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**CHITTENDEN SOLID WASTE DISTRICT
EXECUTIVE BOARD MINUTES
CSWD OFFICE, REDMOND ROAD
June 20, 2007**

EXECUTIVE BOARD PRESENT: Paul Stabler, Mike Coates, Bert Lindholm, Ken Nolan

CSWD STAFF PRESENT: Tom Moreau, Tony Barbagallo, James Ticehurst

Others Present: Sam Lewis AOT, Max Levi – Essex Select Board

AGENDA ITEM:

1. Approve minutes of May 16, 2007
2. Finance: Combined Budget to Actual Financial Statement for FY 07 3rd Quarter and Year End projections
3. Receivables Management Policy – Discussion Prior to Full Board Meeting
4. Vermont Agency of Transportation – Impact of Waste Transfer Vehicles on State Highways
5. Regional Landfill:
 - a) Evaluation of the Proposed Landfill's Impact Property Values
 - b) Landfill Design Assumptions
 - c) Memo to VT ANR
6. Community Forums on Sustainability - Policy Issues, Discussion & Guidance
7. Program Updates
8. Other Business
9. **Executive Session** – to discuss ongoing and pending litigation, property purchases, personnel issues, and contract negotiations.

B. Lindholm called the meeting to order at 4:39 p.m.

Agenda #4. Vermont Agency of Transportation – Impact of Waste Transfer Vehicles on State Highways – Mike Coates introduced Sam Lewis from the State of Vermont Agency of Transportation and informed the board that he had been invited here to discuss the impact of waste transfer vehicles on State highways and a discussion on available money for railroad infrastructure. S. Lewis provided information on the number of vehicles in local towns and the number of trucks. He commented that Cambridge has about 4,700 vehicles a day, 323 of them are trucks. Johnson has about 451 trucks per day and brings traffic from other directions. Eden has about 3,600 vehicles per day and 429 are trucks. He noted that they are seeing fewer cars and more trucks from the data from the northern communities. He commented that these towns see a truck go by every 7-8 minutes. M. Coates commented that some of those trucks are from Middlebury.

T. Moreau asked S. Lewis if the externality costs of \$837,000 that M. Coates has in his spreadsheet and the Middlebury study are reasonable. S. Lewis said that he would use the same

study and yes the numbers were reasonable. Though, S. Lewis said that fuel costs are hard to pin down. M. Coates commented that fuel prices have increased since the number was derived and trucks are getting about 5 miles to the gallon. T. Moreau asked S. Lewis if it was feasible for CSWD to look at hauling trash by rail to Coventry. S. Lewis was very much in favor of this approach, though the rule of thumb is that you may need to travel 300 miles before rail transport is economically competitive with trucking. He commented that it makes sense by reducing the damage to infrastructure, roads, and not going through little villages with large trucks.

T. Moreau asked if there was any money available for a study or incentives to investigate rail. S. Lewis answered that there might be something through Regional Commission or MPO with their long range plans or they might be able to put something together. B. Lindholm asked if there was any money for rail improvements. S. Lewis answered that there was \$22 million available for rail improvements within Vermont. T. Moreau commented that he understood the rail route would be Williston to St. Albans, to White River and then up to Coventry. S. Lewis commented that the New England Central line is in pretty good shape and is more than adequate at 40 miles per hour for freight. He said that the Connecticut River line is not in as good as shape but improvements are being made. According to S. Lewis, he does not see any special incentives to subsidize rail transportation but that the improvements that are being contemplated in the next 5 years would improve reliability, reduce transit times and therefore costs.

B. Lindholm said that we could keep going the way we are, and should consider looking at rail, or building a landfill. The question is the size we start with and how long we run it. S. Lewis said they would like to put as much on rail as possible because a percentage of the revenue comes from AOT renting the rails to the Vermont Rail Business and a percentage of revenue from the Connecticut River Line. He explained the more that goes into rail the healthier it is for the State.

T. Moreau summarized that AOT would favor CSWD transporting trash by rail and is putting a substantial amount of effort into transport times and which will decrease economic costs but noted that in the foreseeable future AOT does not have any incentives to offer CSWD for transportation by rail. B. Lindholm commented that we are dealing with temperature issues of heat and below freezing weather with trash. S. Lewis said he would get back to T. Moreau with some sense of paving costs, a listing of projects we see on that road, and will also talk about improvements that AOT will be making.

Agenda #5. Regional Landfill:

a) Evaluation of the Proposed Landfill's Impact Property Values T. Moreau introduced Max Levy a select board member from the Town of Essex. Max was a candidate for the select board in Essex and Tom said that Alan Nye had informed Tom in February that the potential impact of the proposed landfill on property values in Essex are important to Mr. Levy. Mr. Levy is now representing the Town of Essex and is concerned about property values and the Essex Grand List. T. Moreau said that he and Tony put a fair amount of time thinking about this issue. Oftentimes staff sees reports that are exaggerated by one side or another. CSWD has contacted some regional solid waste managers about whether they had policies on land values. Usually there are not policies about land values near landfills. With one major waste management company, policies only exist with abutting landowners and the policy is controlled

by their corporate home office and not shared. T. Moreau said that T. Barbagallo had a good approach to make it site specific and within our local economy. He contacted Mike Keller, a Chittenden County appraiser who suggested that we go back and look at historical data from the impact of the Phase III landfill. He could do this study for an estimated \$10,000. Mr. Levy would like to hear how CSWD plans to deal with the proposed landfill's impact on property values. T. Barbagallo suggested that Max is reacting to VOCAL's handout that a landfill could affect property value within several miles of a landfill. Mr. Levy commented that landfills are not looked on as a positive thing even though he can see that the CSWD landfill has a lot of engineering into it. His contention is that it is all about the perception of a landfill or dump. His perspective would show that a house abutting the landfill would sell for less than a similar home that is located some distance away from a landfill. T. Barbagallo explained that we would need to look at trends over time.

Max Levi commented that CSWD should consider looking at three or some similar studies, where data is consistent between them. B. Lindholm suggested that we need to be compared to our landfill design. We are still working on a design but we haven't gotten to the point of showing that information to the public. He commented that VOCAL is shooting themselves in the foot by showing the proposed landfill in such a negative manner. Ken Nolan is concerned about comparing numbers because there are dozens of factors on what someone is willing to pay for a house, when we get comparatives and then we'll have to look at all environmental impacts in that area, end up with a subjective analysis regardless whether one or fifteen studies are done and we will still have that issue to deal with. Max said that he disagrees and that if we choose three studies that could be representative that they might have some variables, but we could select the sites/study areas with some consideration for the variables we talked about. We would have to be careful about the selection and it won't be perfect. Mr. Levy commented that CSWD has a lot of good engineering in the landfill but that won't help educating realtors who tell buyers not to look in a certain area because it's near the landfill, which he knows is a result of the 1970's type of landfills or dumps.

B. Lindholm asked what he would expect to do once the study numbers are available. Max said the logical thing would be to ask how CSWD would compensate the Town of Essex for decreased property values. The Town of Essex would have to look for another source of tax funds or would have to raise taxes on other properties. Mr. Levy suggested that CSWD compensate the town for the loss of tax revenue. B. Lindholm asked Mr. Levy how do you know if property values decrease whether it is the general economy or if it's a landfill. Max said it would be where the values are changing. Is the whole town going up except this area near the landfill? Then the data would be clear. Again, the Essex select board is trying to watch out with what's best for the town. They are not involved in Williston Host Town Agreement but they realize that the proposed landfill is on the edge of Williston near the border with Essex Town. Mr. Levy understands the design is top notch but is concerned about the reputation of a landfill on property values. T. Moreau said that he is looking for the Exec Board to act as the first step in setting policy on this matter. He reiterated that CSWD can conduct a retrospective study on what has occurred during the phase 3 landfill in our area for the \$10,000 study. M. Coates said that the Town of Essex was part of the Host Town Agreement and signed off on it and doesn't think it's the total responsibility of CSWD to undertake this study. He said he would look more favorably if the communities that felt they needed it would financially participate in this study.

and set up a committee to monitor the exercise, not by CSWD undertaking this alone. Over forty years this area has been an end point for trash and it still is today. Nothing has changed. A lot of development has occurred on Essex side of the river.

P. Stabler agreed with Mr. Nolan that there are all different variables and the Exec Board not recommend that we promote this study to the full board. T. Moreau said that he would send a memo to Essex Representative Alan Nye explaining this conversation and letting them know that three Exec Board members are not in favor of bringing this to the full board, one member is undecided. It was left that if Representative Nye would like to bring this issue to the full board he can do so.

b) Landfill Design Assumptions – P. Stabler noted that he asked that this be placed on the agenda because so much is happened in the last year. He felt it necessary for a refresher of these topics and noted that CSWD should stay with the landfill design that fits the Host Town Agreement. T. Barbagallo said that the following issues should be discussed again as a result of Tom Moreau's PowerPoint presentation. T. Barbagallo referred to the memo and summarized the following issues: :

- a. Is the forecasted disposal projections correct? Back up memo and spreadsheet provided.
- b. Should the landfill be designed to be as big as possible? We've been trying to get this property for 20 years and when we finally get it shouldn't it be as big as it can? Where is the board on this issue?
- c. Concern from Tom about long-term debt and 30 year bonds with a concern that we do this and then 10 years from now discover that we don't need a landfill anymore and future generations will have to pay this debt.
- d. How long should bonding period be? Longer periods reduce annual debt payment and annual operating costs. Typical landfill tip fee goes down over time, which is not ideal economically. One way to balance this is shove out future capital costs for longer bonding periods. The first economic model demonstrated this approach, but maybe now this is counter to other goals.
- e. Does the landfill still need to maintain a \$20 differential? If CSWD is going to franchise and get control of waste, we won't have to rely on strict economics. Do we want to emphasize a,b,c from above? It is easier to do this if we are looking at bonding debt.

T. Barbagallo suggested waiting until the landfill's next conceptual design and updated economic model became available at the end of June. Changes could then be incorporated into the upcoming redesign that will reduce the footprint to the current Host Town Agreement. He suggested before working on smaller footprint CSWD look at scenario D and then give Shaw the go ahead to start, tweaking what needs to be tweaked. P. Stabler agreed that we should have a discussion about these assumptions because so many things have changed. T. Barbagallo suggested a joint meeting of the Executive Board and the Landfill Oversight Committee and then bringing a recommendation to the full board.

T. Moreau summarized that CSWD will wait until we receive the economic model and the latest design from Shaw and before the \$37,000 design change, we will have a meeting. P. Stabler

asked that we won't proceed with scenario E until we have met. T. Barbagallo agreed that we would not do this. T. Moreau explained that he took his scenario by immediately going after the organics and c&d and said that he is assuming that we are very aggressive and one of the best in North America.

c) Memo to VT ANR – T. Moreau said that it was recommended that he invite VT ANR Secretary George Crombie to a meeting to discuss the landfill. Mr. Crombie was unable to make this meeting. A quote from a Waste Prevention Forum that was held says that “The Secretary is not looking to permit anymore landfills in Vermont”. T. Moreau said that Mr. Crombie wanted to know where CSWD was and if we were asking the Board for a vote on the landfill permitting delay. T. Moreau told him that a couple of key members were not at the May meeting and we have several new board members. CSWD needed to have continued internal discussions and will bring to the full board hopefully in July. K. Nolan commented that for 20 years we have been spending Chittenden County money on this landfill and has concerns whether the present administration will approve the landfill. Mr. Crombie told T. Moreau that he looks at CSWD as a leader in the State and would like very much to work with CSWD and would like to have ANR staff gain applied knowledge and then work together to minimize the amount of waste generated. ANR would like to transfer some of CSWD's knowledge to his staff and then move forward with a comprehensive set of programs for C&D, biosolids, organics, and anything else that can be diverted, perhaps new technologies and apply that to the rest of the State. K. Nolan commented that CSWD should be relying on VT ANR's budget to reimburse CSWD for this time. T. Barbagallo commented that perhaps the economy of scale within Chittenden County aren't replicated anywhere else in Vermont. T. Moreau said that he thinks there should be a dialogue.

Agenda #1: Approve minutes of May 16, 2007. Motion by Paul Stabler, second by Mike Coates. Approved – All Ayes.

Agenda #2. Finance: Combined Budget to Actual Financial Statement for FY 07 3rd Quarter and Year End projections

T. Moreau summarized that CSWD's is projecting a \$673,000 surplus in the FY 07 budget. A significant portion of this is a result of sale of materials from the MRF. He summarized that the DOC's did o.k. and that the manager Lee Tuure is a master at trying to save money and be efficient. He commented on CSWD's choice of the scrap metal contract has benefited us by about \$60,000. He noted that salaries are over by \$14,000 because the board is forced to pay T. Moreau his deferred compensation. T. Moreau summarized that staff did a good job with budget this year. This will be brought to the Board.

Agenda #3. Receivables Management Policy – Discussion Prior to Full Board Meeting

T. Moreau commented that there are a few haulers that CSWD spends a considerable amount of time trying to collect money from. CSWD is requesting a policy be in place so that when a company is 60 days in arrears they get a letter that says they are on cash for everything and a second letter saying that they can pre-pay a week at a time and that they must follow a payment schedule. T. Moreau noted that we are fortunate that this has only been a problem with some smaller haulers because our current cash flow has been able to absorb this. The payment plan would be a 90 day payment of 33%, 33%, 34% for each of the three months. Haulers unable to

make this schedule could lose their license under the CSWD ordinance. T. Moreau summarized that currently if a hauler misses a payment they have five months to pay it before being in trouble with their license. T. Moreau said we could increase interest rates. He commented that we are reluctant to pull their licenses because we would have less change of collecting the money. P. Stabler said that he was comfortable with proposal. This will be brought to the full board for approval.

Agenda # 6. Community Forums on Sustainability - Policy Issues, Discussion & Guidance

T. Moreau explained that as part of the community outreach planning CSWD is interested in scheduling collaborative community forums on sustainability with potential partners such as 10% challenge, Vermont Earth Institute, Vermont Energy Investment Corporation and others. These forums will be designed to address reducing the environmental footprint through transportation, energy reduction, and waste disposal habits. T. Moreau asked if the Board was comfortable with CSWD partnering with these organizations and stressed that CSWD would only be emphasizing those areas that we are tasked to deal with, which are disposal habits and reduce-reuse-and recycle. P. Stabler would like to know the schedule of forums once they are developed. M. Coates commented that CSWD's basic mission is really transportation of materials and waste disposal habits (reduce, reuse, recycle) and those are the areas that we have our expertise, but is unsure where the other pieces come into our area. T. Moreau commented that this benefit would be to reduce the environmental footprint and there are many elements, but CSWD would only speak on what we are knowledgeable about. T. Moreau asked if the board was comfortable with approaching citizens with these other entities. T. Moreau said he was very much in favor of this. B. Lindholm commented that Marge is very comfortable with this and school and other activities with a cooperative effort rather than CSWD going this alone. M. Coates questioned the staff parameters and feel that Tom answered the question. CSWD will talk about trash and recycling, and someone else might do the energy piece.

Agenda # 7. Program Updates -P. Stabler commented on the Waste Reduction Educator of the Year Award and Patty Brushett. He was impressed with the program and the work that Jess Sankey did on developing the program at the school.

B. Lindholm asked if there were any questions on the Colchester DOC. T. Barbagallo commented that CSWD is scheduled to go before the select board on July 10th at 7:30 p.m. at which time CSWD anticipates that Colchester will not want a DOC on Heineberg Drive. As a result CSWD will probably back-burner any further work on the project. Colchester has come up with other sites that CSWD does not believe are economically viable because of their location to the already existing Essex and South Burlington DOC's.

Agenda # 8. Other Business – No discussion was held.

Agenda #9: Executive Session – to discuss ongoing and pending litigation, property purchases, personnel issues, and contract negotiations.

MOTION by Paul Stabler, SECOND by Bert Lindholm, 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.

Executive Session was entered at 6:45 p.m.

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

Executive Session was adjourned at 7:01 p.m.

ADJOURNMENT

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

The meeting was adjourned at 7:15 p.m.