



Interim Host Fee Agreement – Recycling Industries Inc.
Benjamin Moody – Development Services Director

Background

- Recycling Industries Inc (RI). currently operates a recycling center under a Use Permit that was approved by Planning Commission in February 2008.
- In 2018, Planning Commission approved amending the previous UP to obtain a revised Large Volume Transfer/Processing Solid Waste Facility Permit (SWFP) and increase the maximum throughput to 300 TPD.
- In February 2019, City Council approved the Use Permit with modified conditions of use and conditions of approval, including the limit of 100 TPD and requirement for a Host Fee Agreement prior to operation



Interim Host Fee Agreement



- Condition of Approval No. 35 states:

“Prior to use of the new building, the applicant will negotiate a “Host Fee” with the City. The Host Fee will be calculated based upon the amount of garbage that is ultimately transferred to the Landfill by the applicant. With the establishment of the Host Fee being a remaining item needed prior to operation of the facility.”

- The City coordinated with industry experts, R3 Consulting Group, to provide relevant information and to establish a nexus to determine the appropriate Host Fee amount.



Interim Host Fee Agreement



The Interim Host Fee Agreement establishes:

- up to 12 months of validity, to be superseded by a forthcoming agreement
- a fee of **\$4.40** per ton of all material transferred to a landfill, resulting in an estimated **\$123,000** in revenue to the City per year
- maintains the maximum of 100 TPD throughput





Recommendation

- Adopt a Resolution approving an Interim Host Fee Agreement with Recycling Industries Inc. regarding the Materials Recovery and Transfer Station, and authorize the City Manager to execute the Agreement.



Alternative

- Provide alternative direction to staff as to how to proceed. Potential delays to beginning operations may result, depending on alternative directions decided.



Questions?

