

**CHITTENDEN SOLID WASTE DISTRICT
WILLISTON POLICE STATION
7878 WILLISTON ROAD
MINUTES OF MEETING
October 22, 2008**

APPROVED COPY

PRESENT

BOARD MEMBERS:

Bolton	-----
Burlington	Steve Goodkind
Charlotte	Stephen Brooks
Colchester	-----
Essex Junction	John Lajza
Essex	Alan Nye
Hinesburg	-----
Huntington	-----
Jericho	-----
Milton	-----
Richmond	-----
St. George	-----
Shelburne	-----
So. Burlington	Paul Stabler (Chairman)
Underhill	-----
Westford	Michelle DaVia
Williston	-----
Winooski	Joe Duncan

STAFF:

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

OTHERS PRESENT:

None.

AGENDA:

1. Call to Order
2. Agenda & Public Comment
3. Minutes
4. Finance
5. Community Clean Up Fund
6. Program Updates
7. Other Business
8. Executive Session
9. Adjournment

1. CALL TO ORDER

Paul Stabler called the meeting to order at 7 p.m.

2. AGENDA & PUBLIC COMMENT

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

3. MINUTES

September 24, 2008 regular meeting, September 29, 2008 special meeting, October 6, 2008 special meeting

MOTION by Stephen Brooks, SECOND by Michelle DaVia, to approve the minutes of 9/24/08 and 929/08 as written, and approve the minutes of 10/6/08 with the addition of Alan Nye via teleconference to the list of member present. VOTING: unanimous; motion carried.

4. FINANCE

a) Finance Committee – Report of Warrants

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

b) Bank Balances as of 9/30/08

Tom Moreau reported the General Fund will show fund transfers to reserve accounts. Staff has been cautious about moving funds into reserves because the first couple of months of compost will be on the negative side until sales of the product pick up in the spring time.

c) Credit Card Increases

Susan Chapman explained the requested increase to \$25,000 (aggregate amount) which includes the Marketing & Communications Coordinator and the Intervale Compost General Manager as cardholders.

MOTION by John Lajza, SECOND by Stephen Brooks, to approve the increase in the aggregate CSWD credit card limit to \$25,000.

DISCUSSION: Alan Nye questioned providing a contractor with a credit card. Tom Moreau clarified the individual is a contracted employee with CSWD. The contracted employee must follow CSWD personnel policies. Stephen Brooks asked about the protocol for handling receipts. Tom Moreau explained each receipt is coded to the appropriate account and the Finance Department reconciles receipts to the statement. Each department has its own budget. There were no further comments.

VOTING: unanimous; motion carried.

d) FY'08 Financial Outcomes

Tom Moreau reviewed budget-to-actual figures with the Board. The figures show a surplus of \$702,728 and expenses of \$294,061 less than budgeted. Revenues are up at the MRF due to more tons received. Prices for materials are declining though. The line item for MSW shows expenditures to cover costs associated with determining possible contamination from the lined or unlined landfill in Williston. The investigation revealed an issue with some sampling techniques and drifting of organic chemicals. Special Waste spending is up due to staff time in dealing with the compost issue. A state grant is reflected in the Waste Reduction line item. The grant was received to help with the purchase of public event recycling containers. Not all the funds in the PUD have been used. Some Administration expenses (computer related) were pre-loaded. Mr. Moreau reviewed the money paid into the reserve accounts. Reserves will be built into the compost budget in the future.

e) FY'08 Transfer to Reserves

Tom Moreau reviewed the memo from Susan Chapman, dated 10/22/08, regarding transfers of operating surplus funds of \$654,415 into the following accounts: Landfill Post-Closure, MRF reserve for facility improvements and some for Special Waste (compost), Drop Off Center, Hazardous Waste, Biosolids, and General Fund balance to increase the balance to approximately five percent. There is a transfer from the Property Management account as well. The balance in the MRF facility improvement reserve fund was \$1,742,595 as of 7/1/07 and \$2,396,874 as of June 30, 2008 if the transfers to reserves are approved by the Board as presented. The total of all reserves increased from \$6.6 million to \$7.7 million.

MOTION by Alan Nye, SECOND by Steve Goodkind, to approve the transfer of \$5,000 from the PUD into the Future Projects budget line for payment of the Babcock land option as presented. VOTING: unanimous; motion carried.

MOTION by John Lajza, SECOND by Michelle DaVia, to approve the transfers (total of \$654,415) as follows:

- | | |
|--|-------------|
| • Transfer from Landfill Postclosure Reserve | \$64,554 |
| • Transfer to MRF Reserves | \$(698,657) |
| • Transfer from MRF Reserve
(to cover Special Waste FY08 deficit) | \$149,408 |
| • Transfer to DOC Reserves | \$(67,132) |
| • Transfer to Hazardous Waste Reserves | \$(35,274) |
| • Transfer to Biosolids Reserves | \$(5,413) |
| • Transfer from Property Management | \$7,521 |
| • Transfer to Undesignated General Fund Balance | \$(69,422) |

DISCUSSION: Staff recommends borrowing \$500,000 from the MRF fund toward purchase of the HS&G land if this occurs. Paul Stabler asked if the Intervale Compost Program will pay back the MRF. Tom Moreau said this is not anticipated. There were no further comments.

VOTING: unanimous; motion carried.

5. COMMUNITY CLEAN-UP FUND

Nancy Plunkett reported the guidelines for use of funds from the Community Clean-Up Program have been redrafted. There are four major changes recommended, including as of FY 2010 each CSWD commissioner will be the fund contact person. A member town can appoint someone else if the CSWD commissioner does not want the job. Another change is a separate account will be maintained for each member town and any balance at the end of the fiscal year will be carried forward. The third major change is the CSWD Board through the budget process can allocate additional funds in a separate account in the PUD budget which can be accessed following Board approval for special projects presented by a town. Finally, the funds will be paid directly to the municipality, not the service provider(s).

MOTION by Alan Nye, SECOND by John Lajza, to take the issue of the Community Clean-Up Fund Guidelines and Procedures off the table for consideration. VOTING: unanimous; motion carried.

Stephen Brooks commended staff on the thoughtful and orderly redrafting of the document, but noted if adopted there would be three layers of bureaucracy for a program that administers a total of \$19,000. Mr. Brooks suggested considering reducing the layers of authority because they are not necessary and there will be less administration of the program involved. Mr. Brooks asked about the parameters of the CSWD commissioner's decision, the selectboard's decision, and the Enforcement Coordinator's decision. Alan Nye stressed only a town's selectboard can expend taxpayers' funds. Money cannot simply be paid to a CSWD commissioner. There was debate about the funds held by CSWD (i.e. funds are not raised by taxes, but rather from fees). Alan Nye stated the funds collected and managed by CSWD belong to the citizens of Chittenden County. Stephen Brooks countered the fiduciary responsibility starts with CSWD. CSWD does not ask towns how to spend the money. Alan Nye pointed out the annual CSWD budget is presented to the governing body of each member town prior to approval. Paul Stabler added the clean up fund is part of the budget. Stephen Brooks reiterated CSWD decides the thoughtful and efficient way to spend the money.

Steve Goodkind commented the intent of the clean up program is to have funds go from CSWD to the municipality and the municipality does the clean up work themselves or can pay a contractor to do the work. Paul Stabler noted the levels of bureaucracy outlined in the Clean-Up Fund procedures have not changed (i.e. a commissioner must notify the Enforcement Coordinator who determines the validity of the project). Nancy Plunkett reviewed the process, step-by-step. A town identifies a clean up project and contacts their CSWD commissioner who gets a cost estimate for the task. The project and cost is forwarded to the Enforcement Coordinator for approval and payment from the fund designated to the town. Each project must meet the guidelines in order to be approved for payment. It is expected the town's selectboard will be aware of a clean up project in their town. Stephen Brooks asked about a project being pursued by the fund contact that is not approved by the selectboard. Tom Moreau noted CSWD would not necessarily be aware of whether the selectboard approved the clean up project or not, but it is not likely the town would continue to allow the fund contact to remain in that role.

Joe Duncan stated having one point of contact appears to be the only change from past standard operating procedure. Also, squabbles for any remaining funds are eliminated by allowing each town to carry over their funds. If there is debate between a town's fund contact person and the selectboard that must be worked out by those parties. Paul Stabler observed a town's selectboard must have some trust in their commissioner to CSWD to look out for the best interest of the town. Michelle DaVia pointed out the selectboard will be paying the vendor/contractor doing the clean up so there has to be some agreement between the selectboard, the fund contact person, the project, and the vendor. Stephen Brooks noted the procedures do not say the contact person needs approval from the selectboard. There was continued discussion of the Clean-Up Fund procedures. Alan Nye stressed a town's selectboard better know what is going on if the town is involved. Invoices must be submitted before they are paid.

There was discussion of the overage in the account for Charlotte (\$-212 balance for 2009) which will be absorbed by the program's budget. Charlotte is allocated \$1,000 per year.

MOTION by Michelle DaVia, SECOND by Alan Nye, to approve the amendments to the Community Clean-Up Fund Guidelines and Procedures as proposed in the memo, dated 10/17/08, from Katie Frederick to the Board. VOTING: unanimous; motion carried.

MOTION by John Lajza, SECOND by Michelle DaVia, to adopt the revised Community Clean-Up Fund Guidelines and Procedures.

CALL THE QUESTION by John Lajza. A second was not recognized.

DISCUSSION: Stephen Brooks asked about the statement in the Overview of the guidelines about the CSWD Board approving funds as part of the annual budget process for special requests. Paul Stabler explained there are no uncommitted funds in the program so to handle special requests funds have to be included in the annual CSWD budget. Stephen Brooks proposed an amendment to create an annual \$5,000 fund administered by the Board for overages or special requests related to the clean up program. The sentence at the end of the first paragraph of the Overview could be rewritten to read: "The CSWD board will approve funds as part of the annual CSWD budget process...". Alan Nye stated the language as written ("...may also approve funds...") addresses funding for special projects so an amendment is not necessary. A town can come forward with a special request if necessary. Stephen Brooks countered there are many towns and innumerable number of projects. Mismanagement is one fact pattern, but there could be projects with good management and an act of God intervenes. Mr. Brooks also mentioned the situation of needing to request additional money in the middle of the budget year. The money in the fund for special requests can be applied where needed at next year's budget time. Joe Duncan asked if there are any methods/means to withdraw money if a town exceeds its allocation. Tom Moreau noted the Board can move money from reserve accounts at any time. Paul Stabler stated the Board has been fiscally conservative and manages the budget well. The Board wants to plan for special requests in the budget. Alan Nye said CSWD is a representative democracy and each community receives its fair share. Overages should be covered by the town. CSWD should not be subsidizing with a higher rate for some. Stephen Brooks argued communities are induced to find projects by having this fund available to them. Following further discussion there was no support for amending the language in the document to create a \$5,000 fund for special requests or overages.

VOTING ON ADOPTING THE REVISED COMMUNITY CLEAN-UP FUND GUIDELINES & PROCEDURES: unanimous; motion carried.

6. PROGRAM UPDATES

The Board received written briefs on CSWD programs/projects.

Solid Waste Management Fees

Data from the transfer stations being compiled to complete the report.

Retirement Benefits

Staff is investigating a proposal from Benefit Investment Advisors, Inc. of South Burlington and will provide more information at the next meeting. Alan Nye urged considering the risk with a smaller firm versus ICMA.

Charter Change in Williston

Staff reported the Town of Williston has included on the ballot a charter change that will mandate approval from the town's selectboard of (re)certification of solid waste facilities in the town. Neither CSWD nor the representative from Williston to the CSWD Board was notified of any public hearings

on the matter or that the question is on the ballot. The proposed charter change will only impact the existing Drop Off Center if it is relocated.

7. OTHER BUSINESS

Intervale Compost Update

CSWD trained staff at IC, leachate is being applied, and a crop of wheat is growing. Saputo Cheese is out of business in Vermont which is a loss of \$85,000 in tip fees plus \$20,000 in compost material. CSWD must keep IC open until June, 2009. It is likely operations will cease at that time unless the Board takes other action. Stephen Brooks commented the Hinesburg facility (Saputo Cheese) could be a great composting and manufacturing site.

Next Meetings

CSWD Board: 11/19/08 (third Wednesday); Executive Committee: 11/12/08 (second Wednesday).
Agenda items: Discuss decreased revenues for CSWD and plan of action.

8. EXECUTIVE SESSION

None.

9. ADJOURNMENT

MOTION by John Lajza, SECOND by Alan Nye, to adjourn the meeting. VOTING: unanimous; motion carried.

The meeting was adjourned at 8:33 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