

**CHITTENDEN SOLID WASTE DISTRICT
SOUTH BURLINGTON CITY HALL
MINUTES OF MEETING
September 27, 2006**

APPROVED COPY

PRESENT

BOARD MEMBERS:

Bolton	-----
Burlington	Steve Goodkind
Charlotte	John Hammer, III
Colchester	Dirk Reith
Essex Junction	-----
Essex	Alan Nye
Hinesburg	Thomas Nostrand
Huntington	-----
Jericho	Bert Lindholm
Milton	Ken Nolan
Richmond	Mary Houle
St. George	-----
Shelburne	-----
So. Burlington	Paul Stabler
Underhill	Mike Weisel
Westford	Bill Leach
Williston	George Gerecke
Winooski	-----

STAFF:

Tom Moreau
Tony Barbagallo
Jim Ticehurst
Amy Jewell
Lee Tuure
Brian Wright
Thomas Melloni

OTHERS PRESENT:

Steve Casale, Williston resident
Craig Abrahams, Williston resident
Kevin Fisher, Williston resident

AGENDA:

1. Call to Order
2. Agenda and Public Comment Period
3. Letter of Appreciation to Departing Employees
4. Approval of Minutes (8/23/06)
5. Finance
6. Administrative Office Renovations
7. Biosolids Program 9th Amendment to Contract
8. Proposed Regional Landfill
9. Program Updates

10. Other Business
 11. Executive Session & Adjournment
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1. CALL TO ORDER

Chairman Bill Leach called the regular meeting to order at 7:10 p.m.

2. AGENDA and PUBLIC COMMENT PERIOD

There were no changes to the agenda.

Public Comments

Craig Abrahams, Williston resident, requested a list of all presentations of alternate technologies presented to the Board in the last four or five years. Mr. Abrahams noted in recent conversation Tom Moreau indicated emerging technologies are forthcoming to lessen the amount of waste generated in the Burlington area. Tom Moreau explained there are two boards, the Executive Board and the full board. Policies first come to the Executive Board. Two companies made presentations to the Executive Board (Bright Star Environmental and Eco-Cycle). The Executive Board instructed the General Manager to look at those technologies that are operating in North America with an operating history in North America. Both of the aforementioned companies do not meet the criteria as yet. There are other technologies in the pilot phase, continued Mr. Moreau, and lots of information is available. Mr. Abrahams asked about the criteria used to determine when the technology is presented to the full board. Steve Goodkind, member of both the Executive Board and full board, stated the technology must be working somewhere. CSWD is not a research and development organization. A proven operating record is necessary for the technology to be accepted. There is much information and many ideas out there. The District will stretch a bit, but wants to be cautious. Chairman Bill Leach added the District's approach is not limited to the landfill, but applies to anything new and different. With regard to processing, staff visited many single stream MRF operations before taking on the technology of single stream recycling. The operation must be up and running and meet the promises made. Bert Lindholm stated the move to single stream recycling was the most significant improvement in Chittenden County to taking recyclables out of the waste stream. Single stream sort was a two year design/build/install project. This is the type of step-by-step approach the District takes before taking on new technology.

Craig Abrahams asked when Eco-Cycle made a presentation. Mr. Moreau replied that our most recent conversation was on 6/8/05. Eco-Cycle told the District they will keep the District apprised of their progress. Eco-Cycle was hoping to have a plant start up in Mexico, but is not operating at this time. Their operation in Germany/Hungary did not go through. A previous presentation by the company was made in October, 2004. Mr. Abrahams asked about Bright Star Environmental. Tom Moreau explained in 1993 there was a consortium of companies. The facility is in Australia. The District acquired the company's permits and operating data, but since that time the operation has been shut down due to high temperature corrosion problems. The former president of the company who is now with World Waste has contacted the District. Mr. Abrahams asked if it is accurate to say in the last 12 years the District has spoken to two alternate technology

companies. Tom Moreau corrected Mr. Abrahams, stressing the District has spoken or inquired about hundreds of companies. Bill Leach interjected that no one is more devoted to finding a way to keep waste out of the landfill than Tom Moreau, but the Board wants to see if a technology works before using it. Tom Moreau stated there are alternative technologies operating in Europe and Japan, but those nations do not have the plastics and waste that is found in America. Los Angeles, California has studied and done an RFP on alternate technology which is showing lots of promise, but is not running at 100% waste as a feedstock in North America.

Ken Nolan objected to the apparent questioning of due diligence by the District, and suggested to the questioners that minutes and tapes of every meeting are available for review. Not only have companies been invited to present, staff has done extensive outreach. In fact, the Board gave the General Manager a leave of absence to work with one of the alternative technology companies to identify pitfalls. Lots of information was gleaned. The District's objective is to handle MSW in Chittenden County in the most efficient and economic manner possible. The landfill is one component. Steve Casale, Williston resident, apologized for the line of questioning, but pointed out the residents living near the proposed landfill have invested their life savings in their houses.

Bill Leach reviewed the situation with the biosolids facility which did not work out, emphasizing the District is very cautious to move forward with alternate technologies. Craig Abrahams asked how much money was spent on the biosolids project before it was discovered it was not working. Tom Moreau explained there were difficulties meeting performance tests. Approximately \$4 million was spent, but the District won a \$1.8 million settlement from the contractor plus the equipment was sold and the building converted to reuse. Mr. Moreau stated the actual figures for the biosolids facility are available.

3. LETTER OF APPRECIATION TO DEPARTING EMPLOYEES

Tim Gerry, former Maintenance Supervisor at the District, was recognized for his 12 years of outstanding service at CSWD. It was noted Mr. Gerry is presently a Senior Firefighter for the Town of Williston. Lee Tuure stated Mr. Gerry was instrumental in making the District's facilities what they are today. Tim Gerry did an excellent job and it was an honor to work with him. The Town of Williston is fortunate to have him in their employ. Mr. Gerry's position is being filled by Jeff Sprout. Linda Leahy, former receptionist at the CSWD administrative building, was also recognized. Ms. Leahy is relocating to Arizona with her husband.

MOTION by Alan Nye, SECOND by Paul Stabler, to approve the resolutions as presented recognizing the outstanding service to CSWD by Tim Gerry and Linda Leahy. VOTING: unanimous; motion carried.

4. APPROVE MINUTES

August 23, 2006 – Regular Meeting

MOTION by Mary Houle, SECOND by Dirk Reith, to approve the 8/23/06 minutes as written. VOTING: all ayes except two abstentions (Steve Goodkind – Burlington; Mike Weisel – Underhill); motion carried.

5. FINANCE

a) Finance Committee Report of Warrants

The warrants were approved by the Finance Committee. There were no questions from the Board.

b) Bank Balances as of 8/31/06

There were no questions from the Board. Tom Moreau stated the balance is substantial presently, but will change if the Board approves the recommended transfers. Bert Lindholm asked about the interest rate (floating interest rate). Jim Ticehurst stated the interest is only on the sweep account and there is a nightly float.

c) Final FY06 PUD Transfers

Staff explained the recommended transfers and revenues received for the MRF. Bill Leach requested the name of the account be included with the account number so it is clear where the money is deposited. Steve Goodkind asked the net out of the MRF. Tom Moreau estimated \$80,000, noting all potential sale of materials was not included.

MOTION by Paul Stabler, SECOND by Dirk Reith, to accept the transfer of PUD funds as detailed in the memo to the Board from Tony Barbagallo, dated 9/22/06, and concerning the following accounts: MRF, Facilities Management, Impact Fees, Tipping Fees, Sale of Materials. VOTING: unanimous; motion carried.

d) FY06 Budget Outcomes & Surplus Recommendations

Jim Ticehurst reported a surplus from FY06 of \$532,753 is anticipated. Budgeted versus actual figures by program and for the District overall were reviewed. The loan for the single stream equipment is being repaid with interest. Accounts in the Capital Fund budget were reviewed (Facilities Improvement Reserve, Debt Service Reserve, and Future Development Reserve). Staff recommended transfer or retention of the FY06 operating surplus as follows: 1) transfer \$82,952 to MRF Reserves; 2) transfer \$131 to Special Waste Reserves; 3) transfer \$20,318 to DOC Reserves; 4) transfer \$6,511 to Biosolids Reserves; 5) transfer \$451,838 to Property Management Reserves; 5) deficit of \$28,997 in the Admin budget absorbed by the undesignated fund balance; 6) unrealized loss on investments of \$45,780 absorbed by the undesignated fund balance. Mr. Ticehurst noted \$18,000 from the Retirement Compensation Payable was not transferred from the PUD to the Admin budget. This will be done. Some reserves are not capital, but are general fund reserves. Revenue loss is built into the revenue stream as of June 30th and has to be shown; that is the unrealized loss on investments figure. The \$83,000 is in addition to what was budgeted to be put into the MRF Reserves. In response to a question about balancing the reserve accounts versus using the undesignated fund balance, Tony Barbagallo explained each program operates as a cost center and if there is a surplus, the excess goes into their own facilities improvement reserve account. Tom Moreau mentioned only the Board can move money into and out of reserve accounts. Mr.

Moreau also noted property management money is needed this year hence the recommendation for the transfer.

MOTION by Dirk Reith, SECOND by Paul Stabler, to approve the recommended transfers to subsequent funds as presented. VOTING: unanimous; motion carried.

6. ADMINISTRATIVE OFFICE RENOVATIONS

Bill Leach recused himself from discussion of the administrative office bids and left the room. Bert Lindholm assumed the duties of Chairman. Brian Wright reviewed the proposed building addition and interior changes, noting each item was looked at for cost and benefit. The recommendation is to build the conference room and office space addition, put on a new roof plus other related items (fees, landscaping, heating, contingency, kitchen) at a cost of \$136,000 which is close to the budgeted amount of \$130,295. The lowest bid for the addition and roof is \$106,800 (re-bid by Groen Construction). Additional considerations include combining the vestibule with the accounting area and adding new carpet and paint, and having the Executive Board decide on the kitchen portion of the project once the project and prices are refined.

Alan Nye suggested a bid on the entire project be done rather than piecemeal since the cost will likely be the same or higher as separate projects. Tom Moreau noted the full project is affordable. There is money in the Capital budget, and there will likely be money available this year in the MRF account. Ken Nolan suggested the office bid be awarded to the low bidder and staff refine the additional items to be added to the end of the project. Brian Wright confirmed there is language for change orders.

Dirk Reith asked about the difference in the architect's estimate and the construction estimate. Mr. Wright explained transportation and material costs have increased. Also, there is a different cost for renovation versus new construction. Tom Moreau stated the requirement to keep the computers up and running throughout the construction may have added to the cost.

There was discussion of the vestibule. Bert Lindholm suggested realigning the desk to help improve heat circulation and provide more display space. Mr. Lindholm felt the vestibule should be a viable part of the plan. Mr. Wright agreed the area needs further review.

MOTION by Alan Nye, SECOND by Ken Nolan, to authorize use of up to \$175,000 in Capital budget funds for the work on the Administrative Building as proposed to be done by the low bidder, Groen Construction. VOTING: unanimous; motion carried.

Bill Leach returned to the room and resumed the duties of Chairman.

7. BIOSOLIDS PROGRAM 9TH AMENDMENT TO CONTRACT

Tom Moreau explained the 9th amendment to the contract with New England Organics for transport of sludge. The current contract expires June 30, 2008 unless there is an

agreement. At issue is the fuel surcharge being requested by the company. There is no adjustment in the contract. Mr. Moreau said he will consult with an economist to determine the appropriate surcharge, and try to determine if a fuel increase is covered in the CPI. All member towns must agree to the surcharge. Member towns who have their sludge hauled are part of the contract. Those towns who do not haul their sludge (i.e. land apply) are not part of the contract. Staff is investigating other options for sludge.

Bert Lindholm asked if the dollar exchange rate is addressed in the contract. Tom Moreau explained there is a secondary contract between New England Organics and a company in Quebec, and that is where the exchange comes into play.

MOTION by Mike Weisel, SECOND by Mary Houle, to accept the 9th amendment to the biosolids contract as presented.

DISCUSSION: Ken Nolan pointed out a typographical error in the contract.
VOTING: all ayes except one abstention (Ken Nolan – Milton); motion carried.

8. PROPOSED REGIONAL LANDFILL

a) Progress of Design

Tony Barbagallo reported the Oversight Committee reviewed three conceptual plans. Due to changes in the waste stream per new regulations and a decrease in the number of yards of till removed the committee wanted the third design revised further. The consultant is doing this. At the November meeting, a plan will be presented for acceptance and release to the public. Public information meetings will then be scheduled. A firm has been hired to help with public outreach. The website is being updated. The District has received itemized expenditures by the Town of Williston using money in their landfill fund (accrued from the Phase III landfill and transfer station). The estimated environmental costs (noise, dust, fumes) to truck waste to Moretown and Coventry is \$800,000 per year (the estimate does not include fuel and operating costs for the transfer station). The CCMPO did a peer review and validated the results and estimate. The MPO actually felt the number was low. Staff and the Oversight Committee are planning to attend a seminar on bioreactor landfills in Albany in November.

b) Williston Neighborhood Coalition

Tony Barbagallo recapped recent activities by the Williston Neighborhood Coalition which opposes the regional landfill. Handouts/presentations by the group were given to the Board. There was discussion of public/private information, such as email addresses. Steve Casale, Williston Neighborhood Coalition, stated his preference that his personal email address not be published, but acknowledged the information is already out. Tony Barbagallo asked the Board to refrain from using or forwarding Mr. Casale's email address. Ken Nolan mentioned the Freedom of Information Act. Thomas Melloni stated submissions and exchange of correspondence with public entities is public information except personal information, financial information, social security numbers, and the like. Tom Moreau apologized, noting it was not the intention of staff to publish the email. In the future it will be easy to not share email addresses.

Steve Casale said he is before the Board as a private citizen and member of the Williston Neighborhood Coalition. The residents do not have an issue with the landfill being sited in Williston which is the host town with an agreement in place, but the District at least initially and potentially could have had more activities and disclose the siting to potential homeowners. The neighbors are fighting the site within 300 yards of a new development where the homeowners were not notified. Tom Moreau stated the District is not going to walk away from the landfill after it is full (in 30 years) with the waste entombed forever, but will try to react the material so it is inert. Mr. Casale stated the necessity for the landfill is an issue. Mr. Moreau confirmed there is not a mandate that Chittenden County build a landfill. Mr. Casale asked if there is capacity in other Vermont landfills if the Williston landfill is not built. Mr. Moreau confirmed this. Mr. Casale pointed out the reasons not to truck waste to Coventry include gas prices and fumes from trucking 80 miles, and asked if the District can guarantee there will be no out of district trucks coming into the landfill in Williston which would mitigate the argument. Tom Moreau stated the regional landfill is being designed for Chittenden County. Cost, impact on neighbors, tonnage, and recycling are just some of the factors to consider. The District does not anticipate taking out of state material due to regulations and rigorous standards. It is hoped enough tonnage will be generated by the district. The decision has not yet been made with regard to waste acquisition. The tonnage number may have to be modified and run to see how the numbers work in the overall plan. Mr. Moreau noted the U.S. Supreme Court agreed to rule on an appeal of the Second Circuit Court ruling that flow control is legal in Vermont, New York, and Connecticut. Mr. Casale observed the host town agreement shows a 3%-5% annual growth rate, and according to the District, the necessity for the landfill is partially environmental, but trucks coming from Alburgh or Rutland cannot be ruled out. The District apparently feels the Coventry landfill is destined for Coventry and surrounding towns. Tom Moreau reaffirmed the regional landfill is being built for Chittenden County tonnage. A consultant was hired to help project tonnages which were substantially lower than three percent. Mr. Casale countered that the population growth appears to have peaked and is starting to decline. There is a surplus in the District budget yet a rate increase is planned. The landfill is being planned to save environmental and budgetary costs, but there is no plan to rectify driving to Coventry or trucks coming into the District. The issue of raising the rates for the biosolids beneficial reuse when the District is running a surplus came up. Tom Moreau explained each program at the District is a cost center and must support itself. Alan Nye pointed out some communities in the county do not have a wastewater treatment plant and sludge must be transported at a cost. Ken Nolan clarified the rate increase is for biosolids, not in the cost to haulers, and the rate is only applicable to those towns with sewer plants who have to haul sludge. Bert Lindholm stated the District is liable for all the trash received no matter where it goes, and if there is a toxic problem, this could come back to the District at great expense. Mr. Lindholm mentioned a personal experience with a firm that had to pay \$50,000 to cover one drum of material. The District wants to control what is brought in and accepted at the landfill, how the material is disposed of, and future costs to the citizens of Chittenden County. The District has no control on the volume of trash that goes to Coventry, stated Mr. Lindholm. Mr. Casale asked if the District can guarantee a better job done than the current administration at Coventry. Mr. Lindholm stated the landfill design will address the issue. The design will be in the most favorable and proper

way possible. Mr. Casale asked to be informed if there is a problem with the Coventry landfill, but added if there is a major failure at the Williston landfill, the District will be liable. Tom Moreau stated the District has the most proficient system in removing toxic waste. Material coming into the District would have to meet the District's standards. Also, the District can control what and who is coming into the District. Mr. Casale questioned if there is a perceived problem at Coventry. Tom Moreau clarified Bert Lindholm is likely speaking prospectively rather than retrospectively. Mary Houle interjected there is always potential for nothing and everything.

Ms. Houle expressed appreciation for the time of the residents, but pointed out Board members are volunteers giving their time as well. Interested parties are urged to look at the CCRPC's population projects and other information to be well informed. Mary Houle clarified her comments are hers as a citizen, not as speaking for the board. Craig Abrahams commented that the members of the coalition came to the meeting and missed family functions. The time of the board is respected, but the members of the coalition are giving up their time as well.

9. PROGRAM UPDATES

The Board received written briefs on programs/projects at the District. Tom Moreau reported on the Oneida Herkimer case regarding flow control. Mr. Moreau also reported on the results of the recent trash sort by staff (17% of residential garbage is recyclable; the capture rate is 63%). Another sort will be done in November. Staff is researching who is doing a better job of recycling and how are they managing to do it.

10. OTHER BUSINESS

None.

11. EXECUTIVE SESSION and ADJOURNMENT

MOTION by Paul Stabler, SECOND by Mary Houle, that the Board of Commissioners of the Chittenden Solid Waste District go into Executive Session to consider pending civil actions, contract negotiations, and potential real estate acquisition where premature general public knowledge would clearly place the District, its member municipalities, and other public bodies or persons involved at a substantial disadvantage, and further, to seek and discuss the advice of attorneys on various legal issues where premature public knowledge could adversely affect the outcome of such civil action against the District, and to permit staff and the Solid Waste District attorney(s) to be present for this session. VOTING: unanimous; motion carried.

The Board entered Executive Session at 9:20 p.m.

MOTION by Mary Houle, SECOND by Dirk Reith, to adjourn Executive Session and the regular meeting. VOTING: unanimous; motion carried.

Executive Session and the regular meeting were adjourned at 9:30 p.m.

M.E.Riordan, Recording Secretary

I agree that this is an original copy of minutes and they have been approved by motion of the Board of Commissioners at the _____ meeting held in _____.

Carlisle "Mike" Coates, Secretary/Treasurer