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DATE: April 15, 2024  
TO: Wade Bryson, Chair  
Public Works and Facilities Committee  
THROUGH: Denise Koch, Director Engineering and Public Works  
FROM: Dianna Robinson, Environmental Project Specialist  
SUBJECT: Skookum Recycling Use of Site Adjacent to Former South Lemon Creek Gravel Pit

Skookum Recycling, CBJ's junk vehicle recycling contractor, has communicated to staff that they have a critical storage capacity issue that will affect our junk vehicle recycling contracts. A combination of an increase in collected materials due to the increased scrap metal fees at the landfill,<sup>1</sup> increased abandoned and junk vehicles going through CBJ and JPD's junk vehicle programs, and reduced operating space at their site has created a situation where they believe they will hit maximum capacity within the next few weeks or months at the latest. The result of this would be to shut down operations on certain days, meaning that junk vehicles will stay on the street longer. Additionally, this could lead to increased illegal dumping when residents cannot bring materials to Skookum and are priced out of using the landfill for disposal.

If CBJ were to rebid our junk vehicle contracts to choose another vendor, we would likely face costs that have doubled, or even tripled, from our current contracted rates<sup>2</sup> with Skookum Recycling. In 2017, when we last rebid the junk vehicle contracts, the only other bidder, Waste Management, submitted a bid at nearly twice the rate we pay now. We suspect that the rate would be even higher in 2024.

Skookum has requested CBJ provide them with a location to store crushed and baled vehicles (approximately 1 acre) until they can come up with a more permanent solution.

The Manager's Office and staff plan to develop a temporary agreement with Skookum Recycling to allow them to use a site adjacent to the former South Lemon Creek Gravel Pit on Anka Street close to the scale house. The conditions attached to this agreement may include stipulating a 6-month time frame, installation of a perimeter fence to control site access, considerations for vehicle fluid spill prevention, and withholding a portion of payment for services until the site is cleared, among others.

The following CBJ permits may be required:

- Conditional Use Permit (CUP) Planning Commission (if using 1 acre or more, or a building over 15,000 sq. ft.),
- City State Project (CSP) review from the Planning Commission and Assembly,
- Use Permit from the Lands Division.

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<sup>1</sup> As of February 1, 2023, scrap metal prices at the Capitol Disposal Landfill increased from \$55/ton with a \$39.32 minimum charge, to \$155/ton with a \$110.53 minimum charge. The scrap metal fee did not increase in 2024.

<sup>2</sup> The current contracted vehicle recycling rate is \$600/standard vehicle. The RecycleWorks junk vehicle budget for the past several years, excluding the JPD program, has been \$340,000 annually.