

DRAFT
CHITTENDEN SOLID WASTE DISTRICT
ZOOM MEETING Only
March 8, 2023– Regular Meeting

PRESENT

BOARD MEMBERS:

Bolton	-----
Burlington	Lee Perry
Charlotte	Ken Spencer
Colchester	Liz Hamlin Volz
Essex	Alan Nye
Essex Junction	Mike Sullivan
Hinesburg	Rick McCraw
Huntington	-----
Jericho	Leslie Nulty
	Tom Joslin, alt.
Milton	Henry Bonges
Richmond	Logan Hegg
Shelburne	Margaret Wiener
So. Burlington	Paul Stabler
	Allison Lazarz, alt.
Underhill	Paul Ruess
Westford	Katie Frederick
Williston	Kelton Bogasky
Winooski	Bryn Oakleaf

STAFF:

Sarah Reeves, Jen Holliday, Nola Ricci, Michele Morris, Jon Dorwart,
Amy Jewell, Josh Estey, Jeannine McCrumb, Josh Tyler

OTHERS PRESENT:

Thomas Melloni, Esq.

AGENDA:

1. Agenda
2. Public Comment Period
3. Consent Agenda
4. Executive Session
5. MRF Contract
6. FY 24 Budget Adoption
7. Other Business

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1. **CALL TO ORDER and AGENDA** Chair Paul Ruess called the meeting to order at 6:00 pm. Thanked Tim Loucks for twelve years of service, introduced Margy Wiener as the new Shelburne Commissioner. Additionally, congratulated Bryn Oakleaf on their re-election to the City of Winooski's City Council.
 2. **PUBLIC COMMENT PERIOD** - No discussion.

3. Consent Agenda – The Legislative Update (3.7) and SMI contract (3.6) were pulled from the consent agenda. Removing these items, the consent agenda was approved.

3.6 SMI Contract – Question: Regarding 20% non glass residue threshold: What would happen if a load exceed that percentage, or if an item was tested at a higher percentage.

- J. Tyler responded that SMI tested our glass, and it came in at 11% or 12%, so CSWD presented 20% so we wouldn't run into problems with contamination levels. If a load was higher than the 20% threshold, CSWD would either get charged a contamination fee or if SMI isn't able to process the material and needed to dispose of the material then disposal costs would be passed back to CSWD.
- P. Ruess noted that costs presented identified when glass quality is poor (winter), and the rate would save significant money per ton. In better conditions, what is the normal cost-per-ton? Staff note that we currently pay \$15/ton to Whitcomb quarry to take it for blending portions into road subbase per ANR specifications.
- A. Lazarz asks if the new MRF will have indoor glass processing capabilities. S. Reeves responds that, yes, this will be include in the MRF.
- M. Weiner asks if the three years in the SMI contract sync up with the new MRF, which is confirmed.
- Discussion is held regarding the \$96/ton, one year and two one-year extensions, with no CPI (consumer price index, related to inflation).
- Discussion of tonnage we need to take to SMI – minimum that we have to meet is 27 tons/ 3 loads a week.

Motion by P. Stabler/Second by R. McCraw, Be it Resolved that the Board of Commissioners authorizes the Executive Director to enter into an agreement with Strategic Materials Inc., of Houston, TX, for a three year term commencing on March 8th, 2023 through March, 2026 for the services to manage wintertime glass generated at the CSWD Materials Recovery Facility in accordance with the attached Glass Recycling Service Agreement, at a cost not to exceed \$120,000 annually. VOTING: All Ayes. Motion passed.

3.7 Legislative Updates - P. Stabler requests an update on the potential extension of the bottle bill: including timing, impact on ability to pay the bond for the MRF.

- J. Holliday shared that the legislature is off this week for town meeting and returns next week. Next week is crossover: if bill hasn't moved by that date, it cannot become law. This version of the bill is seeing its first year in the biennium.

-Bill H 158 passed out of Energy last week and went to Ways & Means where it was taken up on Friday for considerable discussion, but they haven't had any testimony on it. Possibly, this bill will be taken up Tuesday and reviewed. If the bill is moved out of Ways and Means by next Friday to the floor, there could be action on it this year.

As far as the impact on CSWD MRF and paying back the bond, staff have done some analysis on what expansion would do to the MRF. For example, this bill would likely pull out quality commodities, including PET and aluminum. The exact cost is hard to estimate, as price goes up and down, and we don't have clear understanding of what the redemption rates will be versus the blue bin system. The way the bill is being changed, the language is much more aggressive. Producer responsibility management of program will have to meet certain goals, the redemption rate will increase if these goals are not met. Eventually, the assumption is that we'll see more materials being redeemed over single stream. J. Holliday gave testimony to House committee and may give testimony to the Senate. Further research is needed, for example, the Producer Responsibility Organization does have to do an analysis to determine the

impact. S. Reeves noted paper and fiber products are 78% of what we take. The new MRF is designed to maximize the fiber products and we're targeting materials such as Polypropylene, which have a strong market and are growing. Plans for mitigating the effects of the proposed bottle bill is ongoing.

Agenda #4. Executive Session.

MOTION by K. Frederick, Second by L. Nulty that the Board of Commissioners of the Chittenden Solid Waste District go into Executive Session to discuss the Town of Williston Water Line and the MRF Contract, 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 reconvened the meeting at 6:40 p.m.

Agenda #5. T. Melloni recommends that as part of public record of the Board of Commissioners, the memorandum as presented in Executive Session by the the Executive Director and any material changes from the existing contract be placed in the public record.

Motion to approve the contact between CSWD and Casella Waste Systems as described by the Executive Director. Moved by P. Stabler South Burlington, seconded by K. Frederick Westford. VOTING: All Ayes; one abstention. Motion passes.

P. Stabler extended appreciation to Casella for their work in the process.

Agenda #6. FY 24 Budget Presentation

S. Reeves presented the Budget.

- Budgeted revenue compared to actual FY 22 shows significant drop in material sales
- Budget expenses against actual FY 22 shows jump in Admin costs (new building)
- FY 24-FY 29 Capital intensive (new MRF & DOC upgrades)
- Reviewed sources of funding and explained programs.
- Solid waste management fee remains at \$27/ton but requested a discussion for FY 25 Budget
- MRF – tip fee increase to \$85/ton, regarding impact of processing fee with Casella
- ODF- increase from \$65/ to \$75/ton, result of Casella depackaging facility creating loss tonnage
- DOC – increase to bag fees \$3/small, \$8 medium, \$11/large to eliminate subsidy
- FY 24 Bottom line – get to net zero, revenue and expenses line up and reviewed transfers
Revenue up 9.8%, expenses up 8.7% increase
- Staffing review – up 1.4% total compensation package.
- Capital Plan – FY 23-FY 25 Authorization to spend
- Fund Equity – (other than Landfill Post-Closure are stable) keeping eye on landfill post closure is now projected
- Adoption – process

Discussion:

1. **What is the large increase in the ODF?** Decrease in revenue from previous covid spike. Decrease in tonnage of food scraps, drop in inbound tons that affected inbound revenue.

L. Nulty, chair of the Finance Committee, presented comments on the budget process. She noted that this budget was fairly challenging, as staff moved out of Covid environment and out of economic uncertainty and could well prove to be too optimistic. For example, the Federal reserve continues to raise interest rates, whether that will effect Chittenden County remains to be seen. Difficult environment for projecting various revenue streams. A lot of grappling with the issue of changing pricing at the DOC and not changing at the Solid Waste Management Fee. This is a larger, philosophical question of principle; in retrospect, the Finance Committee is not the right place for that conversation. We didn't want the DOCs to be an ongoing operation that requires a subsidy, but whether the user fee is the right place to fund that is a question that needs to be discussed at the Board level. Raising the Solid Waste Management Fee as a deterrent to reduce generation of solid waste could be an option but requires a conversation. Difficult capital budget, we have a several significant upgrading initiatives Burlington & Milton DOC and the usual equipment replacement schedule, and staff has created a calendar that makes conversation easier.

A separate conversation might want to be held regarding the investment of idle funds. A few years ago, with investable funds in reserves, the District simply stopped doing money in bank accounts. Now we are looking at what portion of reserves fund could we use to place into allowable investment instruments into treasury bonds to generate some revenue. It will be a supplement if/when we succeed on this.

Comments also shared from P. Stabler – appreciated the write-up. Asked for clarification on new software. NetSuite in second year, learned a lot, second year in budget process. Management did great job budgeting earlier than normally done. Utilizing budget module in NetSuite and for the support she provided and using these modules, makes it much easier budget-to-actual and produce reports to be able to be very smooth. Some formatting difficulties, were able to provide the budget two months earlier than normal. The purpose to have this done was to give member towns to give adequate notice. Accomplished that goal.

P. Stabler noted his desire to determine actual costs by material and have that discussion.

B. Oakleaf – has the staff considered having an Ad Hoc Committee to discuss materials management and equities that should be considered. Having additional discussions, updated plan of action with the thresh-holds could be worth it.

P. Ruess – Average Commodities Revenue – MRF – conservative hard to determine, it's up and down monthly.

Discussion of Proposed Changes in DOC Operating Hours and Bag Prices.

- S. Reeves two facilities open on Monday, Williston and South Burlington, only allowed to operate one day per week in Hinesburg. Move to a Tuesday through Saturday schedule improves facility access for Maintenance and Roll-Off staff, and increases service to the community by opening five of six DOCs five days a week. Supports offering two days off in a row for DOC operators. Clearer communication to the public.
- B. Oakleaf – consistency will be nice, having better predictability will be helpful.

- A. Nye – notes customer concerns regarding ODF hours for business options, to which D. Goossen responds. – rerouting of traffic, late to come but by this summer, wood waste depot alongside yard debris, be able to start earlier for that 7:30 a.m. start, by July for commercial material.
- L. Hamlin-Volz- voiced support for consistency for Tues – Sat schedule and for providing DOC staff two days off in a row.
- K. Bogasky - not having an option on Monday and not having clean outs on a Monday, at any of our locations. What the usage rate is on a Monday, before feeling comfortable?

B. Oakleaf – Revisit the decrease in salaries and wages/benefits. M. Morris is retiring, new position IT dept. Explanation of duties that will transfer out of O&C, reduction mostly related that and some of those costs are going to the Admin Charge.

R. McCraw- assuming changes occur, will need to be some messaging, rates are going up but not because the MRF. S. Reeves yes, all facility costs have gone up. Held off of increases. We could significantly raise the Solid Waste Management Fee or we could raise bag fees. We have heard from customers and staff that our prices are low; even raising prices means that CSWD will remain a viable option versus curbside.

L. Hamlin-Volz – What are the costs pre-Covid for middle and large bags, as a frame of reference; doing the math, folks will continue to do the math of paying for removal of waste. S. Reeves notes that a small bag was \$2.75, medium bag was \$5.50 and large bag was \$7.50.

B. Oakleaf – Where is the discussion on accepting credit cards as a form of payment? J. Tyler shares that sites have upgraded Internet abilities to take credit cards; completed in fall 2022. N. Ricci is looking into companies to accept credit cards that can use both the POS system (Keystroke) and our back end(NetSuite), and reconcile both. The goal is to roll this out as soon as possible; research will continue for an addition month or two, possibly summer (July 1st), but there are some pretty key back of the house issues left to be reconciled. M. Sullivan shares that sometimes if you pay cash it's cheaper. Just an option to avoid the fees of credit cards.

Motion to accept the FY24 Budget as presented. Moved by B. Oakleaf Winooski; seconded by B. Stabler South Burlington. VOTING: All ayes. Motion passes. Next steps: S. Reeves to present Board to member cities and towns for their votes.

Other Business – We have a tentative schedule for March 22, 2023, we may not need to have that meeting.

Motion to adjourn. Moved by L. Nulty Jericho; seconded by A.Nye Essex Junction. VOTING: All ayes. Motion passes. Meeting adjourned at 8:00pm.

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 Williston.

Secretary

Amy Jewell,