

Draft
CHITTENDEN SOLID WASTE DISTRICT
IN-PERSON/ZOOM MEETING
March 27, 2024 - Regular Meeting

PRESENT

BOARD MEMBERS:

Bolton	-----
Burlington	Lee Perry
Charlotte	Ken Spencer
Colchester	Liz Hamlin Volz
Essex	-----
Essex Junction	Mike Sullivan
Hinesburg	Rick McCraw
Huntington	-----
Jericho	Tom Joslin, alt.
Milton	Henry Bonges
Richmond	-----
Shelburne	Margy Wiener Matt Lawless, alt.
So. Burlington	Paul Stabler Allison Lazarz
St. George	-----
Underhill	Paul Ruess
Westford	Katie Frederick
Williston	Kelton Bogasky
Winooski	Rachel Kennedy, alt.

STAFF: Sarah Reeves, Amy Jewell, Jen Holliday, Josh Estey, Brian Mital

OTHERS PRESENT: Thomas Melloni, atty.

AGENDA:

1. Agenda
2. Public Comment Period
3. Consent Agenda
4. Solid Waste Management Ordinance
5. FY 25 Budget Adoption
6. ORF Contamination Policy
7. Other Business
8. Executive Session

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1. **CALL TO ORDER and AGENDA** - Chair Paul Ruess called the meeting to order at 6:00 p.m.
 2. **PUBLIC COMMENT PERIOD** – No public present.
 3. **CONSENT AGENDA** – Accepted as presented.

4. Solid Waste Management Ordinance – S. Reeves said that CSWD is proposing a \$3/ton increase to the solid waste management fee (SWMF) from \$27/ton to \$30/ton for FY 25. This will be discussed further during the Proposed FY 25 Budget process, which is next on the agenda. She said that because the SWMF actual rate is specifically listed in the Ordinance, the adoption and the budget need to be accompanied by an ordinance change. It was noted that to amend an ordinance the CSWD Board of Commissioners must vote to adopt the change at a publicly warned meeting of the municipality and then post the changes according to the process laid out in Vermont statute.

Given the administrative nature of the proposed change, the multiple discussions to date, and the fact that warning the proposed change at a regular District business meeting, where minutes will be recorded satisfies the requirements in the law, staff is comfortable moving forward without a formal hearing and comment period. If the change is adopted by the CSWD Board of Commissioners, staff will complete the statutory process, starting with posting the change in the municipality (typically we seek to post in every member community) and publishing the change in a widely circulated newspaper within fourteen days of adoption. She noted that this has been discussed at four Board meetings, each of which provided the public opportunity for comment. Comment was received from one stakeholder at the November 2023 Board meeting.

P. Stabler asked about previous discussions of removing the SWMF setting from the ordinance, and instead place the fee setting within the budget process. S. Reeves noted that further discussion needs to be held if we move in that direction. She said that including the SWMF change with the budget process would provide far more opportunity for public comment than there would be through our normal ordinance change. Further discussion was held on the \$3/ton increase and whether it should be higher given the length of time since the last increase. S. Reeves said that those discussions were held internally, and management feels comfortable with the proposed \$3/ton increase.

MOTION by K. Frederick, Second by H. Bonges, be it Resolved that the CSWD Board of Commissioners hereby approves a change to the District’s Solid Waste Management Ordinance Section 8.2 Amount of Fee., replacing the current language with “The Solid Waste Management Fee is \$30.00 per ton.” This change shall take effect July 1, 2024. VOTING: One Nay – K. Bogasky, Williston. Others – All Ayes. Motion Carries.

Agenda #5. FY 25 Proposed Budget S. Reeves presented a PowerPoint of the FY 25 Proposed Budget proposal. She noted that CSWD’s Gross Profit is budgeted at \$15,795,458 and total expenses are budgeted at \$16,083,295. She said that the largest income sources include tipping fees, material sales, and the SWMF. The largest expenses come from materials management and payroll expenses. She noted that many municipalities have payroll fees over 50% of the budget, and CSWD is at 38% with a total budgeted expense of \$6,098,649. The income before transfers would result in a \$287,837 shortfall to be satisfied through reserves.

S. Reeves reviewed the total operating department budget, which is up 5% from the FY 24 Budget and is budgeted at \$10,996,331. She noted that we have budgeted for additional positions related to the MRF project. She reviewed each operating program and noted the following:

- MRF – income \$5.7M and expenses of \$43M. This includes a contract with Addison County for 4,200 tons, a 7% increase in expenses, and a \$90/tip fee.
- ORF – Revenue at \$1.01M and expenses at \$1.27M, which includes no increase to inbound tonnage and no tip fee increase.

- DOCs- Income at \$3.2M, expenses at \$3M, which includes no increase to bag fees and opening the Burlington DOC to accept additional material.
- Property Management – income at \$12k, Expenses at \$82k, which includes discontinued leases at most rental properties.
- Biosolids – CSWD is a fiscal agent and receives a small per ton management fee and this program includes a five-year extension to the existing service agreement.
- Closed Landfill – includes increases of costs associated with materials management and assigning money to skilled trade and engineering.
- Maintenance & Roll-Off – Income is \$0 and Roll-off is \$744k, which includes shifting this program to the operating department, is no longer allocated out to specific departments, and purchasing a new enclosed trailer.

S. Reeves reviewed the Administrative Departments, which includes a 14% increase to revenues over FY 24 and a 10.5% increase to expenses over FY 24. She shared that the administrative program includes the following:

- SWMF – estimated revenue of \$3.7M, which includes increasing the fee to \$30/ton.
- Administration – includes adding a software developer position and an increase to consultant expenses.
- Compliance – includes an increase to legal services and a compliance manager position.
- Finance – include a \$120k increase to interest revenue, an increase to travel & training, and a decrease to administrative costs.
- Outreach & Communications – includes a decrease to staff by .15 FTE, decrease in travel expense, and an increase to marketing and advertising costs for the education campaign for the new MRF.

S. Reeves reviewed the Capital Projections, which included an FY 24 balance of \$10,839,155 estimates a FY 25 balance of \$6,261,967.

S. Reeves reviewed the Reserve Transfers, which outlines transfers from reserves and transfers to increase reserves. She noted that we are conservative when we budget in certain areas and those numbers could adjust slightly. The Reserve Fund Draw explained where we might be conservatively under-budgeting and where we have conservatively over-budgeted.

Discussion was held on the following:

- Further explanation and discussion on the reserves and the waterfall affect. Further detail was requested on the various buckets of money, what goes in and out of those buckets, from what programs, and how they change over time. S. Reeves noted the MRF is the largest contributor to the accounts.
- Further information regarding legal fees budgeted for FY 25 regarding flow control. S. Reeves clarified that this is a place holder to look at options and do additional research.
- Discussion on the ability to change the MRF tip fee throughout the year. S. Reeves noted that as a municipality we aim to hold our fees steady through the fiscal year. Per CSWD's contract with Casella to operate the MRF, we are required to provide Casella with a 45-day notice of a tip fee change, and although CSWD has had to do mid-year changes, it does not offer stability for our municipal customers.

K. Bogasky said that as a resident of Williston, he has seen the school and town budget rejected and understands that residents are struggling to make ends meet and younger people are leaving due to affordability of living here. He said that he would like to see CSWD sharpen pencils and see if there are other options besides raising the SWMF. S. Reeves said she understood and noted that CSWD is not raising the bag fees at the Drop-Off Centers, which provide an affordable option to hauling services, nor is the tip fee increasing at the Organics Recycling Facility. She said that we are also increasing services at Milton and Burlington, providing affordable solid waste management in those communities.

P. Ruess said that it is the responsibility of the finance committee to review the budget and dive into the weeds and thanked the staff and committee for the work on this budget. P. Stabler said that the committee met with staff for an all-day budget meeting and did request some budget changes, which were made, including raising the anticipated Average Commodity Revenue from the MRF by \$5/ton.

S. Reeves explained the budget approval process, which involves meeting with all 18 communities, who each have one vote, and not weighted votes. She noted that any community voting no, under our Charter, needs to provide detail, including the specific line item that the community is requesting be changed and provide their recommendation.

Motion by K. Spencer, Second by R. McCraw to accept the Proposed FY25 Budget as presented.

VOTING: One Nay – K. Bogasky, Williston. Others – All Ayes. Motion Carries.

Agenda #6. Organics Recycling Facility Contamination Policy - D. Goossen introduced the proposed ORF Contamination policy for approval and implementation on July 1, 2024. He said when Act 148 was passed, the increase in material was welcomed, but also came with challenges, including contamination. He informed the Board of the work that has been done to reduce contamination, which includes no longer accepting compostable products, increasing outreach and education to generators, hiring a full-time contamination and quality control lead, purchasing a trommel screen to remove contamination early in the process, and hopefully purchasing an air classifier for trommel screen pre-screening stage. He said that hauler feedback has been that without an enforceable policy in place, reducing contamination is difficult.

He reviewed the contamination policy, which mirrors our existing CSWD MRF contamination policy and includes inspecting incoming loads. If the load is deemed contaminated, staff will complete a report that will be sent to the hauler and encourage the hauler to request outreach staff support. He said that CSWD does not want to fine anyone, and just wants clean incoming material. He said that fines will be charged based on the amount of contamination as shown in the handout. Also noted was that in some cases, the hauler knows where the contamination is coming from and CSWD could work with those generators, and in other cases it is harder to determine. He stated the excellent work that our outreach team is doing and said that schools can be problematic and referenced pictures of contamination. When we can identify the source and educate, contamination is reduced. The material coming from the DOC's is generally very clean and the only issue is the "compostable" liner bags, and that education can help with this.

D. Goossen said that even with the ORF tip fee and fines, it is still less expensive to compost than it is to go to the landfill. He said that the appeal process for fines would be referred to the compliance department and would follow that process.

S. Reeves said that this would come back to the Board at the April meeting with a request for approval.

Agenda # 7 Other Business – T. Joslin asked if there as any public reaction to the DOCs being closed on Saturday due to weather. We noted he had heard from a Jericho resident. S. Reeves said that there was one negative email, one negative comment on our social media feeds, and two positive comments regarding caring about staff.

Agenda #8. Executive Session – MOTION by P. Stabler, Second by K. Spencer that the Board of Commissioners of the Chittenden Solid Waste District go into Executive Session to discuss contract negotiations with the City of Burlington regarding the Flynn Avenue property and contract negotiations with the Town of Williston regarding the Host Town Agreement, 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 to permit authorized staff, other invited interested parties, and the Solid Waste District attorney to be present for this session. VOTING: All Ayes. Motion carried.

The Board entered executive Session at 8:07 p.m.

Motion by P. Stabler, Second K. Frederick to exit Executive Session and rejoin the meeting. VOTING: All Ayes. Motion Carried. The Board exited Executive Session at 8:14 p.m.

Motion by K. Bogasky, Second M. Weiner to adjourn the meeting. VOTING: All Ayes. Motion Carried.

Meeting adjourned at 8:15 p.m.

Amy Jewell, 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 South Burlington.

Amy Jewell, Secretary