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**CHITTENDEN SOLID WASTE DISTRICT  
EXECUTIVE BOARD MINUTES  
CSWD OFFICE, REDMOND ROAD  
June 16, 2010**

**EXECUTIVE BOARD PRESENT:** Paul Stabler, Steve Goodkind, Alan Nye, Bert Lindholm, Michelle DaVia

**CSWD STAFF PRESENT:** Tom Moreau, Amy Jewell, Susan Chapman, Brian Wright

**OTHERS PRESENT:** No others present

**AGENDA ITEM:**

1. Minutes of May 19, 2010
2. MRF Tip Fee Change for 7/1/10
3. Burlington Facilities from Drop-Off Center, Yard Waste, & Clean Wood Waste
4. Compost – a) Update on Temporary Facility – Storage Bunker and Extension Report  
b) New Facility Update, Permit Status, Solar Panels, Construction Management Options
5. Other Business
6. Program Updates
7. Executive Session – a) Personnel Matter b) Possible Compost Negotiation

**Agenda # 1. Minutes of May 19, 2010. MOTION by Alan Nye, second by Bert Lindholm to approve the minutes of May 19, 2010. Motion Carried -All Ayes.**

**Agenda #2. MRF Tip Fee Change for 7/1/10 -** T. Moreau said that CSWD sees the benefits of lowering the tip fee and the benefits of leaving it where it is to temporarily maintain a surplus for other projects. He said that he feels this is as much a policy decision as it is a manger's decision. From 1995 to 2002 the MRF operations were subsidized about \$244,000/year and from 2002 to 2005 subsidized money went into capital. He noted that the MRF has probably since paid back the General Fund about \$800,000 of the \$1.4 million operational subsidy. He noted that Burlington and Westford are the two towns that directly benefit from lowering the tip fee. There is no guarantee if we lower the MRF tip fee would the rest of the county's population would see a benefit.

A. Nye said that S. Goodkind is going to be strong about it and profit for City of Burlington and Westford will lower their cost directly but he is not opposed to building up reserves. M. DaVia agreed that she would like build up cash reserves, especially with the building of a new compost facility. B. Lindholm said he would like to see money in reserve for the landfill project. S. Goodkind commented that CSWD has budgeted an amount and we have more money than we anticipated because we have a valuable commodity and we should give it back, otherwise he feels we are subsidizing trash and that is the wrong approach. He recommended going about this the right way and raise the solid waste management fee if money is needed for other projects.

T. Moreau said that he questioned Thomas Melloni about CSWD's options for returning money to the towns and our Charter does not allow us to set the rates that private haulers charge their customers but we could come up with a formula that returns money to each town. M. DaVia recommended setting a cap on the surplus collected at the MRF and then distributing above that cap based on some formula to be determined.

T. Moreau said he is waiting on the results of Rule 60B because we made need a contingency and that should be considered when determining rates because there is a risk.

A. Nye commented that he feels it makes sense to have a surplus in capital for these projects rather than go out for a bond vote. M. Davia recommended establishing a value needed in capital reserves and once that value is met, a formula be established to return that money directly to towns, which will be done with a boundary and a process. B. Lindholm requested that those towns that paid an initial assessment to join CSWD be paid back that amount of money that was paid in. P. Stabler requested that more detail be provided to the board on future capital projects before they determine whether to change the rates, return money, or deal with assessments. S. Goodkind said that recycling is one of CSWD's goals and should not be used as a "cash cow". M. DaVia said that she would be uncomfortable if we did not have a capital reserve fund. T. Moreau said that at the end of June the MRF reserve will have \$2,000,000.

T. Moreau summarized that the consensus of the Executive Board was to not lower the tip fee for July 1<sup>st</sup> and to bring to the August meeting additional detail on future capital costs that are not budgeted, and to provide a mechanism to return surplus money to the towns taking into consideration a recommendation from Susan Chapman that the Undesignated Fund Balance is currently too low. T. Moreau said that he would like to be in position to set the in-district tip fee to \$0/ton.

### **Agenda #3. Burlington Facilities for Drop-Off Center, Yard Waste and Clean Wood Waste**

T. Moreau informed the board that there are three facilities in Burlington that have issues with the long-term outlook. CSWD's lease at the Burlington DOC expires on 6/30/11 and it has come to our attention that this may not be renewed because of a potential construction project involving that site. The second issue is the Intervale compost and the third is the contract that CSWD has with Burlington Electric for accepting and processing wood waste ends on December 31, 2010 . CSWD has subsidized this with a five year subsidy starting at \$77,000/year and decreasing by \$7,000/year where in this last year the subsidy is now down to \$42,000 per year. BED has requested that we subsidize this in the amount of \$60,000/year for another five years. T. Moreau also added the Burlington during the budget approval process has requested that CSWD provide a place for residents to bring their leaves and CSWD is looking at options to deal with these three facilities and Burlington's requests.

A. Nye commented that he does not feel it is necessary for CSWD to spend the manpower to try and find a site. He was opposed to having engineer B. Wright spend his time trying to find a location, working on drawings, only to have the City say that the location won't work. He said he feels the City should recommend a location for their residents to bring leaves. T. Moreau said he would set up a meeting with P.Stabler and the Mayor.

**Agenda # 4. Compost – a) Update on Temporary Facility – Storage Bunker –** B. Wright said that we have started bringing in blocks for the bunker and will have it complete by Monday. T. Moreau thanked Burlington and S. Goodkind for the help with the temporary facility. **Extension Request –**T. Moreau said that it appeared the extension would be granted until March 1, 2011 and that we would be required to put \$20,000 in escrow for use in the event that we do not have a new facility in place and operating by that time.

### **b) New Facility Update –**

i) **permit status** – B.Wright noted that the attached timeline shows where changes were made from the previous schedule that was sent out to the Board. The storm water permit has been delayed but will not affect our long-term schedule. T. Moreau said that IBM suggestions (which were helpful) has resulted in adding two weeks to the permit timeline.

ii) **solar panels** – B. Wright said that he had me with All Earth Renewables to look at installing Suntracking solar panels. He reviewed their proposal for installation and explained that we would pay \$1,000 as an upfront payment and after 5 years we would have the option to buy the panels.

M. DaVia commented that she likes the idea but commented that the deal makes the difference. She discussed the fact that based on what was presented she did not feel this particular deal was a good one for CSWD. She noted that CSWD should have further questions answered including knowing the total installed cost per watt. She further discussed tax credits and actual installation costs. She strongly suggested that CSWD get these questions answered and look at alternative options before going with this one. A. Nye did not feel that this effort would be time well spent by CSWD staff. P. Stabler agreed that he felt at this time with the current work load it was not something that CSWD should be spending time on. The Executive Board requested that CSWD not pursue this any further.

iii) **Construction Management Options** –T. Moreau said that he and B.Wright met with Engelberth Construction to talk about hiring a construction manager to oversee the building of the proposed new compost facility, with the potential to have this person save time and money. A. Nye commented that he feels CSWD should consider that this person won't fight for the owner the way an owner would. B. Wright commented that a good Construction Manager will do a detailed cost estimate of the project and then we can value engineer it upfront. They also guarantee that the final job cost will come in within 3% of their estimate. Discussion was held on whether this should be bid out or just interviewing additional construction management. A. Nye recommended that CSWD get an independent estimate. S.Goodkind questioned how much time this would take versus hiring someone on staff under contract that could do the job. T. Moreau said they would consider their options.

**Agenda #7. Executive Session – Personnel Issues - MOTION by Bert Lindholm, SECOND by Steve Goodkind, to enter into Executive Session. VOTING: unanimous; motion carried.**

The Board entered executive session at 5:54 p.m.

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

The Board reconvened the regular meeting at 6:16 p.m.

#### **Agenda #5. Other Business**

T. Moreau said that he would be requesting the Finance Committee bring a recommendation to the full board for selecting an auditing firm.

P. Stabler said that we will be adding two items to the Organizational Meeting Agenda including allowing the chair to set the meeting schedule in consultation with the General Manager and how agenda items are set on the agenda. M. DaVia felt that any commissioner who had a request should give advance notice and publicly request that at the board meeting under other business. This issue could then be discussed at that time and agreed to go on the next meeting for discussion. A. Nye agreed but said he should also be able to contact the Chair and request something that might come up between those dates and the Chair can either decide to put it on or not. If he decides not to then the Board member can bring it up under other business at the next meeting.

**Agenda #6. Program Updates** – T. Moreau said that compost sales are down, but they are everywhere. He said that Dan is looking at the FY 11 Budget and making cuts where necessary. A. Nye asked about the

quality of the compost and T. Moreau said they had made some adjustments to reduce the screen size to have less contamination in the compost.

### **ADJOURNMENT**

**MOTION by Alan Nye, SECOND by Bert Lindholm, to adjourn the meeting. VOTING: unanimous; motion carried.**

The meeting was adjourned at 7:03 p.m.