

Public Hearing: March 10, 2003

## **F A C T S H E E T**

**TITLE:** Amending Chapter 8.32 of the LMC to provide for an occupation tax on refuse haulers.

**SPONSOR:** Public Works and Utilities, Lincoln Lancaster County Health Department

**OPPONENTS:** Waste Connections, Inc

**OTHER DEPARTMENTS AFFECTED:**

**STAFF RECOMMENDATION:**

**APPLICANT:** Allan Abbott, Bruce Dart

### **REASON FOR LEGISLATION:**

Amending Chapter 8.32 of the LMC to establish an occupation tax of \$7.00 per ton on refuse and special waste collected within the City of Lincoln and \$7.00 per ton occupation tax on refuse and special waste collected outside the corporate limits of the city and within Lancaster County that is deposited in the City's sanitary landfill. Amending various definitions within Chapter 8.32 clarifying the applicability of the proposed occupation tax. The recommended date of implementation is June 1, 2003.

## **D I S C U S S I O N**

The purpose of this legislation is to establish an occupation tax of \$7.00 per ton to be collected from refuse haulers who collect solid waste within the City of Lincoln. The \$7.00 per ton occupation tax also applies to refuse and special waste collected outside the corporate limits and within Lancaster County which is to be deposited in the Lincoln sanitary landfill. The occupation tax of \$7.00 per ton will provide sufficient revenue to fund in whole or in part programs such as composting, transfer station, construction and demolition debris landfill disposal, old landfill closure, recycling programs and various Health Department programs associated with solid waste management. By establishing an occupation tax, these programs would no longer be subsidized by the landfill tipping fee charged at the Bluff Road Landfill. The occupation tax fairly assesses the cost of these programs to all potential users who may not currently be paying these costs as their wastes are shipped to other landfill sites. By utilizing the occupation tax to fund these programs, the tipping fee at the Bluff Road Landfill will be lowered to \$10.00 per ton to provide revenues for funding costs directly associated with the Bluff Road Landfill operation.

Other fees charged at the Bluff Road Composting Site, the North 48<sup>th</sup> Street Transfer Station and the North 48<sup>th</sup> Street Construction and Demolition Debris landfill would remain unchanged..

The City of Lincoln has received support for this legislation from the Lincoln Solid Waste Management Association representing a majority of Lincoln's refuse haulers.

**POLICY OR PROGRAM CHANGE:** Changing the method in which the City of Lincoln's integrated solid waste management programs are funded by establishing an occupation tax of \$7.00 per ton for refuse and special collected within the City of Lincoln and Lancaster County and reducing the tipping fee charged at the Bluff Road Landfill in the same amount, thereby, eliminating the current subsidy for funding programs.

**COST OF TOTAL PROJECT:**

**SOURCE OF FUNDS:**

**CITY:**

**NON CITY:**

**BENEFIT COST:** Without the revenue generated by this legislation, the programs identified for funding by the occupation tax would require a continued subsidy from the landfill tipping fee.

**FACT SHEET PREPARED BY:** Steve Owen, Superintendent of Solid Waste Operations

**REVIEWED BY:** Allan Abbott, Director of Public Works/Utilities