

Camelot Landfill

Financial Performance
and Life Expectancy



FARMERS
BRANCH

Overview

- Recent and pending changes in the solid waste disposal market and additional waste volume from the temporary closure of Lewisville Landfill have changed the expected life of Camelot Landfill
- Council has expressed a concern about the new life of the site
- Council has expressed an interest in operating a mulching operation at the facility
- Staff has negotiated a 4th contract amendment with Camelot Landfill, TX LP regarding site operations and waste volumes

Landfill Basics

- Camelot Landfill: Type I municipal solid waste landfill
 - Most common type of landfill
 - Accepts most types of waste: garbage from residential, commercial and industrial generators, construction and demolition waste, and special waste
 - Hazardous waste from commercial and industrial generators is **prohibited**
- Landfills have defined volumes of waste that can be accepted and a defined footprint
 - Goal – compact as much waste material into each permitted cubic yard as possible

Landfill Basics

- Financial Assurance required
 - Demonstration by City that it will pay for the required **closure** and **post closure** and any **corrective action** activities that might be necessary
- Closure – procedures the City must follow when all airspace is filled with waste material
 - Final cover system installation and any remaining gas collection system components
 - Must begin within 30 days and be completed within 180 days of final waste acceptance
- Post Closure – monitoring and maintenance of waste containment system, leachate collection system and monitoring of groundwater and landfill gas wells
 - 30 years from site closure
- Corrective Action – control and cleanup pollutant releases from landfill and achieve groundwater protection standards

Camelot Landfill: 1312B

- Expansion approved by TCEQ: August 28, 2017
- Total Capacity of Facility: 53.2M cubic yards
 - Additional airspace
 - Consumed airspace (previously filled)
- Financial Assurance (2020 Dollars as submitted to TCEQ) - \$35,083,667
 - Closure, Post Closure, and Corrective Action
 - Adjusted annually for inflation and closure, post closure, and/or corrective action activities

Camelot Landfill: 1312B

- Remaining Capacity
 - 2017 – 35,506,693 cubic yards
 - 2018 – 34,719,858 cubic yards
 - 2019 – 33,572,493 cubic yards
 - 2020 – 32,609,767 cubic yards
- Landfill gas collection system is installed across most of the active and previously filled disposal area
- Maximum elevation
 - 675 feet MSL
 - Pre Subtitle D area – 623 feet MSL

Significant Developments Since Expansion Approval

- Contract Amendment with Camelot Landfill, TX LP
 - Mothballed Lewisville Landfill (~2,100 tons per day) for at least 8 years
 - Additional revenue used to pay for new scalehouse and maintenance facility at Camelot Landfill
 - Contract requirement
- DFW Landfill closing sooner than publicized
 - Recent acquisitions by WM and Republic Services in DFW and Austin markets
 - Up until acquisitions, WM has been stating publicly that DFW Landfill would close in several years (~2023)
 - 5,000+ tons per day landfill in 2018
 - Cut waste inflow in half in December 2019; will close commercially at end of 2021
- Closure/Post Closure Funding: Pay as You Go funding started FY '22
 - \$1M annually

Pro Forma Assumptions

- Your model is only as good as your assumptions! – Dr. Daryl Moorhead
- Soil Usage
 - Typical – 15%
 - Model - 10%
- Compaction
 - Contract Minimum – 1,600 lb/CY = 0.8 ton/CY
 - Model - 1,800 lb/CY = 0.9 ton/CY
- Annual Increase in tons disposed – Provided by contractor (0.5%)
- Annual Increase in tipping fee – 1%
- Annual Farmers Branch Residential Solid Waste Inflation – 2%
- Landfill Closure/Post Closure Inflation Factor (varies annually; provided by TCEQ) – 2%

Pro Forma Results

- Life of Site - 2042
- Current waste projections by Republic stay under waste volume cap
- Revenues
 - Camelot Landfill TX, LP (Republic Services)
 - Annual Usage Fee: \$1M per year
 - Royalties: MSW and C&D – 16% of GR
 - Equalization Fee: \$93K per year
 - Host Fee Support: \$0.25/ton up to \$250K per year
 - Landfill Gas to Energy: \$290K per year
 - City sells LFG to WMRE; they produce electricity
 - Sales price tied to purchase price of natural gas; current price is the contract minimum

Pro Forma Results

- Costs
 - Host Fee Payment to Lewisville: \$1.20 per ton
- Residential Garbage Services
- Closure, Post Closure, and Corrective Action
 - Closure (2020 Dollars) - \$20M
 - Post Closure (2020 Dollars) - ~\$11.8M
 - Corrective Action (2020 Dollars) - ~\$3.2M

Pro Forma Results

Revenues/Costs	Amount
Landfill Gas Sales	\$6,000,000
Camelot Landfill TX, LP Payments	\$196,000,000
Total Revenue	\$202,000,000
Host Fee Payment	\$37,000,000
FB Residential Collection	\$64,000,000
Net Closure, Post Closure, CA	\$13,000,000
Total Landfill Obligations	\$114,000,000
Net Revenue	\$88,000,000

Next Steps

- Approve and execute 4th Contract Amendment with Camelot Landfill, TX LP
 - Reopen Lewisville Landfill (~\$4M); need additional MSW tonnage
 - Long Term ~3 million cubic yard deficit of soil at site
 - Pricing discount to attract soil jobs
 - Limited space to store soil due to floodplain
 - Provides contractual pathway for future mulching operation
 - Changes the units of the annual waste disposal cap from cubic yards to tons
 - Provides a minimum lifespan of Camelot Landfill

A decorative graphic on the left side of the slide featuring stylized blue leaves of various shapes and sizes, arranged along a diagonal branch. The background is a solid dark blue, with a light blue horizontal bar at the top and a light green horizontal bar at the bottom.

DISCUSSION