement decreases. The annual financial assurance updates reflect these changes and the County can adjust the financial assurance amount over time. The total remaining landfill to be closed consists of approximately 45 acres.

The MDEQ requires that the financial assurance cost estimates be based on all of the work being conducted by a private contractor rather than the County or District. Therefore, it is assumed that plans, specifications and bid documents will be prepared and the project will be bid out. It is also assumed that the engineer will provide staking, compaction testing, quality assurance testing, interim and final inspections, certifications and as-built drawings. A boundary survey needs to be completed and the deed needs to be filed at the courthouse. The estimated closure costs of the overall landfill site are depicted in Table 10. The total estimated closure cost is \$2,405,700.

Table 10 Logan Landfill Estimated Closure Costs - Closure of Entire Remainder of Site Updated April 2015				
Activity	Quantity	Unit	Cost/Unit	Cost
Alternative Final Cover System	45	AC	\$48,600	\$2,187,000
10% Contingency				\$218,700
Closure for the Entire Site	45	AC		\$2,405,700

CLOSURE COSTS & FINANCIAL ASSURANCE BASED ON LARGEST OPEN AREA

In this approach, the financial assurance is based on the largest area open during the life of the site. Under the updated Master Plan, the currently open area of 21.5 acres is the largest area planned to be open during the life of the site. The estimated closure costs of this portion of the site are depicted in Table 11. The estimated closure cost is \$1,149,400.

**Table 11 Logan Landfill
Estimated Closure Costs - Closure of Largest Open Area
Updated April 2015**

Activity	Quantity	Unit	Cost/Unit	Cost
Alternative Final Cover System	21.5	AC	\$48,600	\$1,044,900
10% Contingency				\$104,500
Cost to Close Maximum Area	21.5	AC		\$1,149,400

For the purposes of the financial assurance under this scenario, the County needs to examine what has already been placed in the financial assurance account versus what is needed to meet the State's requirements.

POST-CLOSURE COSTS

In regard to the post-closure costs, the regulations require each landfill owner to monitor for methane, monitor the groundwater, have an independent Professional Engineer conduct an annual inspection, update the closure and post-closure costs annually, and maintain the cap and drainage structures for settlement, erosion, cracking or any other situation that may jeopardize the integrity of the cap or drainage controls.

The estimated costs for these items for the 30-year post-closure period are summarized in Table 12. To calculate these costs, the following assumptions were used:



The annual costs for groundwater and methane monitoring are based on the current annual monitoring costs. Groundwater monitoring costs have increased significantly with the addition of new monitoring points associated with the corrective measures assessment. Also, the proposed expansion of license boundary to accommodate the composting area will add monitoring and testing costs. It is estimated that monitoring will cost approximately \$28,000 per year during the post-closure period.



The leachate collection will require periodic inspections, periodic pumping and minor maintenance. This is estimated to cost approximately \$1,500 per year.



Once annually, an independent third party Professional Engineer will inspect the site for any non-compliance or maintenance issues including the integrity of the cap, drainage, fencing, etc. The Engineer will correspondingly write a report summarizing his/her findings and recommendations. The Engineer will also prepare an updated cost estimate indicating the cost to close the site along with the cost for the 30-year post-closure monitoring, etc. These costs will correspondingly be sent to the appropriate officials. The estimate assumes 20 hours of labor at \$95 per hour and miscellaneous word processing and expenses.



It is necessary for the Owner of the facility to maintain the integrity of the cap and drainage controls. It is difficult to estimate what the annual cost to conduct this work might be several years from now. For this estimate it was assumed that once per year a contractor will provide 16 hours of equipment time to haul in and blade soil in a settled area (s) at \$500 per hour and revegetate areas for \$500.



The EPA has passed new regulations requiring annual reporting of greenhouse gas emissions. This process is currently costing the District approximately \$1,000 per year for the professional services to report the annual emissions

**Table 12
Logan Landfill
Post-Closure Care Cost Estimate**

Item	Annual Cost	Total 30 Year Cost
Groundwater & Methane Monitoring	\$28,000	\$840,000
Leachate Collection System Operation & Maintenance	\$1,500	\$45,000
Annual Engineering Inspection	\$2,000	\$60,000
Periodic Cap and Stormwater Maintenance	\$8,500	\$255,000
Annual Greenhouse Gas Reporting	\$1,000	\$30,000
Total	\$41,000	\$1,230,000



FINANCIAL ASSURANCE UPDATE BASED ON OVERALL SITE LIFE APPROACH

Six years ago the District elected to utilize the overall site life approach to determine the financial assurance obligation. Tim Stepp of the MDEQ agrees with the approach in correspondence. We understand that the balance in the closure/post-closure reserve is current as of March 31, 2015. Table 13 calculates the cost per ton to meet financial assurance requirements under the overall site method.

Table 13 Logan Landfill Financial Assurance Calculation April 2015	
Overall Site Closure Costs	\$2,405,700
Post Closure Costs	\$1,230,000
Total Obligation	\$3,635,700
Closure/Post Closure Reserve (July 2014)	\$-1,989,600
Amount to Finance Over Remaining Site Life	\$1,646,100
Total Remaining Tonnage (13 Years x 105,000 Tons/Year)	1,300,000 Tons
Cost Per Ton to meet Closure Post Closure Financial Assurance Requirements Under Overall Site Method	\$1.27 Per Ton

ENVIRONMENTAL COMPLIANCE



Groundwater monitoring is conducted semiannually in July and October and results are reported according to the rules established since 1990 at the Logan Landfill. There are currently 12 monitoring wells, including two shop wells, a scale/administration building well, which is utilized for the site water supply. Additionally, samples are collected from a spring located north of Interstate 90 once a year, and three residents' wells. Water levels from an unused monitoring well located on the east side of the landfill are measured during every sampling event.

All downgradient wells, LMW-2, LMW-3, LMW-4, LMW-5 and the Old Shop Well have shown various levels of VOC's over time. In 2006, due to a statistical exceedance of the MCL for tetrachloroethene in LMW-4 the landfill has been in a five-year Corrective Measures Plan (CMP) with MDEQ. The pilot program tested the effectiveness of remediation product to address groundwater contamination at the site. The product was injected directly into the groundwater approximately 6 years ago and the District has been monitoring wells downgradient of the injection site since that time. The CMP approved by MDEQ requires the County reevaluate the effectiveness of the remediation product at the end of the five-year period and develop a full scale plan for remediation of the site. In 2012, in the evaluation, the product used was successful in reducing the PCE (Perchloroethylene) concentration, but there was concern in the inconsistency in groundwater data collected during the five-year program that questioned the source of the PCE. A soil gas field investigation and assessment was approved by MDEQ and conducted. It was suspected the PCE or other VOC's occur in soil gas in the vicinity of the apparent source area of the groundwater plume. On February 10, 2014, on behalf of the District, Bruce Siegmund, Senior Hydrologist, Great West Engineering, Inc. submitted a Work Plan to MDEQ for a two-stage pilot program using a soil vapor extraction (SVE) system. On March 12, 2014, the District received a letter from John Collins, Environmental Science Specialist, Solid Waste program, MDEQ, approving the first phase of the SVE Work Plan as proposed.

On September 15, 2014, Red Tiger Drilling and Great West Engineering started the SVE drilling project. In October, Red Tiger Drilling completed the installation of the three wells for the SVE Pilot Study. Great West Engineering and Olympus conducted tests on the wells on October 10, 2014.

In April 2015, the Pilot Study Report for the second phase of the Soil Vapor Extraction (SVE) System was sent to MDEQ. It was done to determine the viability of the use of SVE as a corrective measure for Logan Landfill Class II. On June 4, 2015, John Collins, MDEQ Hydrogeologist, indicated that the pilot study was successful in the second phase using a larger blower. The larger blower appeared to have had the desired effect on the three vapor extraction wells. On June 18, 2015, Great West submitted a Work Plan for the next phase of pilot testing.

Figure 1 Soil Vapor Extraction Work Plan PH 2



**Olympus technical Services, Inc. Proposed SVE System Layout
Logan Landfill**



The Logan Landfill's current Methane Monitoring plan follows the requirements for methane monitoring at municipal solid waste facilities in the State of Montana under ARM 17.50.511 1 (f) and (g). The methane monitoring is conducted quarterly. The points of monitoring include seven methane monitoring wells, eight passive vents, and five structures. The monitoring testing results are reported to MDEQ. This reporting period, all monitoring results were within regulatory limits and are consistent with previous reports submitted.



July 1, 2014, the District renewed the City of Bozeman's Biosolids Agreement between the City and Gallatin County/Gallatin Solid Waste Management District (Contract #2015-036).



The semi-annual Groundwater Monitoring reports were submitted to MDEQ July (2014) and October (2014). They met the requirements of the Administrative Rules of Montana Title 17, Chapter 50, Subchapter 13.

Inspections ✓

The Logan Landfill is subject to site inspections by MDEQ. No inspections were conducted in this fiscal year.

On July 10, 2014, the State Weights and Measures Division certified Logan Landfill and the Bozeman Convenience Site scales.

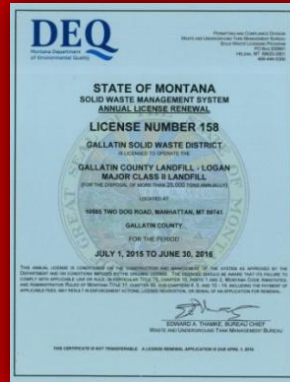


On September 17, 2014, we applied for a SPA 124 and a 318 Authorization permit to Fish Wildlife and Parks for the Spring Rehabilitation project resulting from the flood in March of 2014. The permits were approved in October. The project was completed in October.

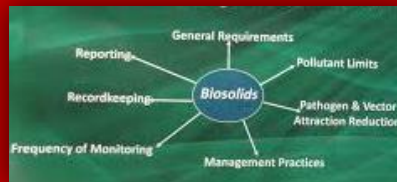


On February 20, 2015, Bruce Siegmund, Senior Hydrologist for Great West Engineering, Inc., the District's agent of record, submitted the Annual Greenhouse Gas (GHG) report required by the EPA for reporting year 2014 to the Environmental Protection Agency (EPA). The report was electronically sent, received, and certified.

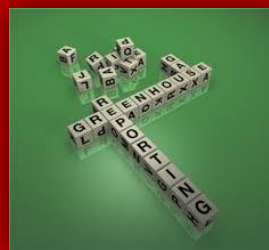
On March 13, 2015, the District submitted to MDEQ the application for the annual license renewal for FY 2014-2015 for the Logan Landfill's permit #158. It was renewed. It covers the period of July 1, 2015 to June 30, 2016.



In March 2015, the District completed the landfill's Biosolids permit for the EPA. The regulation and rules changed. The documentation is kept in the landfill's permanent records for inspections.

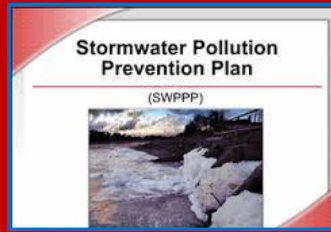


In March 2015, the District submitted the annual Greenhouse Gas report to the EPA.



In April of 2014, the District submitted an application to MDEQ for a Gallatin County Logan Landfill Class II License Expansion. The application fee submitted was \$12,000. In December, MDEQ finished the review of the application for expansion. In February 2015, MDEQ finalized the Preliminary Environmental Assessment. MDEQ set the public hearing for the beginning of the next fiscal year in July.

The landfill is permitted: Permit Authorization MTR000358 under the Montana Pollutant Discharge Elimination System (MPDES) General Permit for Storm Water Discharges Associated with Industrial Activity (General Permit). It expires January 31, 2018.



On January 26, 2015, the District submitted a Storm Water Pollution Prevention Plan Amendment #2 to MDEQ.

On January 26, 2015, we submitted the landfill's 2014 Annual Compliance Evaluation Report for the storm water discharges associated with industrial activity Permit MTR00358 to MDEQ.

The District submitted Discharge Monitoring Reports for monitoring periods 6/1/2014-9/30/2014;10/1/14-12/31/14;1/1/15-4/30/15;5/1/15-8/30/15

Logan Landfill Projects & Improvements



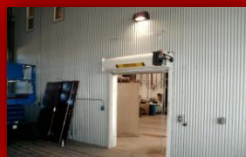
In July 2014, and throughout the rest of the fiscal year, the operators continued to excavate silt and clay from Cell 4 for future closure projects.

On July 11, 2014, W.E. Dust Control applied Mag Chloride on site for dust control.

In August of 2014, the landfill crew repaired the north run-off control ditch. Straw waddles were installed to control velocities and erosion.

In August of 2014, the District advertised for a Competitive Sealed Proposal for Recycling for hauling, processing and maintaining the site. It was awarded to Four Corners Recycling, Inc. in October of 2014.

In October of 2014, the District advertised for a Competitive Sealed Proposal for the purchase of a new dozer to replace the John Deere 1050J. We awarded the bid to RDO. The 2015 John Deer Track Type Dozer 850 K arrived April 8, 2015 (below).



In December 2014, the Washday at the Logan Landfill Shop was completed (pictures above).

In March 2015, the District worked with Open Edge and WasteWorks on replacing the gateway for the credit card machine. The original gateway was decommissioned.

In April 2015, working with M.E.T. controls to program a new duplex pump controller for the leachate pumping system in Cell 3. The existing pump controller program corrupted and did not function per system specifications

In June 2015, the District worked with a law firm to review the District's water rights at the spring after questions and concerns were raised during the spring rehabilitation plan. The spring is the landfill's water source for dust control.

The harvest of the Logan Springs property yielded approximately 3,189 bushels of wheat. Approximately 200 acres of the 310 planted produced a successful wheat crop for harvest. The average yield was 15 bushels per acre. On October 7th, the grain was sold to Columbia grain in Three Forks for \$5.78 per bushel. We received \$18,433.01 for Logan Spring's first harvest.



Throughout many years, the County/District has worked towards a proposed land exchange with the Department of Natural Resources and Conservation (DNRC). This fiscal year many meetings were attended by District Manager Jim Simon, Commissioner Steve White, and Gallatin County Attorney Chris Gray. They met with Craig Campbell with the DNRC who assisted in helping the District prepare a pre-application to the State Land Board. On October 21, 2013, the County Commission was presented the preliminary application for review. They agreed to send in the application with the \$100 processing fee. On May 6, 2014, the application was sent to the DNRC. In June, 2014, the preliminary application submitted to the DNRC was being reviewed by the State. In August 2014, the Bozeman DNRC and the District worked on developing an assessment of the properties to work on preparing information for public comment and review. On December 15, 2014, at their regular meeting of the Board of Land Commissioners, the Land Exchange Preliminary application was presented. After receiving no public comment during a 30-day period, the Montana Land Board voted unanimously to give preliminary approval of the County-State land swap for the Logan Landfill to the benefit of both governments. The application is listed as under due diligence. It is hopeful the land exchange will continue to keep moving forward in the next fiscal year.

On February 13, 2015, the District submitted to the DNRC a renewal application for Land Lease #8542 an Amendment to Reissue #2 for one year due to the proposed land exchange.



In March of 2015, the operators completed construction of the new access road to Cell 3.

Looking out from the Logan Springs Ranch Property at the Logan Landfill Operations



***Logan Landfill Profit & Loss
July 2014 through June 2015***



	Jul '14 - Jun 15
Logan Landfill	
Ordinary Income/Expense	
Income	
Miscellaneous Revenue	18,433.01
Sale of Fixed Assets	85,703.45
Charges for Services-Logan	
3430-42 · Disposal Charge	3,933,893.36
3430-45 · Sale of Junk or Salvage	27,204.80
Total Charges for Services-Logan	3,961,098.16
Grazing Lease	2,400.00
Waste Diversion Revenue	
E-Waste Hauled Out	8,519.38
Total Waste Diversion Revenue	8,519.38

3710-10 · Interest Earnings	81,231.60
Total Income	4,157,385.60
Gross Profit	4,157,385.60
Expense	
Tax Assessments	
540 · Tax Assessments	6.60
Total Tax Assessments	6.60
Personnel	
110 · Salaries & Wages- Permanent	558,699.29
112 · Salaries & Wages- Temporary	3,055.26
120 · Overtime- Permanent	18,996.78
140 · Employer Contributions	212,508.17
141 · W.C. Employer Contributions	19,460.59
Total Personnel	812,720.09
Supplies	
221 · Software	146.95
210 · Office Supplies	3,879.43
220 · Operating Supplies	63,094.70
224 · Food	973.09
226 · Clothing & Uniforms	2,282.37
Total Supplies	70,376.54
Fuel	
231 · Gas, Oil, Fuel, Grease	135,543.11
Total Fuel	135,543.11
Maintenance	
230 · Repairs & Maintenance Supplies	113,407.09
232 · Tires	3,010.74
360 · General Repair & Maint by Other	3,500.01
361 · Equipment Repairs & Maint	14,604.36
362 · Office Equip Repair & Maint	4,531.26
Total Maintenance	139,053.46
Small Tools	
240 · Consumable Tools	130.68
235 · Small Tools	2,799.50
Total Small Tools	2,930.18

Postage	
312 · Postage	1,639.93
Total Postage	<u>1,639.93</u>
Printing & Duplicating	
320 · Printing & Duplicating	2,445.00
Total Printing & Duplicating	<u>2,445.00</u>
Advertising	
331 · Publications Legal Notices	183.00
337 · Advertising	2,674.79
Total Advertising	<u>2,857.79</u>
Dues & Subscriptions	
335 · Membership Dues	895.00
Total Dues & Subscriptions	<u>895.00</u>
Utilities	
341 · Electric Utilities	16,761.62
344 · Propane	7,983.00
345 · Telephone	20,144.56
346 · Cell Phones	1,865.53
Total Utilities	<u>46,754.71</u>
Outside Services	
350 · Professional services	73,615.36
351 · Medical Services, Vet Services	119.00
390 · Purchased or Contracted Service	1,350.00
Total Outside Services	<u>75,084.36</u>
Travel	
370 · Travel	2,909.44
Total Travel	<u>2,909.44</u>
Training	
380 · Training	1,466.80
Total Training	<u>1,466.80</u>
Insurance	
513 · Liability Insurance Allocated	45,544.46
Total Insurance	<u>45,544.46</u>
Licenses	

570 · License Fees	48,563.88
Total Licenses	48,563.88
Rent	
530 · Rent	27,930.92
Total Rent	27,930.92
Service Charges	
630 · Service Charges	122.72
Total Service Charges	122.72
Administrative Fixed Costs	
590 · Administrative Costs	44,900.00
Total Administrative Fixed Costs	44,900.00
Closure/Post Closure	
580 · Closure/Post Closure Costs	83,612.24
Total Closure/Post Closure	83,612.24
Loan Interest Payments	
620 · Loan Interest	11,006.10
Total Loan Interest Payments	11,006.10
Depreciation	
830 · Depreciation	463,734.90
Total Depreciation	463,734.90
Total Expense	2,020,098.23
Net Ordinary Income	2,137,287.37
Other Income/Expense	
Other Expense	
Loan Payments	
610 · Principal	125,000.00
615 · Principal Contra	-125,000.00
Total Loan Payments	0.00
Reserve Funds	
905 · Equipment/Next Cell Reserves	720,000.00
955 · EQUIP/NEXT CELL RESERVE CONTRA	-720,000.00
Total Reserve Funds	0.00
Capital Improvements	

920 - Buildings	130,919.43
925 - Buildings Contra	-130,919.43
930 - Improv Other Than Buildings	74,728.38
935 - Improvements Contra	-74,728.38
940 - Capital Exp- Machinery & Equip	-160,810.80
945 - Machinery & Equip Contra	160,810.80
Total Capital Improvements	0.00
Total Other Expense	0.00
Net Other Income	0.00
Net Income	2,137,287.37



Logan Landfill Balance Sheet as of June 30, 2015

Logan Landfill		Jun 30, 15
ASSETS		
Current Assets		
Checking/Savings		
Cash Operational Combined		
10-1000 - Cash Operational		5,739,361.63
Total Cash Operational Combined		5,739,361.63
10-2000 - Restricted Cash - Closure Costs		
		2,036,137.90
10-2110 - Cash - Fixed Asset Purchases		
		1,899,197.45

10-2130 - Cash Res for Security Deposit	87,000.00
10-2210 - Loan Payment Reserve	62,500.01
10-2220 - Loan Reserve (Future Year Pmt)	125,000.00
10-2230 - Reserve For Next Cell	2,050,000.00
Total Checking/Savings	11,999,196.99
Accounts Receivable	
Accounts Receivable	
12-2000 - Logan Landfill	582,388.57
Total Accounts Receivable	582,388.57
Total Accounts Receivable	582,388.57
Other Current Assets	
12-8000 - Accrued Int Receivable	9,405.99
Total Other Current Assets	9,405.99
Total Current Assets	12,590,991.55
Fixed Assets	
Fixed Assets	
18-6050 - Continuing Property Under \$5000	102,845.60
18-1000 - Land	1,650,785.00
18-2000 - Buildings	1,762,122.62
18-2100 - Allow for Depr- Buildings	-258,091.45
18-3000 - Intangibles	6,965.00
18-3100 - Amortization	-6,965.00
18-4000 - Improv Other Than Buildings	2,959,659.69
18-4100 - Allow for Depr-Imp Other Than	-2,570,782.55
18-6000 - Machinery & Equipment	3,487,451.19
18-6100 - Allow for Depr - Mach & Equip	-1,644,129.35
18-8010 - CIP - Cell 4 Expansion	27,049.05
18-8015 - CIP - Compost Expansion	77,080.32
18-8020 - CIP - Logan Springs	52,112.95
18-8025 - CIP - Soil Vapor Extraction	35,935.78
18-8030 - CIP - Spring Rehab	13,271.78
18-8500 - Class 4 Waste Area	35,433.23
Total Fixed Assets	5,730,743.86
Total Fixed Assets	5,730,743.86
TOTAL ASSETS	18,321,735.41

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

20-6110 · Loan Accrued Interest Payable	3,196.17
20-6120 · Wages Payable	11,999.47
20-6130 · Payroll Liabilities	14,724.60
20-6135 · W.C. Payroll Liability Payable	2,194.53
20-9100 · Compensated Absences Payable	4,962.87
21-4000 · Security Deposits Payable	87,000.00
Current Portion-Long Term Debt	125,000.00

Total Other Current Liabilities 249,077.64

Total Current Liabilities 249,077.64

Long Term Liabilities

23-5406 · Land Loan - Board of Investment	687,500.00
Current Portion	-125,000.00
23-6000 · Closure Cost Liability	1,963,476.72
23-9000 · Compensated Absences - Non-Curr	44,779.36
23-9500 · GASB 45 OPEB Net Obligation	54,045.29

Total Long Term Liabilities 2,624,801.37

Total Liabilities 2,873,879.01

Equity

3000 · Net Assets	1,126,924.76
3900 · Total Net Assets	12,183,644.27
Net Income	2,137,287.37

Total Equity 15,447,856.40

TOTAL LIABILITIES & EQUITY 18,321,735.41





Bozeman Convenience Site Projects and Improvements

Baby Bear came
for a visit.



On July 10th the State of Montana Weights and Measures Division certified the BCS scale.



From February 2nd through the 19th, Marks Lumber hauled 358.4 tons of woodchips to Logan from the BCS for reuse at the Biosolids Composting area.



Bozeman Convenience Site Profit and Loss

July 2014 through June 2015

	Jul '14 - Jun 15
Bozeman Convenience Site	
Ordinary Income/Expense	
Income	
Charges for Services-Bozeman	
Disposal Charge	178,911.60
Sale of Junk or Salvage	1,336.25
Total Charges for Services-Bozeman	180,247.85
Waste Diversion Revenue	
HHW	995.00
Total Waste Diversion Revenue	995.00
Total Income	181,242.85
Cost of Goods Sold	

80% Compost Due to City	5,715.20
Transport from Bzn Conv Site	
Rolloff Containers	93,867.00
Stationary Compactor Containers	7,437.00
Total Transport from Bzn Conv Site	101,304.00
Total COGS	107,019.20
Gross Profit	74,223.65
Expense	
Personnel	
110 - Salaries & Wages- Permanent	25,416.38
120 - Overtime- Permanent	504.15
140 - Employer Contributions	12,017.33
141 - W.C. Employer Contributions	100.94
Total Personnel	38,038.80
Supplies	
220 - Operating Supplies	4,491.28
224 - Food	9.99
Total Supplies	4,501.27
Maintenance	
362 - Office Equip Repair & Maint	1,418.19
Total Maintenance	1,418.19
Small Tools	
235 - Small Tools	902.34
Total Small Tools	902.34
Advertising	
331 - Publications Legal Notices	153.00
337 - Advertising	2,478.67
Total Advertising	2,631.67
Utilities	
341 - Electric Utilities	1,962.50
345 - Telephone	1,995.00
Total Utilities	3,957.50
Outside Services	

350 - Professional Services	42,174.03
Total Outside Services	42,174.03
Legal Fees.	
352 - Legal Fees	0.00
Total Legal Fees.	0.00
Insurance	
513 - Liability Insurance Allocated	1,011.64
Total Insurance	1,011.64
Licenses	
570 - License fees	280.00
Total Licenses	280.00
Administrative Fixed Costs	
590 - Administrative Costs	7,197.16
Total Administrative Fixed Costs	7,197.16
Depreciation	
830 - Depreciation	6,293.51
Total Depreciation	6,293.51
Total Expense	108,406.11
Net Ordinary Income	-34,182.46
Other Income/Expense	
Other Expense	
Capital Improvements	
940 - Capital Exp- Machinery & Equip	6,342.70
945 - Machinery & Equip Contra	-6,342.70
Total Capital Improvements	0.00
Total Other Expense	0.00
Net Other Income	0.00
Net Income	-34,182.46



Bozeman Convenience Site Balance Sheet as of June 30, 2015

	Jun 30, 15
Bozeman Convenience Site	
ASSETS	
Current Assets	
Checking/Savings	
Cash Operational Combined	
10-1005 - Cash Operational-Bzn Conv Site	-700,314.68
Total Cash Operational Combined	-700,314.68
Total Checking/Savings	-700,314.68
Accounts Receivable	
Accounts Receivable	
12-2005 - Bozeman Convenience Site	970.00
Total Accounts Receivable	970.00
Total Accounts Receivable	970.00
Total Current Assets	-699,344.68
Fixed Assets	
Fixed Assets	4,898.96

18-6050 · Continuing Property Under \$5000	
18-2000 · Buildings	65,377.72
18-2100 · Allow for Depr- Buildings	-5,335.65
18-4000 · Improv Other Than Buildings	18,155.90
18-4100 · Allow for Depr- Imp Other Than	-3,432.03
18-6000 · Machinery & Equipment	98,769.19
18-6100 · Allow for Depr - Mach & Equip	-24,727.32
Total Fixed Assets	<u>153,706.77</u>
Total Fixed Assets	<u>153,706.77</u>
TOTAL ASSETS	<u>-545,637.91</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
City of Bozeman	3,364.00
20-6120 · Wages Payable	1,714.21
20-6135 · W.C. Payroll Liability Payable	4.53
20-9100 · Compensated Absences Payable	323.65
Total Other Current Liabilities	<u>5,406.39</u>
Total Current Liabilities	5,406.39
Long Term Liabilities	
23-9000 · Compensated Absences - Non-Curr	3,262.95
Total Long Term Liabilities	<u>3,262.95</u>
Total Liabilities	8,669.34
Equity	
3900 · Total Net Assets	-520,124.79
Net Income	-34,182.46
Total Equity	<u>-554,307.25</u>
TOTAL LIABILITIES & EQUITY	<u>-545,637.91</u>



Recycling and Waste Diversion

The Solid Waste Management District's overall purpose was to develop a recycling program and continue to make it successful. To reuse, reduce, recycle and intelligently dispose of waste materials. Its Mission: to conserve, protect and preserve the environmental resources of our community through advocacy, education and outreach programs in Gallatin County.

The District's recycling program began in April 1, 2008. This fiscal year, the approved budget was \$348,640. At the end of this fiscal year, we spent \$369,560.79. We came in over budget by \$20,920.79 dollars.

Table 14 Recycling Budget to Actual & Expenses for FY 2014 & FY 2015

Expenses	Budget 2014	Actual 2014	Budget 2015	Actual 2015
Hauling/Processing	\$243,600	\$222,414	\$247,500	\$247,714.18
Wages	\$48,254	\$49,668	\$50,662	\$51,418.29
Bins	\$15,700	\$5,209	0	0
All Other	\$31,169	\$41,123	\$50,478	\$70,428.32
Total	\$338,723	\$318,414	\$348,640	\$369,560.79

The District budgeted \$128,000 in anticipated revenue from the sale of recycled commodities. The revenue from recyclable commodities in the waste stream with existing markets was \$67,192.60 a decrease of \$60,807.40 anticipated revenue. The previous fiscal year's anticipated revenue was the same \$128,000, and we lost \$10,448 in anticipated revenue. Cardboard and Plastics show a significant drop in revenue. Commodities accepted at each recycling site are plastic (#1-7), steel cans, aluminum cans, paper, news print, magazines, and cardboard. Other waste diversion efforts by the District include metal diversion (194.54 Tons = \$24,581.80); 331 batteries (\$2,623) at the Logan Landfill and 51 batteries (\$408) at the Bozeman Convenience Site; 4,948 gallons of oil, of those, 679 gallons came from the Bozeman Convenience Site (no revenue). 680 gallons of antifreeze was collected, of that, 200 gallons came from the Bozeman Convenience Site (no revenue). Other recycled commodities: propane tanks (processed with the scrap metal); freon; pesticide containers (1,640 lbs.) in collaboration with the Montana Department of Agriculture (no revenue) and; bear spray canisters, in collaboration with the Gallatin National Forest (no revenue). We have a clean wood program at both the Bozeman Convenience Site (1,057.18 Tons collected \$53,101) and the Logan Landfill (527.86 Tons collected \$15,378).



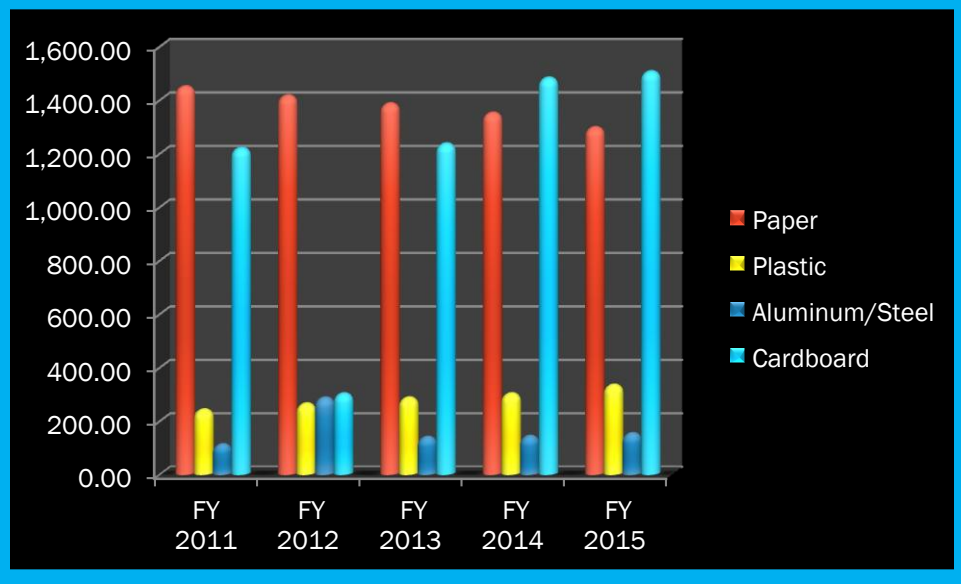


Processing costs for the District's recyclables were \$74 per ton for all commodities until January 31, 2015. February 1, 2015, the rate went up to \$80 per ton. The new contract with Four Corners Recycling calls for a \$1.00 increase per ton each year in February for the next three years. Aluminum and steel are reduced 6% for estimated loss (waste) when revenues are calculated. The aluminum and steel tonnages were down this year, but the revenue was up. Plastic is reduced 8.5% for estimated loss. Table 15, the District's Recycle Revenue and Tonnage compares this fiscal year with the previous four fiscal years.

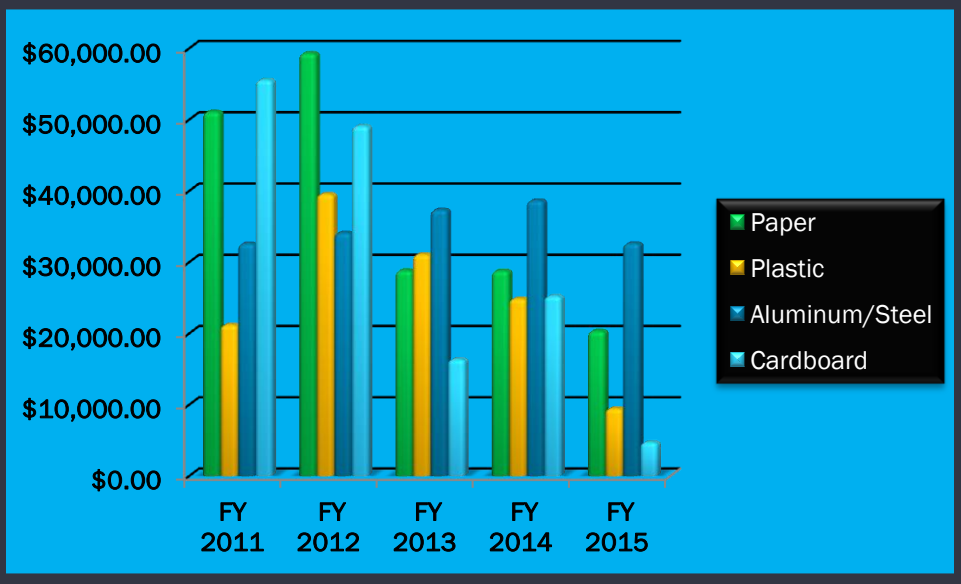
Table 15
District Recycle Revenue and Tonnage Comparison
Fiscal Years 2011 Through 2015

Roll-off Program	FY '11 Revenue	FY '12 Revenue	FY' 13 Revenue	Fy'14 Revenue	FY'15 Revenue
Paper	\$51,101.36	\$59,315.80	\$28,832.44	\$18,701.92	\$20,342.52
Plastic	\$21,200.62	\$39,539.58	\$31,078.44	\$17,114.93	\$9,466.48
Aluminum/Steel	\$32,602.78	\$34,118.63	\$37,352.56	\$23,871.96	\$32,639.85
Cardboard	\$55,574.68	\$49,109.95	\$16,377.88	\$19,436.73	\$4,743.75
TOTALS	\$160,479.44	\$182,083.96	\$113,641.32	\$79,125.54	\$67,192.60
Roll-off Program	FY'11 Tons	FY '12 Tons	FY' 13 Tons	Fy'14 Tons	Fy'15 Tons
Paper	1,460.17	1,416.11	1,386.79	1,351.59	1,245.97
Plastic	242	264.25	286.47	301.97	305.39
Aluminum	111.59	117.96	139.31	142.94	141.16
Cardboard	1,219.97	680.22	1,236.37	1,482.61	1,514.46
TOTALS	3,033.73	2,478.54	3,048.94	3,279.14	3,206.98

Graph 3: Five-Year Commodity Tonnage Comparison

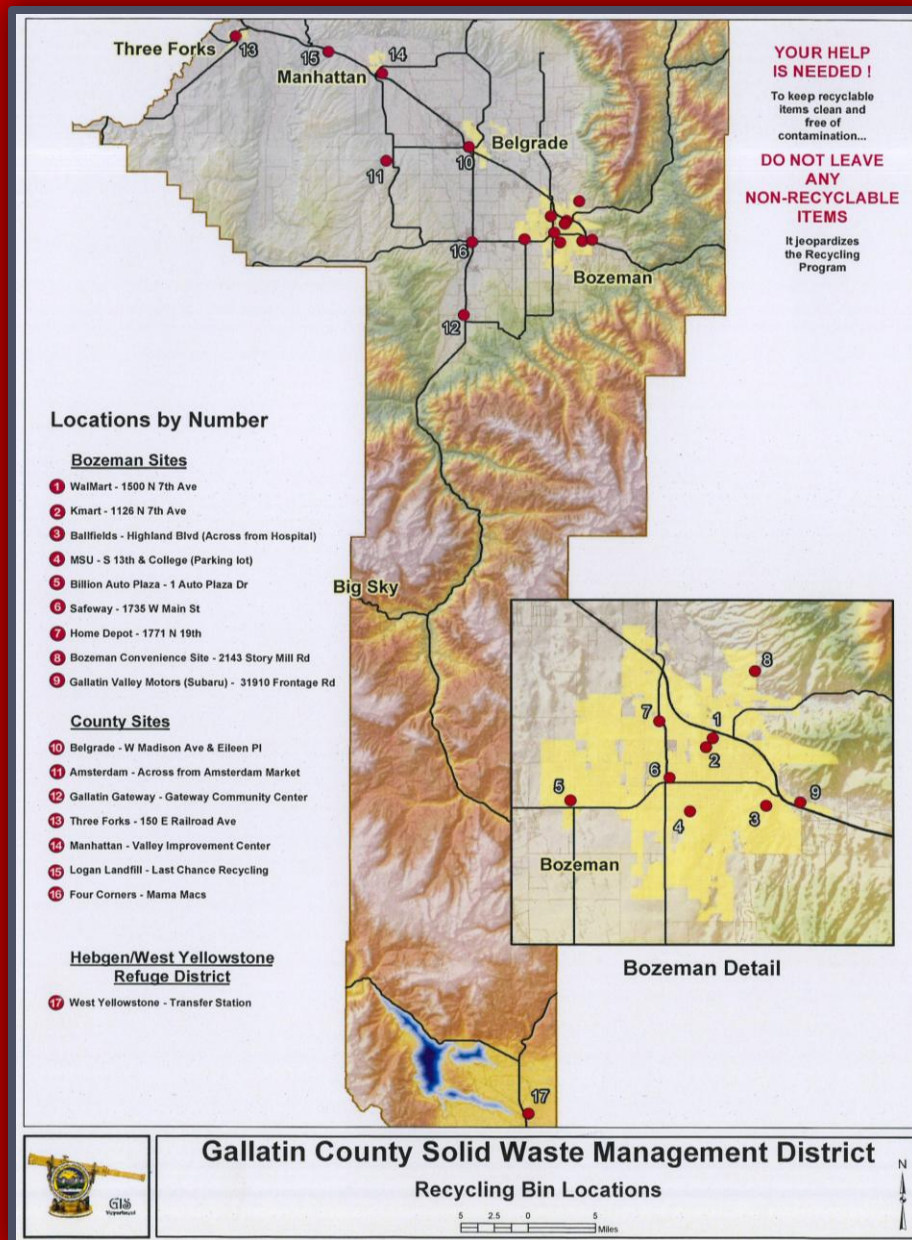


Graph 4: Five-Year Commodity Revenue Comparison



The Recycling Program did not add any new sites this fiscal year. On November 20, 2014, the District was notified a new owner bought the commercial building where the River Rock recycling site was located. They did not want to host the site. The bins were removed on November 26, 2014. We also received notification from the owner of the lot where the Big Sky recycling site is located, that the site will have to be relocated due to development of the lot. District Manager, Jim Simon, has been meeting throughout the year with business owners, associations, and the public in Big Sky to try and find another site to relocate the recycling site. Other properties were proposed, but so far, there has been no decisions made. It is a tremendously popular site for the citizens of Big Sky. The site contains one roll-off and nine cardboard containers (2-5-yard, 7-8-yard).

The District currently has 17 recycle sites located around the County and the City of Bozeman. All sites are hosted by the landowner. The map below shows the locations of the District's recycling sites as of June 30, 2015.



**Big Sky
Site due
to move
FY 2015-
2016**



Recycling Educational Outreach

The programs educational components are instrumental to raise awareness by educating and informing the public about the importance of recycling, what can be recycled, how to reduce waste, and associated benefits. Teaching others to be environmentally responsible in order to protect resources in Gallatin County and our beautiful State of Montana.



Ricky the Recycle
Bear

Recycling Outreach Events



Gallatin County Fair Boot Buckles and Barrel of Fun!

July 15-19, 2014



MSU Catapalooza

August 21-22, 2014



Belgrade Fall Festival

September 20, 2014



Landfill Tour Homeschool Groups

September 24, 2014



Winterfest at the Gallatin County Fairgrounds

February 14, 2015



Home Show in Bozeman

February 28-29, 2015



Southwest Montana Builders Industry Association

March 21-22, 2015



Presented at the Sustainable Series: Recycling
and Waste In the Loop

March 26, 2015



Free E- Waste Event at the Logan Landfill

April 25, 2015



Landfill tour and presentation Hearts and Hands
Montessori

April 29, 2015



Landfill tour and presentation HRDC Preschool

May 21, 2015



E-Waste Collection & Processing

The District started accepting e-waste year-round at the Logan Landfill. The fee is \$27 per ton, or under 400 pounds, there is a \$5.00 minimum fee. The items accepted are listed in Table 16.

Table 16 Acceptable E-Waste Items			
Televisions	Computer Monitors	Power Supplies	Modems
Laptops	Printers	Switches	Printed Circuit Boards
Hard Drives	Fax Machines	Video Conference	Stereo Components
Gaming Consoles	VCRs	Cable and Cords	Networking Equipment
Cell Phones	Radios	Routers	Servers
Lab Equipment	Test Equipment	Keyboards	Mice
Flat Panel Displays	Computers (CPUs)	DVD Players	Telephones
Tape Drives	Microwave Oven	Digital Cameras	Zip Drives



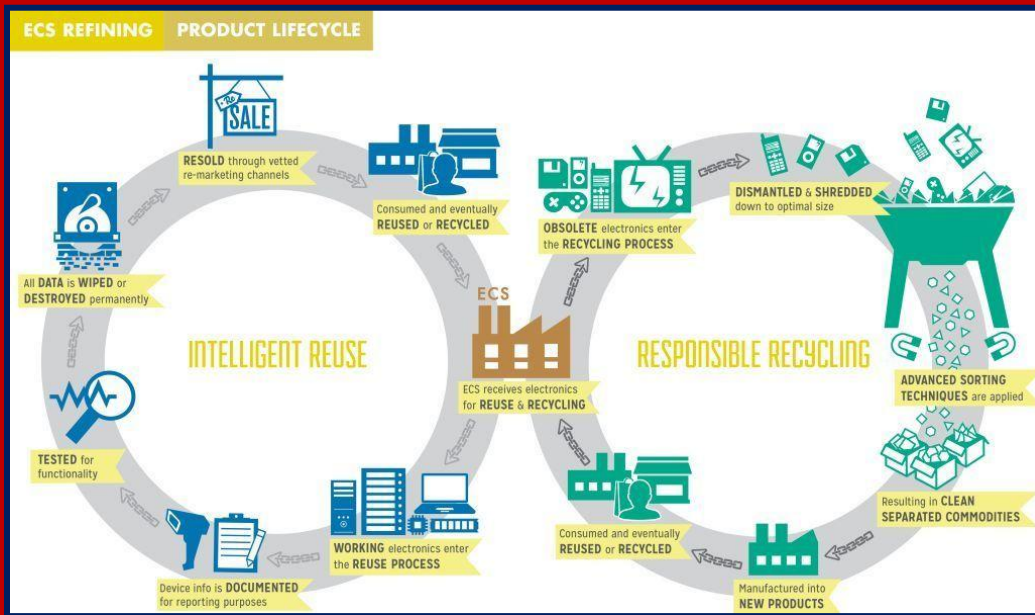
On April 25, 2015, The District held a free e-waste collection event for household residents at the Logan Landfill. It was held in conjunction with the Earth Day Festivities. The District had 111 customers participate in the event from around Gallatin Valley.



The grand total of e-waste collected at the Logan Landfill through tipping fees and shipped to ECS to process this fiscal year was 116.22 tons. The District earned \$5,694 for the e-waste collected from the tipping fees. According to the records, there were 23,392 pounds difference in the pounds shipped from the Logan scales (275,220 lbs.) than the payment and certifications received from the processors (251,828 lbs.). The difference

appears to be items collected that were not true e-waste. The District looks forward to maintaining the good working relationship with ECS in the coming years.

The processor the District uses is ECS Refining. This fiscal year, the District got paid three cents per pound. ECS pays for the transportation to its facilities for processing.



“Cradle to Cradle” product rebirth and reuse lifecycle changes the shape of what matters most to the customers, industry, and planet through 100% processing and reuse.





Recycling Program Profit & Loss

July 1, 2014 Through June 30, 2015

	Jul '14 - Jun 15
Recycling Program	
Ordinary Income/Expense	
Income	
Recycling Revenue	
Sale of Paper	20,342.52
Sale of Plastic	9,466.48
Sale of Aluminum	30,504.06
Sale of Steel	2,135.79
Sale of Cardboard	4,743.75
Total Recycling Revenue	67,192.60
Total Income	67,192.60
Cost of Goods Sold	
Recycle Processing Costs	247,714.18
Total COGS	247,714.18
Gross Profit	-180,521.58
Expense	
Personnel	
110 · Salaries & Wages- Permanent	35,444.34
120 · Overtime- Permanent	778.16
140 · Employer Contributions	14,907.18
141 · W.C. Employer Contributions	138.15
Total Personnel	51,267.83
Supplies	
220 · Operating Supplies	2,350.11
224 · Food	73.78
Total Supplies	2,423.89
Maintenance	
230 · Repairs & Maintenance Supplies	7,044.44
360 · General Repair & Maint by Other	37.50
Total Maintenance	7,081.94

Printing & duplicating	
320 · Printing & Duplicating	385.94
Total Printing & Duplicating	385.94
Advertising	
337 · Advertising	1,408.00
Total Advertising	1,408.00
Insurance	
513 · Liability Insurance Allocated	1,007.12
Total Insurance	1,007.12
Administrative Fixed Costs	
590 · Administrative Costs	2,441.15
Total Administrative Fixed Costs	2,441.15
Depreciation	
830 · Depreciation	55,680.28
Total Depreciation	55,680.28
Total Expense	121,696.15
Net Ordinary Income	-302,217.73
Net Income	-302,217.73





Recycle Program Balance Sheet

July 1, 2014 - June 30, 2015

	Jun 30, 15
Recycling Program	
ASSETS	
Current Assets	
Checking/Savings	
Cash Operational Combined	-
10-1010 - Cash Operational - Waste Divers	1,520,100.35
Total Cash Operational Combined	1,520,100.35
Total Checking/Savings	1,520,100.35
Total Current Assets	1,520,100.35
Fixed Assets	
Fixed Assets	
18-6050 - Continuing Property Under \$5000	71,528.25
18-6000 - Machinery & Equipment	168,608.43
18-6100 - Allow for Depr - Mach & Equip	-119,632.72
Total Fixed Assets	120,503.96
Total Fixed Assets	120,503.96
TOTAL ASSETS	1,399,596.39
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	

Other Current Liabilities	
Four Corners Recycling.	23,355.20
20-6120 - Wages Payable	2,083.87
20-6135 - W.C. Payroll Liability Payable	5.84
20-9100 - Compensated Absences Payable	18.21
Total Other Current Liabilities	25,463.12
Total Current Liabilities	25,463.12
Long Term Liabilities	
23-9000 - Compensated Absences - Non-Curr	13.46
Total Long Term Liabilities	13.46
Total Liabilities	25,476.58
Equity	
3900 - Total net assets	1,122,855.24
Net Income	-302,217.73
Total Equity	1,425,072.97
TOTAL LIABILITIES & EQUITY	1,399,596.39



Household Hazardous Waste Collection



The Gallatin Solid Waste Management District holds a free Household Hazardous Waste (HHW) Event to the general public on the second Saturday of each month at the Bozeman Convenience Site. This year we held 12 events. Businesses are charged by the types of materials they bring for disposal. If the business has large quantities they are referred to our HHW contractors, Beartooth Environmental or Veolia Environmental. We had a total of 392 customers attend the events. 370 were household customers and 22 commercial businesses. We collected \$2,366 from the businesses for the service. The District had a few more customers this year than last fiscal year. Each year it gets more popular. The grand total of HHW we disposed of this fiscal year was 5,417 items.

For more information on the District's HHW program, the types of HHW materials and quantities we accept, visit our website at <http://gallatin.mt.gov> (go to Departments/Bozeman Convenience Site). On the BCS face page, the link is on the left side of the page.



Bozeman Convenience Site Household Hazardous Waste Container



We paid \$24,069.63 to Beartooth Environmental to properly dispose of the HHW collected at the events compared to \$18,257.38 the previous year. We paid \$5,812.25 more this year with almost the same amount of customers. The program did not include the District's labor, gas, and miscellaneous expenses for holding the events or after the event to bulk and prepare the HHW for shipment for receivership by the disposal service.

The District collects and recycles fluorescent bulbs and ballasts from the HHW program, as well as collecting them at the Logan Landfill. Because they contain Mercury, spent fluorescent lamps increasingly cannot be thrown in dumpsters as a solid waste. Mercury is linked to severe health issues. A single four-foot fluorescent tube contains from 5 to 50 milligrams of mercury. When conventional disposal methods are used, mercury vapors can travel over 200 miles. The Environmental Protection Agency (EPA) regulates fluorescent lamps and stipulates strict guidelines for their disposal.

The District purchased a bulb crusher in FY 2013 to help save costs to the program. We receive the bulbs, crush them and send them out in bulk to be recycled. To dispose of the bulbs, the District pays by the pound, not by the bulb or by the foot for the fluorescents, which is more cost efficient. We pay by the fifty-five gallon drum. We pay \$325.00 per drum plus \$275 for a pallet of four drums plus a fuel surcharge of \$230.25 or .15 per mile. We collected 5,540 pounds of crushed bulbs and paid the Aircycle Corporation \$3,530.50 to transport to their recycling center. We collected 1,132 eight-foot or over bulbs @ \$1.00 a piece and 6,275 under eight-foot bulbs at \$.50 cents each. We collected \$4,276 total this fiscal year. This does not include the District's labor for collection and crushing of the bulbs on-site. We collected 45 ballasts. We received \$45. We paid Aircycle \$77.74 for supplies (a new chain for the crusher) and to properly ship the bulbs and ballasts.

The Gallatin Solid Waste Management District is required to operate under an Operations Manual (O&M) approved by MDEQ. Under this O&M plan are set policies, procedures, and contingency plans for emergency response in case of an incident that may occur during operations of the District's programs. The District Manager or any other personnel present will contact the appropriate emergency response personnel in the case of injury, fire, accident or disaster. General contingency plans are initiated by the District Manager once an employee has informed the District Manager of the situation.

When emergency situations occur, a prompt, appropriate response can often limit the extent of property damage and counteract the effects of injury to personnel. Knowledge and awareness of potential hazards will be most useful in identifying causes and conditions of an emergency. The basics of the contingency plan to provide for an effective emergency response are:



Trained personnel capable of responding to fire, poisoning, accidental injury and damage, and life threatening occurrences.

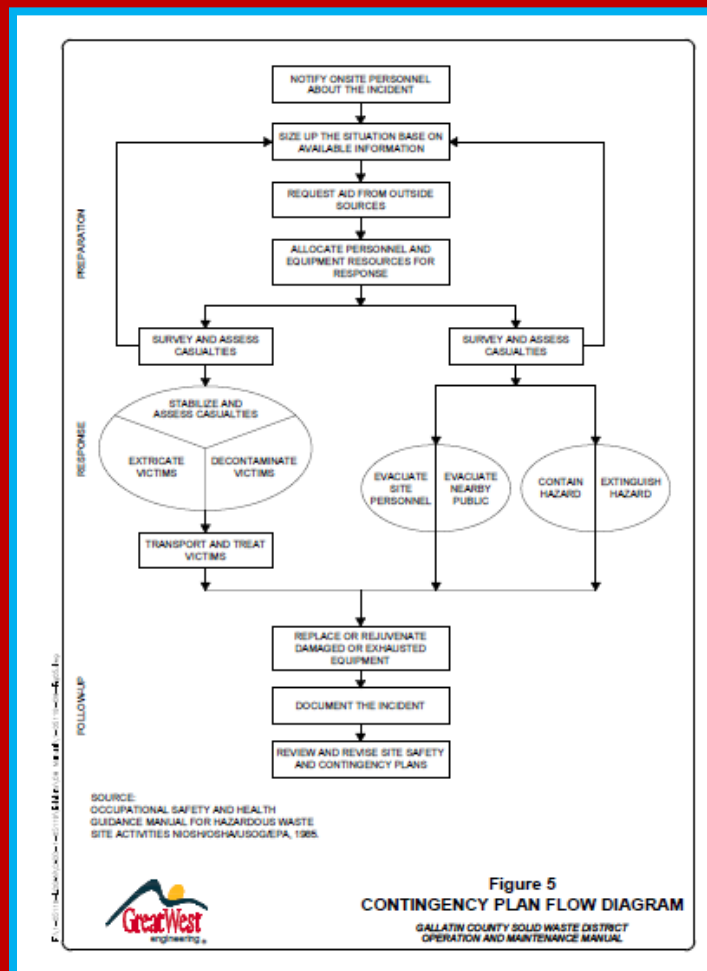


Safety equipment maintained in proper working order and in designated locations. Plan initial responses, assign responsibilities for actions, and routinely review these plans and assignments.



The District budgets for specialized training each year to keep staff educated and trained to respond.

The diagram below gives the general flow as to how the contingency plan proceeds if such an incident occurs.



FINANCIAL SUMMARY



The Gallatin Solid Waste District operates as an enterprise fund. Under GASB 34, an enterprise fund must be used to report activities described as business-type activities; the activity is financed with debt that is to be repaid solely with the net revenues and charges of the activity, or; laws and regulations require that costs be recovered by revenues of the activity, or; the pricing policies of the activity are designed to fully recover all costs. No tax revenues are used for District operations or capital improvements. Revenues are generated by tipping fees, the sale of recycled commodities, and interest earnings.

The District's total income for the year was \$4,405,821.05. Tipping fees from Logan (\$3,933,893.36) and the Bozeman Convenience Site (\$178,911.60) accounted for \$4,112,804.96 or over 93% of the income. Sale of metal and junk salvage at the Logan Landfill totaled \$27,204.80. The sale of metal and junk salvage from the Bozeman Convenience Site totaled \$1,336.25 for a total of \$28,541.05, a decrease of \$2,597.66. The Recycling program commodities collected generated \$67,192.60 in revenue. The grazing lease earned \$2,400. Interest earnings for the year totaled \$81,231.60. We were up \$22,416.96 from the previous year in interest earnings. Last fiscal year the interest earnings were up \$5,172.52 from the previous year. Interest earnings are increasing as cash in the bank increases. The last four fiscal years have been about half of the \$100,000 plus interest earned in each of FY 2009 and FY 2010. FY 2009 (\$140,845); FY 2010 (\$122,930); FY 2011 (\$59,555.41); FY 2012 (\$60,246.89); FY 2013 (\$53,642.12); FY 2014 (\$58,814.64). The District continues to strive to maintain its annual fiscal year budget.

The Equipment Reserve fund is used to pay cash for future equipment replacement. The fund balance at the end of the year was \$1,899,197.45. We transferred \$420,000 to the Equipment Reserve Fund this fiscal year. Operational cash at the end of the year for the Logan Landfill was \$5,739,361.63, a negative <\$700,314.68> for the Bozeman Convenience Site (since assuming operations on July 1, 2008), and the Recycling program a negative <\$1,502,100.35> (since startup on April 1, 2008). Total cash operational combined totaled \$3,518,946.60. Fixed assets are \$6,004,954.59. The balance at the end of the year for the District's total assets was \$16,376,501.11, an increase of \$1,750,115.86 from the previous fiscal year. The required financial assurance funding for landfill closure and post closure costs had a balance of \$1,989,567.36 at the end of the fiscal year. Total long-term liabilities at the end of the year totaled \$2,667,119.19.

The District did not take on any new debt this fiscal year. Currently, the District makes a principal payment of \$62,500 twice a year to the State Board of Investments for the Logan Springs Ranch property purchased in 2010. Each semi-annual payment pays \$62,500 towards the principal. The interest rate is 1%. At the end of the fiscal year we owed \$687,500. The District/County is working to improve the property in anticipation of a land swap of the property in exchange for State land that we currently lease. This action is part of our plan for future expansion of the landfill.

Each year we pay rent to the Department of Natural Resource and Conservation (DNRC) for land leases used in the landfill operation: Rent for the 8-acre parcel (scalehouse and administration building) = \$6,673.92. Each year the rent goes up 3%; the 40 acre parcel the landfill uses to stockpile excavated dirt costs \$19,168. We reserved \$300,000 this year for the next Cell to be constructed for Phase 4 of the Master Plan.

The landfill incurs considerable insurance that is required for permitting to keep in compliance with new rules and changes in laws. We paid \$46,781.88 to MDEQ for our annual landfill permit. That was \$3,561.08 more than the last fiscal year due to the District's diversion programs. We paid \$16,845.22 a year for our pollution insurance above Gallatin County's allocated liability insurance cost to us of \$30,718 down \$1,123.53 from last fiscal year.

The Profit and Loss and Balance Sheets for July 1, 2014, through June 30, 2015, show the year's revenues, operating expenditures, assets, and liabilities. We continue to bring the services our customers want, at affordable prices. This year we saw waste volumes go up 19,966.55 tons this year (128,179 total tons), comparable to the past three years of declining waste volumes. Evaluating the twelve months, the increase seems attributable to the economy steadily improving with the continuing increase of construction in Gallatin Valley. Table 17 shows a five year period, FY 2010-2011, FY 2011-2012, FY 2012-2013 had a decrease in tonnage; FY 2013-2014 and FY 2014-2015 had an increase in tonnage.

Table 17

	Actual Tonnages Received	Decreased Tonnage From Previous Year	Increased Tonnage From Previous Year
Fiscal Year 2010-2011	115,389.09	16,781.09	
Fiscal Year 2011-2012	105,665.34	9,723.75	
Fiscal Year 2012-2013	103,473.52	2,191.82	
Fiscal Year 2013-2014	108,212.55		4,739.03
Fiscal Year 2014-2015	128,179.00		19,966.45

The District leases the Bozeman Convenience Site from the City of Bozeman under an Interlocal Agreement that commenced on July 1, 2008. In June of 2013, the District renewed the agreement for another five years beginning July 1, 2013. Under the agreement, the District pays the City of Bozeman for 80% of the compost being disposed of on-site to help maintain it with their equipment. The District receives 20% of the revenue. The District paid the City of Bozeman \$5,715.20 this fiscal year for the compost disposed of at the Bozeman Convenience Site scale.





Gallatin Solid Waste Management District Long Range Strategic Plan

Fiscal Year		2015	2016	2017	2018	2019	2020
Tonnage	1%	104,700	115,000	116,150	117,312	118,485	119,669
CAPITAL OUTLAY							
Wash Bay		\$131,997					
Logan Springs/Land Swap		\$75,000	\$110,000				
Corrective Measures		\$60,000	\$75,000				
Compost Area		\$125,000	\$130,000				
Trees/Flood Reclamation		\$20,000					
Fence/ Screens/ Concrete Blocks		\$25,000	\$25,000	\$25,000			
Cell 4 Construction		\$25,000	\$47,000	\$25,000	\$1,000,000	\$1,000,000	
Major Facility Expansion				\$250,000	\$250,000	\$250,000	
Entrance Road Repair			\$80,000				
Equipment Reserve Fund		\$20,000	\$ 420,000	\$420,000	\$420,000	\$420,000	\$420,000
Year End Balance		\$258,880	\$894,380	\$997,880	\$882,880	\$897,880	\$707,880
Compactor (826H)			\$600,000				
Dozer		\$250,000					
Front Loader						\$300,000	
930 IT Compost Bucket			\$13,500				
973 Track				\$400,000			
Grader							\$250,000
Water Truck				\$100,000			
Pickup (3/4 Chev)						\$40,000	
Pickup (snow plow)					\$40,000		
Roll-Off Truck					\$225,000		
Admin Vehicle					\$30,000		
Hydroseeder (ADC)						\$50,000	
Other Assets							
Computers		\$2,000		\$13,000		\$15,000	
Copier				\$10,500			
Eye Wash Station		\$4,880					
Ripper Tooth 329E			\$7,000				
Waste Oil Containers - 2			\$15,000				
HHW Barrel Scale		\$2,000					
Recycling Containers					\$10,000		\$10,000
Total	Total	\$258,880	\$635,500	\$523,500	\$305,000	\$405,000	\$260,000



Gallatin Solid Waste Management District
Profit & Loss
July 1, 2014 Through June 30, 2015

	Jul '14 - Jun 15
Ordinary Income/Expense	
Income	
Miscellaneous Revenue	18,433.01
Sale of Fixed Assets	85,703.45
Charges for Services-Logan	
3430-42 · Disposal Charge	3,933,893.36
3430-45 · Sale of Junk or Salvage	27,204.80
Total Charges for Services-Logan	3,961,098.16
Grazing Lease	2,400.00
Charges for Services-Bozeman	
Disposal Charge	178,911.60
Sale of Junk or Salvage	1,336.25
Total Charges for Services-Bozeman	180,247.85
Waste Diversion Revenue	
E-Waste Hauled Out	8,519.38
HHW	995.00
Total Waste Diversion Revenue	9,514.38
Recycling Revenue	
Sale of Paper	20,342.52

Sale of Plastic	9,466.48
Sale of Aluminum	30,504.06
Sale of Steel	2,135.79
Sale of Cardboard	4,743.75
Total Recycling Revenue	67,192.60
3710-10 · Interest Earnings	81,231.60
Total Income	4,405,821.05
Cost of Goods Sold	
80% Compost Due to City	5,715.20
Transport From Bzn Conv Site	
Rolloff Containers	93,867.00
Stationary Compactor Containers	7,437.00
Total Transport From Bzn Conv Site	101,304.00
Recycle Processing Costs	247,714.18
Total COGS	354,733.38
Gross Profit	4,051,087.67
Expense	
Tax Assessments	
540 · Tax Assessments	6.60
Total Tax Assessments	6.60
Personnel	
110 · Salaries & Wages- Permanent	619,560.01
112 · Salaries & Wages-Temporary	3,055.26
120 · Overtime- Permanent	20,279.09
140 · Employer Contributions	239,432.68
141 · W.C. Employer Contributions	19,699.68
Total Personnel	902,026.72
Supplies	
221 · Software	146.95
210 · Office Supplies	3,879.43
220 · Operating Supplies	69,936.09
224 · Food	1,056.86
226 · Clothing & Uniforms	2,282.37
Total Supplies	77,301.70
Fuel	
231 · Gas, Oil, Fuel, Grease	135,543.11
Total Fuel	135,543.11

Maintenance		
230 · Repairs & Maintenance Supplies		120,451.53
232 · Tires		3,010.74
360 · General Repair & Maint by Other		3,537.51
361 · Equipment Repairs & Maint		14,604.36
362 · Office Equip Repair & Maint		5,949.45
Total Maintenance		147,553.59
Small Tools		
240 · Consumable Tools		130.68
235 · Small Tools		3,701.84
Total Small Tools		3,832.52
Postage		
312 · Postage		1,639.93
Total Postage		1,639.93
Printing & Duplicating		
320 · Printing & Duplicating		2,830.94
Total Printing & Duplicating		2,830.94
Advertising		
331 · Publications Legal Notices		336.00
337 · Advertising		6,561.46
Total Advertising		6,897.46
Dues & Subscriptions		
335 · Membership Dues		895.00
Total Dues & Subscriptions		895.00
Utilities		
341 · Electric Utilities		18,724.12
344 · Propane		7,983.00
345 · Telephone		22,139.56
346 · Cell phones		1,865.53
Total Utilities		50,712.21
Outside Services		
350 · Professional Services		115,789.39
351 · Medical Services, Vet Services		119.00
390 · Purchased or Contracted Service		1,350.00
Total Outside Services		117,258.39
Legal Fees.		

352 - Legal Fees	0.00
Total Legal Fees.	0.00
Travel	
370 - Travel	2,909.44
Total Travel	2,909.44
Training	
380 - Training	1,466.80
Total Training	1,466.80
Insurance	
513 - Liability Insurance Allocated	47,563.22
Total Insurance	47,563.22
Licenses	
570 - License Fees	48,843.88
Total Licenses	48,843.88
Rent	
530 - Rent	27,930.92
Total Rent	27,930.92
Service Charges	
630 - Service Charges	122.72
Total Service charges	122.72
Administrative Fixed Costs	
590 - Administrative Costs	54,538.31
Total Administrative Fixed Costs	54,538.31
Closure/Post Closure	
580 - Closure/Post Closure Costs	83,612.24
Total Closure/Post Closure	83,612.24
Loan Interest Payments	
620 - Loan Interest	11,006.10
Total Loan Interest Payments	11,006.10
Depreciation	
830 - Depreciation	525,708.69
Total Depreciation	525,708.69
Total Expense	2,250,200.49

Net Ordinary Income	1,800,887.18
Other Income/Expense	
Other Expense	
Loan payments	
610 · Principal	125,000.00
615 · Principal Contra	-125,000.00
Total Loan payments	0.00
Reserve Funds	
905 · Equipment/Next Cell Reserves	720,000.00
955 · EQUIP/NEXT CELL RESERVE CONTRA	-720,000.00
Total Reserve Funds	0.00
Capital Improvements	
920 · Buildings	130,919.43
925 · Buildings Contra	-130,919.43
930 · Improv Other Than Buildings	74,728.38
935 · Improvements Contra	-74,728.38
940 · Capital Exp- Machinery & Equip	-154,468.10
945 · Machinery & Equip Contra	154,468.10
Total Capital Improvements	0.00
Total Other Expense	0.00
Net Other Income	0.00
	1,800,887.18





Gallatin Solid Waste Management District Balance Sheet July 1, 2014 Through June 30, 2015

	Jun 30, 15
ASSETS	
Current Assets	
Checking/Savings	
Cash Operational Combined	
10-1000 · Cash Operational	5,812,022.81
10-1005 · Cash Operational-Bzn Conv Site	-700,314.68
10-1010 · Cash Operational - Waste Diversion	-1,520,100.35
Total Cash Operational Combined	3,591,607.78
10-2000 · Restricted Cash - Closure Costs	1,963,476.72
10-2110 · Cash - Fixed Asset Purchases	1,899,197.45
10-2130 · Cash Res for Security Deposit	87,000.00
10-2210 · Loan Payment Reserve	62,500.01
10-2220 · Loan Reserve (Future Year Pmt)	125,000.00
10-2230 · Reserve For Next Cell	2,050,000.00
Total Checking/Savings	9,778,781.96
Accounts Receivable	
Accounts Receivable	
12-2000 · Logan Landfill	582,388.57
12-2005 · Bozeman Convenience Site	970.00
Total Accounts Receivable	583,358.57
Total Accounts Receivable	583,358.57

Other Current Assets

12-8000 - Accrued Int Receivable	9,405.99
Total Other Current Assets	9,405.99
Total Current Assets	10,371,546.52

Fixed Assets

Fixed Assets

18-6050 - Continuing Property Under \$5000	179,272.81
18-1000 - Land	1,650,785.00
18-2000 - Buildings	1,827,500.34
18-2100 - Allow for Depr- Buildings	-263,427.10
18-3000 - Intangibles	6,965.00
18-3100 - Amortization	-6,965.00
18-4000 - Improv Other Than Buildings	2,977,815.59
18-4100 - Allow for Depr- Imp Other Than	-2,574,214.58
18-6000 - Machinery & Equipment	3,754,828.81
18-6100 - Allow for Depr - Mach & Equip	-1,788,489.39
18-8010 - CIP - Cell 4 Expansion	27,049.05
18-8015 - CIP - Compost Expansion	77,080.32
18-8020 - CIP - Logan Springs	52,112.95
18-8025 - CIP - Soil Vapor Extraction	35,935.78
18-8030 - CIP - Spring Rehab	13,271.78
18-8500 - Class 4 Waste Area	35,433.23
Total Fixed Assets	6,004,954.59
Total Fixed Assets	6,004,954.59

TOTAL ASSETS 16,376,501.11

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

20-6110 - Loan Accrued Interest Payable	3,196.17
City of Bozeman	3,364.00
Four Corners Recycling.	23,355.20
20-6120 - Wages Payable	15,797.55
20-6130 - Payroll Liabilities	14,724.60
20-6135 - W.C. Payroll Liability Payable	2,204.90
20-9100 - Compensated Absences Payable	5,304.73
21-4000 - Security Deposits Payable	87,000.00

Current Portion-Long Term Debt	125,000.00
Total Other Current Liabilities	279,947.15
Total Current Liabilities	279,947.15
Long Term Liabilities	
23-5406 · Land Loan - Board of Investment	687,500.00
Current Portion	-125,000.00
23-6000 · Closure Cost liability	1,963,476.72
23-9000 · Compensated Absences - Non-Curr	48,055.77
23-9500 · GASB 45 OPEB Net Obligation	54,045.29
Total Long Term Liabilities	2,628,077.78
Total Liabilities	2,908,024.93
Equity	
3000 · Net Assets	1,126,924.76
3900 · Total Net Assets	10,540,664.24
Net Income	1,800,887.18
Total Equity	13,468,476.18
TOTAL LIABILITIES & EQUITY	16,376,501.11

