

APPROVED

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**Chittenden Solid Waste District
Executive Board Minutes
CSWD Administrative Office Redmond Road
September 19, 2007**

Executive Board Present: Paul Stabler, Bert Lindholm, Ken Nolan, Mike Coates, Steve Goodkind,

CSWD Staff present: Tom Moreau, Tony Barbagallo, James Ticehurst, Amy Jewell

Others Present: Mike Burak, Burak, Anderson & Melloni

Agenda Item

1. a. Approve minutes of July 2, 2007
b. Approve minutes of July 20, 2007
c. Approve minutes of August 8, 2007
2. FY '07 Financials – Discussion Only
3. Recycling Containers for Special Events – Exec Board Action Requested:
Approve Concept of discounting/reselling containers
4. Landscaping at Administrative Office – Increased cost to showcase materials reuse
5. Intervale Compost Products – Stipulated Order
6. Regional Landfill – Discuss Landfill design criteria: capacity/longevity, bond ceiling etc
7. Program Updates
8. Other Business
9. Executive Session – to discuss ongoing and pending litigation, property purchases, personnel issues, contract negotiations and intradepartmental matters that concern matters other than primarily factual matters which are preliminary and prior to formulation of public policy

P. Stabler called the meeting to order

Agenda #1:

a. Approve minutes of July 2, 2007 - MOTION to approve the minutes of July 2, 2007 by Mike Coates. Second by Ken Nolan. Voting 3-0. Steve Goodkind abstained. Motion Carried.

b. Approve minutes of July 20, 2007 - MOTION to approve the minutes of July 20, 2007 by Mike Coates. Second by Ken Nolan. Voting 4-0. Motion Carried.

c. Approve minutes of August 8, 2007

MOTION to approve the minutes of August 8, 2007 by Mike Coates. Second by Ken Nolan. Discussion: Make the following changes – change Agenda Item D to correct Agenda Item E. Voting 4-0. Motion Carried. Voting 4-0.

Agenda #2. FY '07 Financials – Discussion Only

J. Ticehurst handed out the End-of-Year FY '07 Financials including financial statements by program and by object code. Jim also handed out a proposed use of cash surplus spreadsheet. T. Moreau explained that these are unaudited and is slightly different than shown to the Executive Board in June because at that time CSWD does not know the amount unrealized gains from stocks and bonds. He noted that they are substantial. T. Moreau summarized that the budgeted versus actual revenues are \$602,110 over budget. The budgeted versus actual expenses are \$325,574 under budget. Tom said the net operating surplus is \$850,313 and that of that number \$713,891 is actual surplus.

T. Moreau summarized the proposed use of the cash surplus by stating that historically, if a program gained money over projected budget then that program would keep their money. The actual operating surplus from FY '07 operations is \$713,891. Staff has outlined where each program would keep their share of the surplus in attachment C as presented. T. Moreau noted that all funds will go into investment accounts and only the full board can designate where that money should go. T. Moreau further explained that once money is in reserve, CSWD staff cannot move money without board approval. T. Moreau asked if the executive board had a preference of where the money should go other than what is proposed. No comments regarding the use of the proposed surplus, therefore this proposal will go to the full board for approval. B. Lindholm asked the total amount of MRF reserves. T. Moreau noted it currently has approximately \$1,125,000 as of FY 06. B. Lindholm commented that because the money is there, we can take on some needed large upgrades.

Discussion was held on the MRF capital and whether CSWD needs to continue a capital subsidy via the solid waste management fee. T. Moreau confirmed that the MRF subsidy for capital in FY 08 is \$150,000. P. Stabler asked if CSWD was to take possession of the land for the landfill, from what reserves would the money come from. He would like to see a spreadsheet outlining if that were to occur and CSWD paid the \$4 million dollars what would be left in the funds.

Agenda #3. Recycling Containers for Special Events – Exec Board Action

Requested: approve concept of discounting/reselling containers

T. Moreau referred to the letter written by N. Plunkett requesting that CSWD purchase special event recycling containers. T. Moreau summarized that the current containers that we lend out each have flaws which make handling difficult. T. Moreau showed the bin on display that staff is proposing purchasing, which was found by hauler Jeff Myers while visiting another state. These are stackable and would work well. T. Moreau explained that the proposed bins cost \$68.40 each and with shipping would be \$75.89. CSWD is proposing to offer the containers for \$25 each for a municipality and \$35 for businesses. S. Goodkind questioned subsidizing haulers or events like the Champlain Valley Fair because they are making money by recycling. S. Goodkind said he was concerned about events that have entrance fees. T. Moreau

explained that staff's job is to encourage recycling and keep this from being landfilled. B. Lindholm asked where the number for the subsidy came from. T. Moreau said they picked a reasonably priced number to work with. M. Coates suggested that towns have the option of using the Community Clean Up Fund to purchase the bins. P. Stabler agreed that towns should have the option to use that money towards the purchase of these bins. P. Stabler felt that CSWD's logo should be included on the bin regardless of what ends up being offered. T. Moreau asked for direction on whether to offer these using the \$14,000 from the ANR block grant money. S. Goodkind did not feel that CSWD should subsidize the private sector, but commented if it was to be done it should be a 50/50 split. P. Stabler would support staff proposal of \$25 for municipalities and \$35 for the private sector and \$25 for the public.

T. Moreau summarized that CSWD should give every town up to 5 recycling containers at no charge, with the option to purchase additional bins at \$25 and allow cities and towns to use community clean up fund money towards that purchase if desired. Also, that bins will be available for \$35 for the private sector and fair type events. Non-profits will be able to purchase at \$25.

Agenda #9. Executive Session – MOTION by Bert Lindholm, SECOND by Ken Nolan, that the Executive Board of the Chittenden Solid Waste District go into Executive Session to discuss ongoing and pending litigation, property purchases, personnel issues, contract negotiations, and interdepartmental matters that concern matters other than primarily factual matters which are preliminary and prior to formulation of public policy, 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 issues where premature public knowledge could adversely affect the outcome of such civil action against the District, and to permit staff, consultant(s), and the Solid Waste District attorney(s) to be present for this session. VOTING: unanimous; motion carried.

5:15 p.m. the board entered executive session.

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

Executive Session was adjourned and the regular meeting reconvened at 6:25 p.m.

Agenda #5. Intervale Compost Products – Stipulated Order - T. Moreau summarized that the Intervale filed for an Act 78 permit in 2002 and received it. CSWD is named as co-applicants on that permit. T. Moreau explained that there are many contributing factors to the current Intervale problems, including a combination of a poorly written permit, poorly written rules, and poor management. T. Moreau feels that the State needs to change their rules as one solution to this problem. T.

Moreau also noted that CSWD will not be a co-permittee with this organization in the future, but will remain a secondary contact. CSWD has taken action to help the Intervale rectify this situation, including providing T. Barbagallo as a resource to the Intervale to assist with providing and reviewing tonnages to the State during this process. T. Moreau noted that CSWD will be proposing hiring a consultant to look at long-term issues of collecting and processing organics.

T. Moreau handed out a spreadsheet of the outstanding loans from the Intervale to CSWD. He summarized that the Intervale Compost Products assets as of 8/31/07 are \$920,460 and their liabilities are \$429,276 creating \$491,184 in net assets. T. Moreau summarized that they do have a cash flow problem at the Intervale but said that CSWD is covered if they were to shut down. CSWD has already started looking at back up plans and other potential sites for composting.

Agenda #4. Landscaping at Administrative Office – Increased cost to showcase materials reuse - T. Barbagallo explained that CSWD is required to spend \$3,000 on landscaping as required by the Town of Williston for the Administrative Office renovation project. The project was estimated to be \$4,000 and T. Moreau approved the additional \$1,000. T. Barbagallo would like to purchase \$700 worth of tire mulch and remove the railroad ties that currently exist and replace them with rock. T. Barbagallo said that he would also like to spend about \$2,000 for the pavers of the patio area using recycled glass embedded into the concrete pavers. He noted that the work would be done prior to the Dedication of the Administrative Office for Bill Leach. The Executive Board agreed with the additional costs for the Administrative Office landscaping.

Agenda #6. Regional Landfill – Discuss Landfill design criteria: capacity/longevity, bond ceiling etc

T. Barbagallo handed out the spreadsheet that was done at the August 8, 2007 Landfill Oversight Committee and Executive Board Committee meeting. He said that this is what the group agreed to on that date. He said that there was disagreement between him and Tom on whether we make this a goal that we think we can meet today or should we stretch for a higher diversion. T. Moreau said that he feels that his spreadsheet that will be included in the full board packet will be close to what the group agreed to on August 8th. He said the tonnage will be very similar to that of the groups. T. Barbagallo said that for the landfill scenario E, the Board will need to provide some direction on what the maximum life the landfill should be. CSWD has determined tonnages and now it needs to determine the maximum life of the landfill so that it can be designed. P. Stabler commented that he is still comfortable with the numbers agreed upon at the August 8th meeting. T. Moreau said that he will publish the tonnage numbers that he is comfortable with and will include them in the upcoming board packet.

T. Moreau reported that he went with Cathy Jamison from the State of Vermont DEC to look at a C&D facility in New Hampshire and learned about some difficulties that

this facility is facing particularly with contaminated wood. The State of New Hampshire has recently passed legislation preventing the burning of wood from C&D and some facilities in Maine that were burning C&D wood stopped because they will no longer be eligible for renewable energy credits. Additionally, the State of Maine has new legislation that requires facilities that burn C&D wood to burn equal amounts of virgin wood. All this has made the markets difficult. T. Moreau noted that it is looking doubtful that C&D could be done any better than what CSWD had initially projected without political change. P. Stabler asked that T. Moreau develop his sheet and provide it to the full board for review.

K. Nolan said that he felt that we should work on the political side of this issue. K. Nolan said that VT ANR Secretary George Crombie has stated that CSWD may not need a landfill, there are no rule changes pending, so other landfills will need an expansion. K. Nolan summarized that CSWD can't be responsible for upgrading the standards of landfills, and the State isn't proposing change the rules, yet CSWD is left with the responsibility. T. Moreau agreed that VT ANR should upgrade the landfill design criteria such as those presently used for New York landfills. He further stated that CSWD shouldn't be imposing higher standards for other Vermont landfills but should rather be responsible for the Chittenden landfill. T. Barbagallo commented that he feels the numbers for future waste diversion in the spreadsheets are extremely optimistic. M. Coates commented that he did not feel they were. He said that he feels that municipal waste is no longer a waste but a renewable energy.

T. Moreau commented that there are not a large number of municipalities bonding for landfills to look at because these facilities are more generally being built by the private sector. T. Moreau said he questions whether CSWD can get flexible financing for a landfill to level off the tip fees. Additionally Tom feels that Wall Street may be skeptical because there are fewer municipalities bonding for landfill projects. T. Moreau said that CSWD will send a memo in the full board packet on bond, dollar amount, and longevity of a landfill. T. Barbagallo also said that the board will need to discuss whether or not to maintain the \$20 per ton differential between the proposed CSWD landfill and the existing privately operated transfer stations. This was originally proposed but the recent U.S. Supreme flow control ruling in April 2007 may make this less necessary. T. Moreau questioned if the project was financially identical to the current system but had environmental benefits would the board choose to go forward or are we constricted by dollar amount or being competitive with the private sector. T. Moreau said that following the presentation of the REDONA project it is clear that gasification is not ready for implementation but he is concerned about these types of processes because they could undermine our bonds if they become cost effective in the future. T. Moreau said there has been some significant changes during the landfill design process including the allowance of flow control and that initially CSWD compared the proposed landfill tip fee to an estimated \$86 per ton at the existing private transfer stations and now it's more like \$73 per ton for high volume customers.

T. Moreau said that CSWD staff will probably recommend using consultants for advice on organics collection and processing and franchising. Staff will write a primer on emerging technologies. P. Stabler said that the board will need to come to a consensus on what to include in the parameters to be set for Scenario E.

Agenda #7. Program Updates

T. Moreau summarized that the MRF is doing well. He also noted that the receivables policy that was passed in July is working well and the amount owed for those paying later than 90 days is the lowest it has been in 12 years.

T. Moreau said that CSWD will announce October 1, 2007 that we will now be accepting #3-7 plastic. This will then lead into further board discussions on franchising, Pay-As-You-Throw, and recycling carts.

Agenda #8. Other Business

A. Jewell mentioned that the City of South Burlington will no longer have space available for the monthly board meetings. She noted that she called the Williston Fire Department and they have room for us but only have 15 parking spaces. M. Coates suggested calling the Williston Police Station.

T. Moreau said that T. Barbagallo and B. Wright are looking at the option of expanding the Special Waste Facility to a source separated facility and moving the Williston DOC. More information will be provided at a later date.

J. Ticehurst mentioned that there will be a Finance Meeting on October 3, 2007 with Smith Barney.

ADJOURNMENT

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

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