

City Council Regular Business Meeting

Meeting Date: 06/22/2026
TITLE FY27 Landfill Use Agreement with Yellowstone County
PRESENTED BY: Jennifer Duray
Department: Public Works

Presentation: No
Legal Review: Yes
Project Number: N/A

RECOMMENDATION

The proposed one-year landfill agreement with Yellowstone County provides for reimbursement of self-hauled residential waste disposal by county residents at the Billings Regional Landfill. The FY27 agreement amount is \$628,220, an increase of \$190,640, or 44%, driven by the Council-approved landfill fee adjustment and improved customer residency tracking implemented in July 2025, which identified higher actual landfill utilization by Yellowstone County residents. The agreement also adjusts payment due dates to better align with Yellowstone County's property tax collection schedule. Approval of the agreement will allow continued administration of county resident landfill access through the existing reimbursement process and avoid the need to charge individual county residents at the scale house. Staff recommends approval of the agreement.

EXECUTIVE SUMMARY

The Billings Regional Landfill currently accepts waste from Yellowstone County through an annual agreement outlining accepted refuse types and associated fees for service. The proposed agreement for FY27 with Yellowstone County represents a 44% increase over FY26. The increase is in alignment with actual services rendered, which have been under-assessed in prior years due to insufficient resources to track residency status of visitors to the landfill. A new tracking method was implemented at the beginning of FY26, making it possible to properly assess utilization.

BACKGROUND (Consistency with Adopted Plans and Policies, if applicable)

The Billings Regional Landfill serves as the primary municipal solid waste disposal facility for residents and businesses throughout Yellowstone County. Under the long-standing agreement between the City of Billings and Yellowstone County, waste collected and delivered by licensed private haulers is charged directly to those haulers through the landfill's established tipping fees. Yellowstone County's annual payment to the City is intended to cover the disposal costs associated with self-hauled residential waste generated by county residents living outside the Billings city limits, as well as the associated use of landfill facilities.

Landfill disposal fees and county cost allocations are reviewed annually to ensure that revenues appropriately reflect actual usage and the costs of providing landfill services. Historically, estimates of Yellowstone County's self-haul usage were based on customers' self-reported residency information provided at the scale house. To improve the accuracy of customer tracking and cost allocation, Public Works implemented a driver's license scanning system on July 1, 2025. The system records customer residency information and provides a more reliable method for identifying and tracking self-haul residential users of the landfill. As a result, the City now has substantially improved data regarding the number of landfill visits and the volume of waste attributable to Yellowstone County residents.

The enhanced tracking data indicates that landfill usage attributable to Yellowstone County residents is significantly higher than previously reported. Consequently, the annual amount charged to Yellowstone County under the agreement has increased substantially to reflect actual landfill utilization. This adjustment does not represent a change in methodology or rates; rather, it reflects more accurate measurement of customer activity and ensures that landfill costs are allocated fairly between City of Billings residents and Yellowstone County residents based on actual usage.

The agreement also revises the payment schedule from July 1 and January 1 to December 1 and June 1. This change accommodates Yellowstone County's cash flow needs by better aligning payment due dates with the County's receipt of property tax revenues.

FISCAL EFFECTS

The landfill agreement is projected to generate \$628,220 in revenue for the Solid Waste Fund in FY27, an increase of \$190,640, or 44%, compared to FY26. A portion of the increase is attributable to the 10.4% landfill fee adjustment approved by the City Council on May 26, 2026. The remaining increase is the result of higher documented landfill utilization by Yellowstone County residents, as identified through the enhanced customer residency tracking system implemented in July 2025.

STAKEHOLDERS**ALTERNATIVES**

City Council may:

- Approve the landfill agreement; or,

- Not approve the agreement. If the Council does not approve the agreement, Yellowstone County self-haul residents would need to be charged for each trip to the landfill, which would increase lines at the landfill.
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Attachments

[Agreement](#)