

Unit Cost Updates for Estimating Closure & Post-Closure Care Costs



Dennis A. Degner, P.E., Chief, SW Permits Section

MSWLF PCC Reduction/Termination Workshop

Salina, Kansas

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Overview

- **Review of Key Items in Agreement by KDHE from May of 2013 on Closure & Post-Closure Cost Estimating**
- **Rationale & Procedure Used to Analyze Current Data to Prepare KDHE's Unit Cost Estimates for July 1, 2014 - June 30, 2015**
- **Guidance for Estimating Unit Costs for Closure & PCC July 2014 – June 2015**

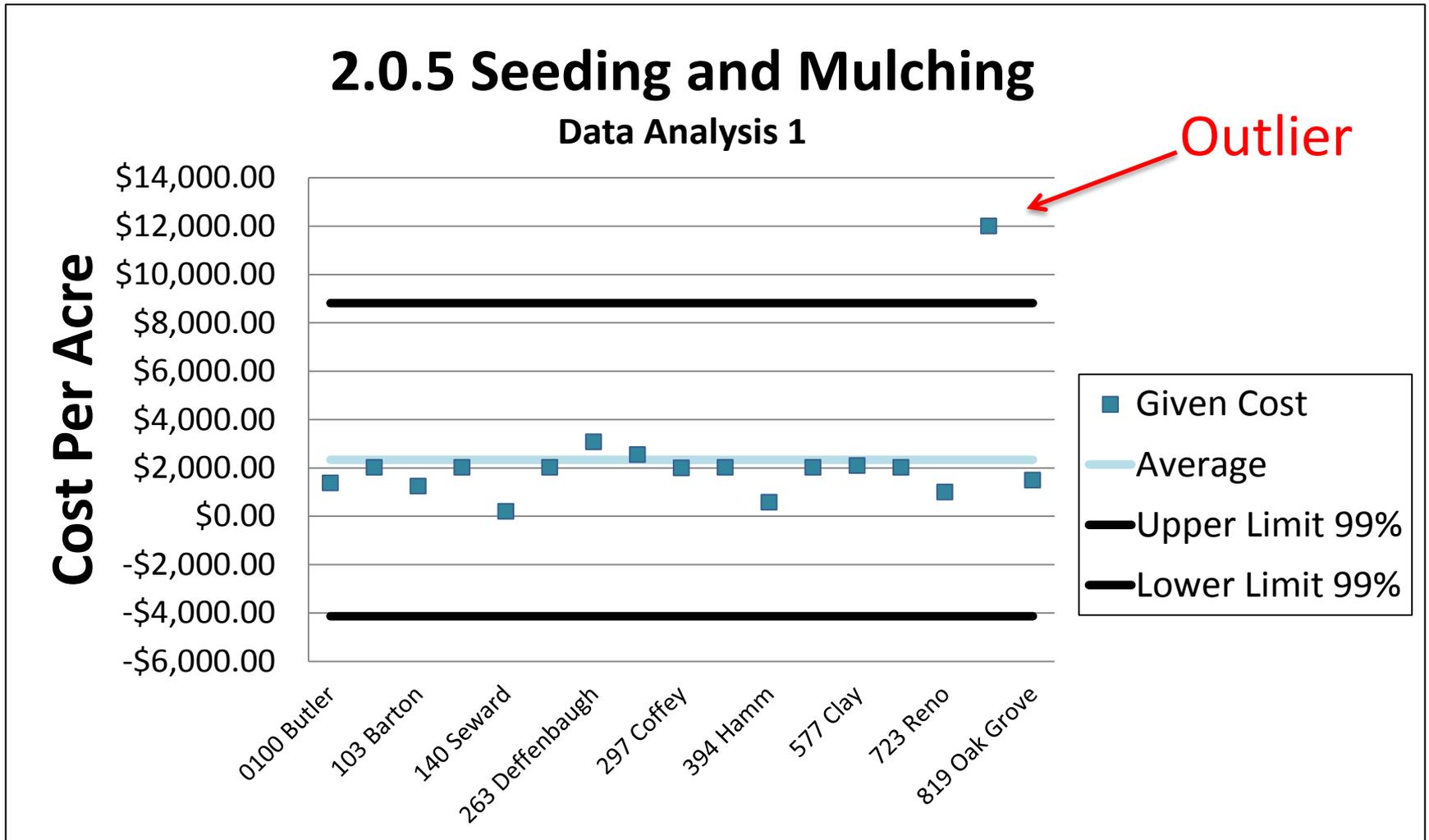
Review of Key Items in Agreement by KDHE in May 2013

- Representative annual cost estimates need to be prepared by a PE for permit renewals :
July 2014 - June 2015**
- A Kansas PE estimate is required every 5
years starting with July 2014 - June 2015**
- Once a PE estimate is provided, unit costs
can be updated using the federal Implicit
Price Deflator – 1.5% for the year ending
Dec. 2013**

Rationale for Developing Estimated Unit Costs

- **Unit costs were analyzed statistically by landfill type**
 - **Each non-landfill specific cost item - not event or geology specific**
 - **Example – seeding and mulching per acre**

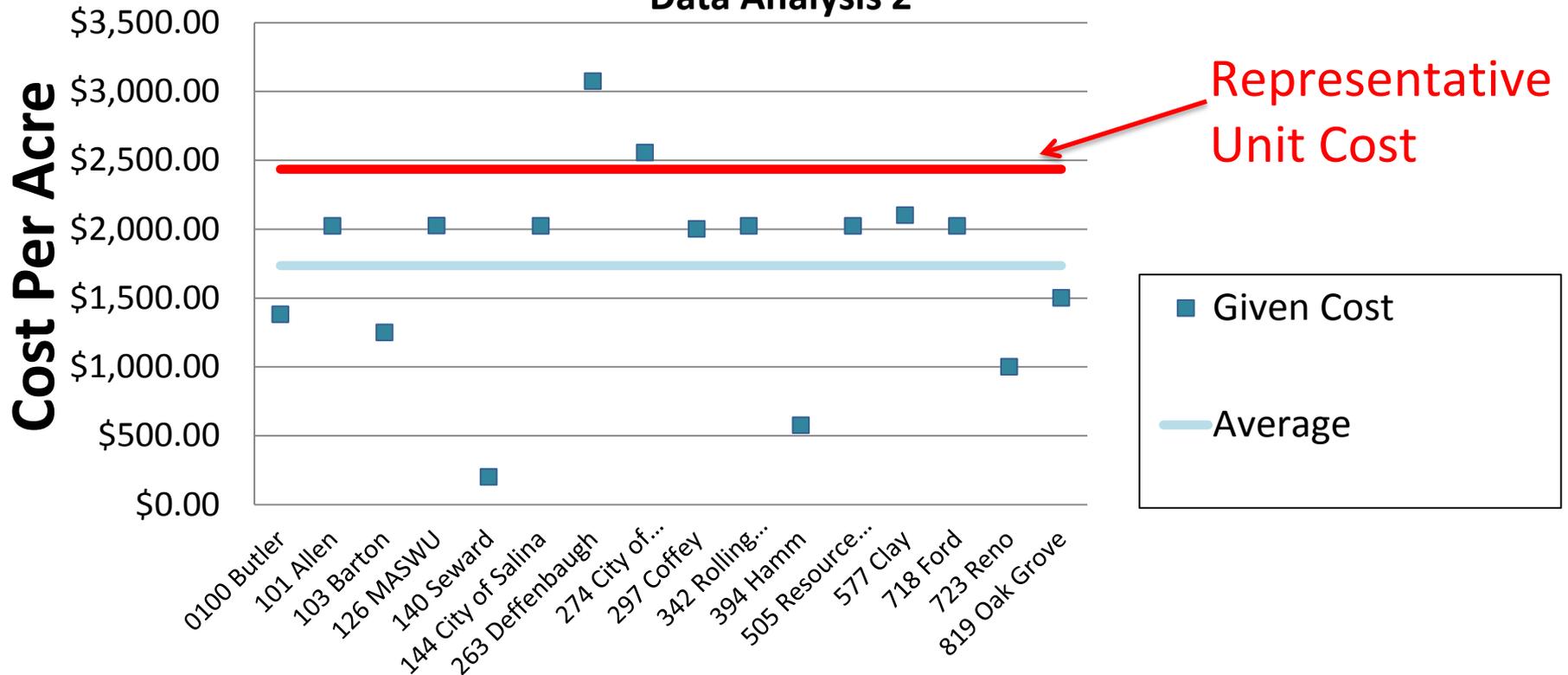
Closure Costs - Data with Outliers



Closure Costs - Data w/o Outliers

2.0.5 Seeding and Mulching

Data Analysis 2



Guidance for Estimating Costs for July 2014 - June 2015

- If estimate for July 2013 - June, 2014 was prepared by a Kansas licensed PE
 - Unit costs can be increased by 1.5 % for inflation w/o PE certification for July 2014 - June 2015; however, PE input may be needed to calculate updated quantities
- Conversely – if not prepared by a PE for your July 2013 – June 2014 permit renewal,
 - Calculated KDHE non-landfill specific unit costs can be used by your PE to help prepare C & PCC estimates

Guidance for Estimating Costs for July 2014 - June 2015 (cont.)

- **If you choose not to use the KDHE representative unit cost estimates provided for the non-landfill specific items**
 - **You (and your PE) need to provide documentation/references to price your representative unit costs, i.e., invoices or written bids or other standard engineering pricing tables**

Guidance for Estimating Costs for July 2014 - June 2015 (cont.)

- For this permit renewal year, we request the following:
 - Submit your Excel spreadsheet as a PDF document & as an unlocked version
 - We will use the unlocked version (with the final approved values) to easily compile, analyze and update representative unit cost data for the next permit renewal year

Guidance for Estimating Costs for July 2014 - June 2015 (cont.)

- The updated cost estimating forms are available in Excel by landfill type and they are now available on the BWM website:
www.kdheks.gov/waste
 - KDHE 2014 spreadsheet with non-landfill specific representative unit costs added
 - Blank 2014 spreadsheet to provide all applicable unit cost data for preparing the annual closure or PCC cost estimate for your landfill

Guidance for Estimating Costs for July 2014 - June 2015 (cont.)

- Questions on the annual cost estimating process should be directed to your respective landfill permit engineer/manager:
- **Sam Sunderraj**
- **Charley Bowers**
- **Mike Selm**
- **Dean Williams**
- **Habib Ghali**

Guidance for Estimating Costs & FA for July 2014 - June 2015 (cont.)

- The compliance schedule to provide updated financial instruments to cover revised total FA amounts is **60 days** after notification of your cost estimate approval for the permit renewal year
- **FA Contact: Brian Busby**
 - bbusby@kdheks.gov
 - 785-296-0680

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