

**CHITTENDEN SOLID WASTE DISTRICT
WILLISTON POLICE STATION
CONFERENCE ROOM
WILLISTON, VERMONT
May 27, 2009**

APPROVED COPY

PRESENT

BOARD MEMBERS:

| | |
|----------------|-------------------------|
| Bolton | ----- |
| Burlington | Steve Goodkind |
| Charlotte | Stephen Brooks |
| Colchester | ----- |
| Essex Junction | John Lajza |
| Essex | Alan Nye |
| | Max Levy (alt.) |
| Hinesburg | ----- |
| Huntington | ----- |
| Jericho | Bert Lindholm |
| Milton | ----- |
| Richmond | Logan Brown |
| St. George | ----- |
| Shelburne | Mark Brooks |
| So. Burlington | Paul Stabler (Chairman) |
| Underhill | Mike Weisel |
| Westford | Michelle DaVia |
| Williston | Carlisle "Mike" Coates |
| Winooski | ----- |

STAFF:

Tom Moreau
Amy Jewell
Nancy Plunkett
Susan Chapman
Thomas Melloni, Esq.

OTHERS PRESENT:

None.

AGENDA:

1. Call to Order and Agenda
2. Green Up Day Recognitions
3. Public Comment
4. Minutes
5. Finance
6. Financial Procedures Policy
7. Residential Recycling Cart Grants to Haulers
8. Flow Control/Franchise/Pay-As-You-Throw Study
9. Program Updates
10. Other Business
11. Executive Session

12. Adjournment

1. CALL TO ORDER and AGENDA

Paul Stabler called the meeting to order at 7 p.m. There were no changes to the agenda.

2. GREEN UP DAY RECOGNITIONS

The contribution by All Cycle and Burlington Transfer Station to Green Up Day were recognized. All Cycle donated \$1,230 in fees and BTS donated \$1,837. CSWD paid for all the advertising, member Town contributions and did not charge the Solid Waste Management Fee (total contribution donated by CSWD was \$10,064.85). The state also forgave fees (\$237.26 total).

3. PUBLIC COMMENT

None.

4. MINUTES

April 22, 2009

MOTION by Mike Weisel, SECOND by Mark Brooks, to approve the minutes of 4/22/09 with correction of the name in the motion to adjourn to 'Dirk Reith'.

VOTING: unanimous; motion carried.

5. FINANCE

a) Finance Committee – Report of Warrants

Tom Moreau stated there were substantial warrants in the month. The MRF had a significant month as well. The warrants were approved by the Finance Committee. There were no questions or comments from the Board.

b) Bank Balances as of 4/30/09

Tom Moreau reported there was a combined bond principle and interest payment in January. The next interest only payment will be in July.

c) FY09 Budget Update and Year End Projections

Tom Moreau reported the proposed cuts in FY 09 will save approximately \$170,000. \$86,000 of those savings came from just one program, Hazardous Waste by amending the Rover schedule and applying more grant money that was saved from other projects. Tonnages subject to the District's Solid Waste Management Fee are down projecting a \$130,000 deficit, so the overall net is to be a \$30,000 surplus.

Susan Chapman reported only 64% of the budget has been expended due to the proposed cuts. The net deficit before transfers from reserves is \$166,468. Solid waste management fees are \$105,000 short YTD of what was planned. The compost operation has the largest deficit because most revenues are expected in the fourth quarter (April through June). Projected revenues and expenses including transfers will result in a net surplus of approximately \$30,000. Tom Moreau reviewed the compost budget due to the takeover after the year had started. He stated that overall compost program revenues are projected to be down \$18,000 however the expenses will also be lower yielding a year end

projection to be very close to the budget. Revenue was lost due to the loss of the Suputo material and not as much top soil being sold though slightly more compost is being sold. Legal fees are \$21,000 more than budgeted and permit costs were \$16,600 more than budgeted. Money was saved in fuel cost (\$23,000) and leachate removal (\$26,000) due to the planting of a wheat crop. Investment was made in irrigation equipment and a tractor. Dan Goosen and his crew are doing a great job. The DOCs are showing a \$34,000 deficit due to paying for recycling, continued Mr. Moreau. Scrap metal prices are down. The DOCs in April were down 16% from last year. Our review of the database shows only one hauler lost less tonnage on a percentage basis than the DOCs. The top five haulers bring in 95% of the waste. Other solid waste districts are also experiencing less tonnage. To cover the DOC deficit, less money will be put into reserve. Hazardous Waste is up because the Rover schedule has been reduced and more grant money was received. Solid waste management revenues show a \$139,000 deficit.

Paul Stabler commended staff for the excellent job of keeping CSWD in the black.

d) FY10 Operating and Capital Budget

Tom Moreau reported all 18 member towns approved the CSWD budget. Two towns sent in comments. Williston was concerned about post-closure funds to maintain the Phase 3 landfill. Mr. Moreau will draft a clear plan to show how \$1.5 million can be in the account in 2025. Burlington wanted CSWD to make recycling free or pay less to recycle and subsidize recycling if the sale of material is low. Westford had a concern about rate increases at the MRF.

MOTION by Mike Coates, SECOND by Alan Nye, to approve the CSWD FY10 Operating and Capital budgets as presented. VOTING: unanimous; motion carried.

6. FINANCIAL PROCEDURES POLICY

Susan Chapman explained the auditor's recommendation to raise the threshold for fixed assets to at least \$2,000 or even up to \$5,000. The Finance Committee approved amending the policy to a threshold of \$5,000 and a useful life of greater than one year.

MOTION by Bert Lindholm, SECOND by Mike Weisel, to amend the language in the Capitalization Policy as presented (\$5,000 and useful life of greater than one year).

DISCUSSION: The function of Asset Keeper software was briefly explained (the software audits inventory annually to determine what is still in service). Small items (fire extinguishers, desks, computers, welders, and such) are not on the annual inventory, but are tracked on Excel. There was further discussion of doing an inventory of smaller dollar value items. Stephen Brooks expressed concern about spending time and energy on a problem that does not exist and sending a negative message to staff about trust. Mike Coates stressed the issue is not about trust. Keeping an inventory is good business practice. Tom Moreau said staff will show the Board what is on

Asset Keeper and Excel at the next meeting. There were no further comments.

VOTING: unanimous; motion carried.

7. RESIDENTIAL RECYCLING CART GRANTS TO HAULERS

Tom Moreau explained the incentive grants proposed to be paid to haulers to purchase carts to determine if the carts will increase recycling. Three haulers responded to the proposal. Research shows larger carts will increase diversion (17% of the materials going to the landfill could be recycled). There are 32 gallon, 65 gallon, and 95 gallon carts. CSWD's cost to cover 30% of the total cost for 9,000 carts is \$137,723. CSWD will also pay for recycling decals and flyers (cost of \$3,700).

Steve Goodkind asked if an increase in recycling is expected with carts. Tom Moreau stated All Cycle saw nearly a 20% increase in volume from the same routes with larger carts. Plus more material was collected with less effort. CSWD will ask the haulers for data on routes with carts. There was discussion of fitting trucks with tippers to handle the carts. Some haulers do not have tippers and therefore cannot handle carts. Studies show carts will increase recycling.

Stephen Brooks expressed concern about having equity down the road for the haulers who purchase the carts through the subsidy program and then CSWD goes to a 'pay-as-you-throw' system. Nancy Plunkett pointed out every hauler had the opportunity to respond to the program. Pay-as-you-throw does not require carts.

MOTION by Bert Lindholm, SECOND by Mark Brooks, to approve grants to All Cycle Waste, Clean Green Sanitation, and Myers Container in the amounts presented in the spreadsheet, dated 5/20/09, to provide 30% of the cost of residential recycling carts for use in Chittenden County.

DISCUSSION: Bert Lindholm asked who pays the total price of the carts (\$450,000) and how the grants will be dispersed. Nancy Plunkett stated there will be a grant agreement (signed contract) listing specific conditions (such as the carts must be used in Chittenden County). Both the hauler (70%) and CSWD (30%) will pay the manufacturer for the carts. Alan Nye asked how CSWD will monitor that the carts are being used in Chittenden County. Nancy Plunkett stated the carts are a unique blue color, but a mechanism to identify and track the carts is needed. Steve Goodkind asked how it will be determined if the program is a success. Ms. Plunkett stated volume of recyclables received will be the measure. CSWD will want to know before and after volumes on routes with the new carts. There was discussion of ensuring the haulers purchase the carts. A likely scenario is the hauler ordering 100 carts will receive 130 carts. The carts could be hot stamped with "CSWD" for identification purposes. Each cart has a serial number on it. Carts will be received about two months following the order. Staff will draft the contracts after the grants are approved by the Board. Bert Lindholm mentioned small haulers being at a disadvantage because they may not be able to participate in the cart program, but in terms of CSWD and recycling

in Chittenden County the program should go forward and a database established to address needs in the future. There were no further comments. **VOTING:** all ayes except one nay (Burlington – Steve Goodkind); motion carried.

MOTION by Mike Weisel, **SECOND** by Alan Nye, to approve the re-issuance of the Residential Recycling Cart Request for Grant Proposal to haulers for up to \$14,484.90, adding cart tippers to the program.

DISCUSSION: To avoid confusion the words “remaining balance” were deleted from the draft wording of the motion and the words “up to” were added. The cost of an extended boom tipper is \$20,000. Steve Goodkind questioned subsidizing something that pays for itself. Tom Moreau noted it is a barrier to entry for the small haulers who cannot handle carts without a tipper on their truck. Steve Goodkind suggested money should be given to the small haulers for tippers rather than giving so much money to the larger haulers for toters. Nancy Plunkett pointed out the larger haulers do have more customers. Mike Weisel asked if the goal is to get more recycling collected or to help the small haulers. Paul Stabler clarified the goal is to study the effect of carts. Stephen Brooks asked why Burlington is in the recycling business, having a monopoly in the city. Steve Goodkind said no one else was offering the service when Burlington started recycling services. Chairman Stabler stated comments should be germane to the motion on the table. There were no further comments.

VOTING: unanimous; motion carried.

MOTION by Alan Nye, **SECOND** by Bert Lindholm, to approve the budget transfer of \$155,908 from PUD to Special Projects for the Residential Recycling Cart Grants and printing cart decals and recycling lists, and further, to approve the transfer of \$155,908 from MRF Reserves to Special Projects to fund the Residential Recycling Cart Grant program. **VOTING:** unanimous; motion carried.

Tom Moreau said staff will ensure there is identification on the carts and report the results of the study to the Board.

8. FLOW CONTROL/FRANCHISE/PAY-AS-YOU-THROW STUDY

Nancy Plunkett reported the RFP is ready to be sent out with Board approval.

MOTION by Stephen Brooks, **SECOND** by Alan Nye, to approve the issues of the RFP for the flow control/franchise/PAYT study.

DISCUSSION: Tom Moreau mentioned the inefficiency of six trucks serving 14 houses in his neighborhood. Staff will provide the pros and cons (economic and environmental) of the systems. The issue will be contentious. It is suggested the selection committee include a board member, staff member and a hauler. The study will identify three preferred legal franchise models. The models will be compared to each other and to the current system. Franchising would have to be implemented over time so there is not a ‘taking’ from any entity. The RFP was drafted without the option of

CSWD collecting trash. Michelle DaVia stated if CSWD becomes a hauler the competitiveness that controls cost would be lost and there would absolutely be litigation to prevent 'taking'. Alan Nye suggested after the study is complete then the flow control ordinance should be drafted if applicable then the franchise/PAYT system designed and finally the bid to haulers for service areas. Logan Brown asked for a brief explanation of the systems. Nancy Plunkett explained flow control tells haulers where the material can be taken. Flow control can happen through franchising. PAYT is an additional strategy and can be done without franchising where the waste generator pays incrementally for the volume of waste they set out. Tom Moreau mentioned the ruling against flow control in 1994 that was challenged in 2007, but reinstated by the Supreme Court. Flow control is allowed if a public good can be demonstrated (i.e. greater recycling). Nancy Plunkett will send Board members information on PAYT. There were no further comments.

VOTING: unanimous; motion carried.

9. PROGRAM UPDATES

The Board received written briefs on CSWD programs/projects. Tom Moreau reported he has met recently with various vendors/consultants regarding innovative waste management technology. The Board will be kept informed.

10. OTHER BUSINESS

It was announced Mike Coates (Williston) and Ken Nolan (Milton) are resigning from the CSWD Board. Thanks and appreciation was extended for their dedicated service. Mr. Coates is being replaced by Joe Duncan.

Paul Stabler announced the attorneys at the firm representing CSWD were recently honored. CSWD has excellent representation by the attorneys.

11. EXECUTIVE SESSION

None.

12. ADJOURNMENT

MOTION by Alan Nye, SECOND by Mark Brooks, to adjourn the meeting.

VOTING: unanimous; motion carried.

The meeting was adjourned at 9 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