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**CHITTENDEN SOLID WASTE DISTRICT
EXECUTIVE BOARD MINUTES
CSWD OFFICE, REDMOND ROAD
March 18, 2009**

Executive Board Present: Alan Nye, Mike Coates, Steve Goodkind, Paul Stabler
Board of Commissioners: Bert Lindholm
CSWD Staff Present: Tom Moreau, Tony Barbagallo, Susan Chapman, Amy Jewell

Others Present: Mike Billado, Greg's Trucking, Greg Nolin, Nolin's Trucking

AGENDA ITEM:

1. Approve minutes of January 21, 2009
2. Hauler License Application Approval
3. FY 10 Operating Budget – Global Assumptions & Proposed Operating Budget
4. Solid Waste Management Fee – 1&2 year increase & procedure to increase SWMF
5. FY 10 Capital Budget
6. Intervale Compost
7. Solid Waste Planning – Content and procedure
8. Program Updates
9. Other Business
10. Executive Session

Paul Stabler called the meeting was called to order at 4:39 p.m.

Agenda # 9. Other Business - Discussion on delinquent account receivable. Mike Billado, Greg's Trucking and Greg Nolin, Nolin's Trucking came into present their case on delinquent accounts receivable. It was made clear that a recommendation from the Executive Board would be made and brought to the full board for approval. B. Lindholm said he accepted their proposal but if they fall behind then CSWD should then pull their Hauler's license. S. Goodkind wouldn't let them go without charging interest. P. Stabler said that he agreed it would not be fair to anyone to give "free bank", but Paul did say was fine with extending the additional time but wants to include an interest charge. M. Coates agreed and felt that interest should start now. Executive Board agreed to recommend working with these haulers and charge interest on their delinquent accounts. P. Stabler asked if we will have to change the policy. T. Moreau said we can do this on a case by case basis. This will go in the full board agenda.

Agenda #1. Approve minutes of January 21, 2009. MOTION by M. Coates, second by S. Goodkind. Approved – all Ayes.

Agenda #2. Hauler License Application Approval - T. Moreau said Casella is using a new company to move material that will require a haulers license. The company is Mr. Bults Inc. This requires a FY 2009 Haulers License Application. **MOTION by M. Coates, second by S. Goodkind . Approved – all Ayes.**

Agenda #3. FY 10 Operating Budget

Global Assumptions – T. Moreau reviewed the FY 10 Operating Budget. S. Chapman presented a spreadsheet that showed the MRF tipping fee at \$10 per ton. Assuming a 2% COLA, this will increase the solid waste management fee from \$17.61, which has never been increased since 1993, to \$21.81. P. Stabler asked that when presenting the budget that it be clearly highlighted that CSWD has had to cut staff hours, the COLA, increased the employee's portion paid to health insurance, eliminated the additional deferred comp agreements, eliminated the tire round up, and reduced the Rover Program.

S. Chapman presented an alternative option of reducing the MRF tip fee to \$0 which would increase the solid waste management fee from another \$1.81 from \$21.81 to \$23.63.

S. Goodkind said he would like to have the MRF tip fee at \$0 per ton. P. Stabler said this will be discussed at the full board. S. Goodkind asked what the overall FY '10 budget looks like compared to FY '09. T. Moreau said that expenses are down -1.2% from where it was last year. He noted that without a pass through grant it is almost down -3%. P. Stabler said he wants staff to show that CSWD is spending less than last year, just as all businesses are doing. P. Stabler noted that the Finance Committee reviewed the budget with a fine tooth comb and cut expenses. He asked that T. Moreau show this during the presentation.

T. Moreau commented that CSWD could pay bond payments out of reserves instead of the operating budget, which would reduce the solid waste management fee increase. There was no support from the Exec Board to take more money from the reserves for ongoing operations. B. Lindholm suggested considering reducing the \$25,000 that the General Manager and \$100,000 that the Executive Board is authorized to spend without going to the full board. It was discussed and agreed to not change the amounts.

Agenda #4. Solid Waste Management Fee –T. Moreau explained that the increase to the solid waste management fee shown previously is based on the FY 10 budget. He noted that remaining bond payments are for FY 10, FY 11, and we'll see a substantial reduction of operating costs in FY 12. T. Moreau said we could look at what the COLA might be for FY 11 and run wage benefit spreadsheet with the new COLA rate to get an idea of rates needed for FY 11. S. Goodkind recommended just leaving the solid waste management fee at the one year rate since it has not been increased in 16 years and see if this is the bottom and assume that number will work for FY 11. A. Nye commented that trash continues to decrease. S. Goodkind felt that CSWD should not take a premature step and raise it possibly more than necessary by trying to guess for FY 11.

Agenda #4b. T. Moreau referred to the memo from N. Plunkett and said this is the process for amending the solid waste management ordinance to increase solid waste management fees. P. Stabler questioned the result of a defeated budget. T. Moreau answered that the Charter states that we would operate under last year's budget (which is more than this year's) and we'd still have to raise the solid waste management fee in order to balance the budget.

Agenda #5. FY 10 Capital Budget – T. Barbagallo reviewed the handouts on the Capital budget and highlighted the larger expenses that were included in FY 10. T. Moreau said that in FY 11

the reserves will be gone and CSWD would need to bond to fund anticipated capital projects. He also noted that the stimulus package might allow CSWD a 25% grant to buy a vehicle in the next year and CSWD has included the purchase a new roll-off truck. T. Barbagallo reviewed the Capital and Other Designated Funds – Projection of Current and Future Years Fund Balance. He noted that the projected reserve balance at the end of June 2009 for all reserves would be \$4,691,635. This includes proposing to borrow \$500,000 from the MRF reserves. Discussion was held on including this on the agenda to determine whether it should be a loan with interest and to set the conditions for borrowing this. T. Barbagallo noted the sheet outlines the reserve balance as of 6/30/08 and the balance prior to transfers for 6/30/09. This year CSWD included the projected reserve balance as of 6/30/10 and 6/30/11 so that it outlined the planned expenses for those reserves and was made clear that this was not a slush fund. CSWD felt it was important to show towns exactly how the \$3.7 million will be used. T. Moreau recommended that the \$128,500 shown on Line J be taken from Line F under property management.

T. Moreau said the FY 09 Capital budget of \$5 million would decrease to about \$757,000 in FY 10. T. Moreau said that CSWD collects about 8,000 tons of C&D wood products and 15,000 tons of sludge. C&D wood is taxed and sludge is not. T. Moreau said he is interested in the technology of combining thermal technology with waste water biosolids. He said that the Federal sludge regulations have not kept up with chemistry and would like to see a small gasifier fed with C&D wood that would use the waste heat to dry out sludge and convert sludge. He said it was just a concept that would solve some of CSWD's challenges. T. Moreau said that 15,000 wet tons of sludge went to Coventry each year and is a pass through. Mike Coates did not think that was a pass through and said he felt we should charge the solid waste management fee.

Agenda # 6. Intervale Compost – Update on PAH's –S. Goodkind said he would prefer to wait to hear this discussion at the full board meeting. T. Moreau said he has some concerns with the State's response to the PAH issue. He said he wants to discuss some policy implications with the board that will likely end up a handout at the board meeting.

Agenda #7. Solid Waste Planning – Content and Procedure – P.Stabler asked the Executive Board about the process for presentation at the full board meeting. T. Barbagallo noted this is a strategy plan that will be approved and all of this will go through the public process before studies are done. P. Stabler said he felt this should be taken to the towns during the budget process to address the money that is in reserves. P. Stabler asked if staff should review again or just take the vote. Discussion was held on the special meeting that was held, board input, and the fact that it has been on-line for comments for six weeks. A. Nye said he thought it was an up or down vote. T. Barbagallo said there would a revised red red-line strikeout sent to the board. P. Stabler directed staff to not provide an overview and this will be presented as an up-down vote.

Agenda #10: Executive Session – to discuss ongoing and pending personnel issues and contract negotiations.

MOTION by Mike Coates, SECOND by Alan Nye, that the Executive Board of the Chittenden Solid Waste District go into Executive Session to consider pending civil actions and contract negotiations 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 issue 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 6:47 p.m.

MOTION by Alan Nye, SECOND by Mike Coates, to adjourn Executive Session and reconvene the regular meeting. VOTING: unanimous; motion carried.

The Board adjourned executive session at 7:18 p.m.

ADJOURNMENT

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

The meeting was adjourned at 7:19 p.m.