

**CHITTENDEN SOLID WASTE DISTRICT
SOUTH BURLINGTON CITY HALL
MINUTES OF MEETING
May 23, 2007**

APPROVED COPY

PRESENT

BOARD MEMBERS:

Bolton	-----
Burlington	Steve Goodkind
Charlotte	John Hammer, III
Colchester	Dirk Reith
Essex Junction	-----
Essex	-----
Hinesburg	-----
Huntington	-----
Jericho	Bert Lindholm
Milton	-----
Richmond	-----
St. George	-----
Shelburne	Mark Brooks
So. Burlington	Paul Stabler
Underhill	Mike Weisel
Westford	-----
Williston	Carlisle "Mike" Coates
Winooski	-----

STAFF:

Tom Moreau
Tony Barbagallo
Amy Jewell
Lee Tuure
Thomas Melloni, Esq.
Kevin Ellis, Consultant

OTHERS PRESENT:

Craig Abrahms
Steve Casale

AGENDA:

1. Call to Order
2. Agenda and Public Comment Period
3. Approval of Minutes (4/25/07)
4. Finance
5. General Manager Employment Agreement
6. U.S. Supreme Court Decision on Flow Control
7. Project Sequencing
8. Program Updates
9. Other Business
10. Executive Session
11. Adjournment

1. CALL TO ORDER

Chairman Bert Lindholm called the meeting to order at 7:10 p.m. New representatives were announced: Mark Brooks – Shelburne, Erik Heikel – Winooski, John Lajza – Essex Junction, Deb Billado – Essex Junction alternate, Nicole Losch – Burlington alternate, Jeff Carr – Essex alternate.

2. AGENDA and PUBLIC COMMENT PERIOD

There were no changes to the agenda or comments from the public.

3. MINUTES OF APRIL 25, 2007

MOTION by John Hammer, III, SECOND by Dirk Reith, to approve the minutes of 4/25/07 as written. VOTING: unanimous; motion carried.

4. FINANCE

a) Finance Committee Report of Warrants.

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

b) Bank Balances as of 4/30/07

The Board reviewed the account balances. There were no questions from the Board.

c) ICMA 401(a) Money Purchase Plan

Amy Jewell summarized the current CSWD 457 Deferred Compensation Plan available to employees working 30 or more hours per week and after one year of employment with the District. The District contributes six percent of the employee's salary. The maximum annual contribution for the 457 plan is \$15,500. Contributions to the 457 plan from the employee are voluntary.

The District would also like to offer a 401(a) retirement plan. This program is employee voluntary contribution only in that the District would not make or match any payments to the 401(a) plan. \$45,000 can be deferred annually into the plan. Both plans would be administered through ICMA-RC.

MOTION by Dirk Reith, SECOND by Paul Stabler, to adopt the resolution for a legislative body relating to a money purchase plan as presented.

DISCUSSION: It was noted the employee contributes to the plan; the District does not.

VOTING: unanimous; motion carried.

5. GENERAL MANAGER EMPLOYMENT AGREEMENT

Bert Lindholm reviewed the General Manager Employment Agreement noting the General Manager must follow employee policy. The section on dental insurance was erroneously omitted from the agreement.

MOTION by Paul Stabler, SECOND by Dirk Reith, to approve the General Manager Employment Agreement as presented. VOTING: unanimous; motion carried.

6. U.S. SUPREME COURT DECISION ON FLOW CONTROL

Tom Moreau gave a brief history on events leading up to the decision by the Supreme Court regarding flow control. The ruling is flow control can be exerted if it is for the public good and the waste is going to a public facility. The ruling gives flexibility to establish a solid waste facility and control the flow of waste. Thomas Melloni explained a municipality flow controlling waste going to a private facility is violating the dormant commerce clause. Under the new Oneita-Herkimer ruling a municipality can direct a private entity collecting the waste to bring that waste to a public facility. The net result is municipalities have the authority to direct waste to public waste management facilities.

Paul Stabler asked about public ownership of a facility with private operation. Thomas Melloni stated the matter was not addressed in the case, but it is worth considering. Tony Barbagallo added the attorneys at a recent conference he attended were asked about the scenario and they said if a facility is publicly owned and operated, there can be flow control. If a facility is privately owned and operated there cannot be flow control. A publicly owned but privately operated facility is a grey area - the control line gets smeared.

Bert Lindholm asked about the CSWD Board deciding the issue of flow control versus the individual member towns. Attorney Melloni stated the Board through the ordinance process has the authority to implement flow control. Each member community does not need to take action separately. Chairman Lindholm also asked about a portion of the waste being diverted and a portion going to a private entity. Thomas Melloni stated this is acceptable if there is a valid distinction as to why this occurs (i.e. have to consider local control of waste, contamination in the waste, and other issues).

7. PROJECT SEQUENCING

Tom Moreau gave a powerpoint presentation with written backup sheets on project sequencing. In essence the General Manager proposed to bring the regional landfill up to the permitting stage, further develop recycling and waste reduction programs, and then compare the two. As to sequencing, Mr. Moreau proposed to finish the conceptual design and the economic model for the landfill on the smaller footprint, have it reviewed by the CSWD staff and Board, take public comment and complete the landfill design and ready for permits. Then allocate CSWD resources towards further recycling and waste diversion programs and product stewardship. Mr. Moreau handed out a proposed revised flow sheet and addressed the topics within it. The status of acquiring Site 21 for the regional landfill is in re-argument before the Vermont Supreme Court. After that is settled, then the amount due for inflation must be determined in Superior Court. This could take 2 to 6 months. On the waste acquisition and collection efficiencies topic, Tom recommends that CSWD investigate the pros and cons of franchising residential collection of trash and recyclable material. With regard to recycling/waste diversion, other materials targeted for diversion have been identified. The performance research plan for curbside recycling is nearly complete. The percentage of blue box recycling material that is being recovered at curbside is about 65%. The remainder (35%) of the curbside recyclables ends up in the landfill. CSWD has completed several trash sorts of

our waste stream to identify the various components. Regarding the regional landfill, the conceptual design and economic model are ongoing. Research and monitoring of alternate technologies and landfill preprocessing methods continues.

Mr. Moreau reviewed statistics on what are the present components of CSWD trash - item "B" in the Board packet:

- Curbside recyclables are 15.8%,
- Other recyclables are 20%,
- Biodegradable organics are 27.6%, and
- Residue (no known composting, scrap use, or recycling) are 36.7%.

The recovery rate for curbside recyclables needs improvement, stated Mr. Moreau. The waste disposal trend from FY 96 through FY 06 was reviewed – item "D" in packet. The amount of refuse used for the landfill design was reviewed and this shows a marked decrease from projections based strictly on historic disposal rates. In other words, CSWD has already incorporated some aggressive additional recycling projections in determining the amount of tonnage that the landfill should be designed for.

Permitting the landfill while simultaneously doing diversion needs further consideration, continued Mr. Moreau. As General Manager, he is looking at the resources CSWD has to address a number of pending issues such as biosolids, compost, the MRF as well those proposed in this presentation. Pursuing a higher standard landfill in a parallel track with a robust prevention, recycling and diversion program is proposed.

On the landfill track, Mr. Moreau proposed that the conceptual design for the landfill be completed in conformance to the Host Town Agreement with the economic model that can estimate both the capital and operational cost. The landfill then can be used as an economic benchmark.

On the waste reduction track, Mr. Moreau first mentioned the concept of turning waste components into feed-stocks and discussing the highest and best use for a material. He outlined nine areas of waste reduction to further investigate, they include:

1. Enhance the recycling of construction & demolition (C&D) material. Though there is an issue where sheetrock can cause odors and the surrounding landfills will not accept the "fines" from C&D processing due to the odor potential from the sheetrock that are concentrated in the fines.
2. Implementing a biodegradable organics collection and processing program. Mr. Moreau noted that the collection of biodegradable organics is difficult and the recovery rates tend to be low due to the "yuk" factor but the processing is proven.
3. Improving the curbside recycling recovery rates. This may require incentives such as pay-as-you-throw and/or larger carts instead of bins.
4. Collecting and processing non-curbside recyclables (scrap metals, roof shingles, rigid plastics, carpet, and other items).
5. Implementing incentives such as "pay-as-you-throw" or unit pricing for refuse. This could be complimentary to the RecycleBank program that at least one hauler will be offering to enhance recycling.

6. Determining the pros & cons of implementing a franchise collection system for residential waste. Mr. Moreau noted that with a franchise system, there would be both environmental and cost savings but it also results in the loss of hauler choice. A reference was made to the monthly cost in the Town of Westford at \$16/household/month.
7. Continuing CSWD's involvement to promote product stewardship or extended producer responsibility. Mr. Moreau advocated that CSWD continue advocating product stewardship where in certain circumstances the manufacturer deals with the waste at the end of the life of their product.
8. Determining the effectiveness of pre-processing material coming into a landfill to remove recyclable materials. Mr. Moreau stated that some mechanical sorting equipment for trash is coming on the market but he is not yet aware of any system that has been proven.
9. Evaluating the use of alternative technologies to landfills. These technologies are usually associated with energy recovery. Mr. Moreau noted that CSWD does not have the expertise on staff for this task and suggested a third party could take the lead with perhaps a consultant engineer be hired, not necessarily by CSWD, to screen and evaluate the processes.

Tom Moreau stressed it is timely to pursue further waste reduction efforts in light of a number of factors including the following:

- The Vermont Supreme Court has narrowed the range for the land cost to CSWD for the proposed landfill that is within the amount set aside by CSWD in reserve.
- The U.S. Supreme Court has clarified waste acquisition with the decision on flow control. This gives public solid waste facilities a lot of flexibility in putting in new systems.
- The recent "Green" movement brought about by the issue of climate change.
- Vermont's Green Valley Initiative suggests that Vermont ought to use Vermont based engineering and technology to solve environmental problems.
- New Leadership at VT ANR in George Crombie wants to reorganize the Agency to develop teams who could assist us in achieving our waste reduction goals.
- Vermont's congressional delegation may be in position to assist CSWD either with study grants or perhaps favorable implementation financing.
- The VT Legislature created a Solid Waste Working Group to improve on the goals of Act 78.

Mr. Moreau opined that there is much opportunity for collaboration with state agencies, other solid waste districts, environmental advocates, third parties (especially with gasification). Mr. Moreau suggested a business plan be developed to determine better diversion estimates. Facilities should handle material preprocessing, recycling, C&D processing, class 1 & 2 biodegradable organics, energy recovery, and residue disposal. The facilities could be located all together in a waste management park or in satellite

locations. Mr. Moreau suggested that we compare the life cycle analysis for both the monetary and the environmental costs.

Tom Moreau reviewed the timeline for the landfill. The conceptual design should be complete by February, 2008 then shelved for up to 12 months to pursue the District working in tandem with the Agency of Natural Resources and other solid waste districts on waste reduction efforts. Simultaneously with the landfill design, staff will be investigating franchising, pay-as-you-throw option, handling C&D. The next budget cycle could include hiring a consultant to research preprocessing and alternate technologies. In January, 2009, the landfill plan can be executed. Paul Stabler clarified the Board is being asked to decide at the June meeting whether to move forward on the conceptual design and permitting of the landfill as well as pursuing the reduction/diversion track as presented.

Steve Goodkind questioned if the Agency of Natural Resources will be an active partner in developing the solid waste management campus described by Mr. Moreau. Tom Moreau stressed it would be prudent to identify precisely where ANR resources can be used when they are available. Mr. Goodkind suggested as a goal the CSWD request the resources from the state to develop a facilities plan for processing.

Bert Lindholm asked the impact of having the conceptual design idle for a year. Tony Barbagallo stated there will be extra costs as well as non-monetary considerations. Chairman Lindholm suggested moving forward with the permit process which shows commitment to the landfill rather than having the design plans sitting idle for a year. He expressed concern how the planned ANR reorganization would affect the interpretation of existing rules for permitting. Mr. Lindholm also postulated that perhaps trimming Mr. Moreau's nine items down to four or five and reducing the time frame down to six months might be a good approach.

Mike Coates suggested CSWD staff do the research needed on waste reduction and not rely too much on the state. Another concern of his is the time and during that time waste material is still being shipped and impacting the associated communities. Mr. Coates added the rail alternative should be reviewed again. Staff should draft a plan to address what was presented, indicating what resources are needed for a parallel track or separate approach. Staff will provide this information.

Paul Stabler noted the amount of diesel fuel to ship waste is 186,000 gallons per year. This should be kept in mind in light of the global warming issue. Steve Casale, Williston resident, mentioned having trash set out on one side of the road only (like mailboxes) so the trucks do not have to go up one side of the street and down the other could save fuel.

Steve Goodkind mentioned there is time to plan right now and felt that CSWD does not have to make a decision on permitting at this time. He felt that permitting process will likely be lengthy and that the State may not be as cooperative as we would like. The District should ask the state to assist in solving the existing problems, such as helping with rail transport or perhaps money to hire consultants. Tom Moreau suggested meeting

with the Secretary and Deputy Secretary of the Agency of Natural Resources. The Board concurred. Mr. Moreau said staff will provide the Board with both a timeline and what resources may be needed to pursue both tracks simultaneously.

8. PROGRAM UPDATES

The Board received written briefs on programs/projects in the District.

Textiles

Lee Tuure reported a new vendor, Cyntex, will pay \$50/ton for textiles. CSWD must fill a tractor trailer (12 tons) load. The textiles must be clean, dry, not soiled or stained. Bert Lindholm observed establishing a program for reuse/recycling is easier said than done, and once a program is in place via contracts, the situation can change however the District must still deal with the material.

Resolution for Bill Leach

Bert Lindholm reported a resolution for Bill Leach was passed by the Vermont Legislature. Paul Stabler thanked staff members for attending and Tom Moreau who made wonderful comments at the memorial service for Mr. Leach.

Recycle Bank

Tom Moreau reported staff will continue pursuing RecycleBank until told differently by the Board.

Tonnages

Tom Moreau reviewed tonnages received.

Bond Rating Check

Tom Moreau reported a bond rating check was conducted. The District is waiting the results.

Budget Approval Process

Staff will be presenting the budget to Westford and Winooski, the last two remaining member towns to hear the presentation. To date, 16 towns have approved the budget as presented.

9. OTHER BUSINESS

None.

10. EXECUTIVE SESSION

MOTION by Paul Stabler, SECOND by Dirk Reith, that the Board of Commissioners of the Chittenden Solid Waste District go into Executive Session to discuss ongoing and pending litigation, property purchases, personnel issues, contract negotiations, and interdepartmental matters that concern matters other than primarily factual matters which are preliminary and prior to formulation of public policy, 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, consultant(s), and the Solid Waste District attorney(s) to be present for this session. **VOTING: unanimous; motion carried.**

The Board entered Executive Session at 8:55 p.m.

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

Executive Session was adjourned and the regular meeting reconvened at 10 p.m.

11. ADJOURNMENT

MOTION by Dirk Reith, SECOND by Mike Coates, to adjourn the meeting. VOTING: unanimous; motion carried.

The meeting was adjourned at 10:05 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